



CALIFORNIA ALTERNATIVE ENERGY AND ADVANCED
TRANSPORTATION FINANCING AUTHORITY

915 Capitol Mall
Sacramento, CA 95814
p (916) 651-8157
f (916) 589-2855
caeatfa@treasurer.ca.gov
www.treasurer.ca.gov/caeatfa

**CALIFORNIA ALTERNATIVE ENERGY
AND ADVANCED TRANSPORTATION
FINANCING AUTHORITY (CAEATFA)**

**REQUEST FOR PROPOSAL-Secondary
CONTRACT NO. CAEATFA03-20
Trustee Services for the California Hub for Energy Efficiency
Financing (CHEEF) Programs**

Notice to Prospective Proposers

MEMBERS

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Director of Finance

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Chair
Energy Commission

MARYBEL BATJER
President
Public Utilities Commission

EXECUTIVE DIRECTOR
VACANT

October 6, 2020

You are invited to review and respond to this Request for Proposal (“RFP”) Number CAEATFA03-20. The California Alternative Energy and Advanced Transportation Financing Authority (“CAEATFA” or the “Authority”), a public instrumentality of the State of California, seeks to retain a qualified firm (“Trustee” or “Contractor”) to manage funds for the California Hub for Energy Efficiency Financing (“Hub” or “CHEEF”) energy efficiency financing programs (the “Programs”). Interested firms are invited to submit proposals in response to this RFP.

Proposals for these services must comply with the instructions included in the RFP. The RFP includes the Sample Standard Agreement the selected firm will be expected to execute. The agreement that will be entered into with the State of California (“State”) will include by reference the General Terms and Conditions and Contractor Certification Clauses which may be viewed and downloaded online at:

<https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>

The General Terms and Conditions and all Exhibits that are a part of the Sample Standard Agreement are not negotiable. By submitting a proposal, your firm agrees to the terms and conditions stated in this RFP.

In the opinion of CAEATFA, this RFP is complete and without need of explanation. However, if you have questions, or should you need any clarifying information, the contact person for this RFP is:

Jessica Arceo
California Alternative Energy and
Advanced Transportation Financing Authority
915 Capitol Mall
Sacramento, CA 95814
(916) 651-5101
caeatfa@treasurer.ca.gov

Questions regarding this RFP must be submitted in writing no later than October 13, 2020 at 12:00 p.m. (noon) PST. Responses to the questions will subsequently be posted within several days on the Department of General Services (“DGS”) website and the CAEATFA website.

Please note that no verbal information provided will be binding upon the State unless such information is issued in writing as an official addendum.

Table of Contents – RFP CAEATFA03-20

A. PURPOSE AND DESCRIPTION OF SERVICES 1

 1. Introduction 1

 2. CAEATFA Background and Overview 1

 3. Energy Efficiency Financing Programs Background and Overview 2

 4. Scope of Work..... 5

 5. Term of Agreement 9

B. MINIMUM QUALIFICATIONS FOR PROPOSERS..... 10

C. PROPOSAL REQUIREMENTS AND INFORMATION..... 10

 1. Key Action Dates..... 10

 2. Content and Format of Proposals 11

 3. Submission of Proposals..... 13

 4. Evaluation Process 15

 5. Award and Protest..... 17

 6. Disposition of Proposals..... 17

 7. Agreement Execution and Performance 17

D. PREFERENCE PROGRAMS 17

 1. Small Business or Microbusiness Preference 17

 2. Non-Small Business Preference 18

 3. Disabled Veteran Business Enterprise (DVBE) Incentive Program – OPTIONAL 18

 4. Target Area Contract Preference Act (TACPA) 19

E. REQUIRED ATTACHMENTS..... 19

 Attachment 1 – Required Attachment Check List

 Attachment 2 – Proposal/Proposer Certification Sheet

 Attachment 3 – Key Personnel and Experience

 Attachment 4 – Proposer References

 Attachment 5 – Cost Proposal Work Sheet

 Attachment 6 – Payee Data Record (STD 204)

 Attachment 7 – Contractor Certification Clauses (CCC-04/2017)

 Attachment 8 – Evidence of Qualification to do Business in the State of California

 Attachment 9 – Darfur Contract Act Compliance Certification

 Attachment 10 – California Civil Rights Laws Certification

 Attachment 11 – Small Business or Microbusiness Preference (if applicable)

 Attachment 12 – Non-Small Business Preference (if applicable)

 Attachment 13 – California Disabled Veteran Business Enterprise (DVBE)
 Participation Goal Program Instructions

 Attachment 14 – Target Area Contract Preference Act (TACPA) (if applicable)

 Attachment 15 – Bidder Declaration (GSPD 05-105)

F. SAMPLE STANDARD AGREEMENT (STD 213)

 Exhibit A – Scope of Work

 Exhibit B – Budget Detail and Payment Provisions

 Attachment 1 to Exhibit B – Cost Sheet

 Exhibit C – General Terms and Conditions
 (<https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>)

 Exhibit D – Special Terms and Conditions

 Attachment 1 to Exhibit D – Key Personnel Resumes

 Exhibit E – Additional Provisions

 Exhibit F – Third-Party Agreement Provisions

 Attachment 1 to Exhibit F – Information Security Requirements

A. PURPOSE AND DESCRIPTION OF SERVICES

1. Introduction

The California Alternative Energy and Advanced Transportation Financing Authority (“CAEATFA” or the “Authority”) seeks proposals from which to select a qualified firm (“Trustee” or “Contractor”) to provide assistance to the Authority with fund management administration for the several Statewide Energy Efficiency Financing Programs (“Programs”), authorized by the California Public Utilities Commission (“CPUC”), which are currently in various stages of implementation and development, as described below. In addition, as discussed below, these Programs are anticipated to grow and expand in their anticipated transition from pilots to longer term programs, both in the types of measures that can be installed and in their availability throughout the State. The Trustee will hold and disburse funds on behalf of CAEATFA and provide monthly account statements; monthly and annual transaction reports; and on-demand electronic account viewing to CAEATFA and lenders participating in the Programs.

The selection of the Trustee will be based not only on the reasonableness of the proposed fees, but also on assurances that the selected firm will provide competent and responsive service to CAEATFA in all subject areas described in the Scope of Work (Section A.4.), and will meet or exceed the Minimum Qualifications for Proposers (Section B). Demonstration of relevant experience should focus on similar services. The firm must be free from actual conflicts of interest not only at the time of selection, but throughout the term of the Trustee Contract (“Contract” or “Agreement”). The firm must be immediately available to provide the services that will be set forth in the Contract.

All proposals submitted to perform these services must explain the experience and qualifications of the firm which demonstrate the firm’s ability to provide these services. Failure to provide all of the requested information, or deviation from the required format, may result in disqualification. CAEATFA reserves the right to reject any or all proposals.

CAEATFA anticipates entering into a three-year Contract. **The total Contract amount may not exceed \$375,000.00 (Three Hundred Seventy-Five Thousand Dollars) over the entire term of the Agreement.**

Attached as Section F hereto is a proposed sample Contract for the services to be provided pursuant to this RFP. It includes the STD 213 Standard Agreement and other standard contract provisions to which the selected Contractor will be bound.

2. CAEATFA Background and Overview

CAEATFA works collaboratively with public and private partners to provide innovative and effective financing solutions for California’s industries, including access to low-cost financing through private activity tax-exempt bonds and loans, and other forms of financial assistance. CAEATFA assists in reducing the state’s greenhouse gas emissions by increasing the development and deployment of renewable energy sources, energy efficiency, and advanced transportation and manufacturing technologies to reduce air pollution, conserve energy, and promote economic development and jobs. CAEATFA is housed within the office of the State Treasurer.

CAEATFA’s Board consists of five members: the State Treasurer, who serves as chairperson of the Authority; the State Controller; the Director of the Department of Finance; the Chairperson of the California Energy Commission (“CEC”); and the President of the California Public Utilities Commission (“CPUC”). CAEATFA’s enabling legislation is contained in the California Alternative Energy and Advanced Transportation Financing Authority Act, Division 16 (commencing with Section 26000) of the California Public Resources Code.

3. Energy Efficiency Financing Programs Background and Overview

The California Hub for Energy Efficiency Financing (“Hub” or “CHEEF”) was first authorized by the CPUC in Decision D.13-09-044 (September 2013), as later modified by D.15-06-008, D.15-12-002, and D.17-03-026. The Programs were established to “test new and innovative strategies with consumers, contractors, and lenders, to help leverage ratepayer and private financing to assist in achieving our aggressive energy efficiency goals, as later articulated by Senate Bill 350 (DeLéon, 2015) which calls for a doubling of energy efficiency in buildings by 2030.”¹ The Programs focus on attracting and leveraging private capital, given that the State cannot meet its energy efficiency goals using the traditional approaches of the State’s four main Investor Owned Utilities (“IOU’s”) rebates and incentives, or on ratepayer or taxpayer dollars alone.

The Hub creates a centralized and standardized platform to develop an open-market infrastructure to encourage additional private capital investment for energy efficiency retrofits, while lowering financing costs and expanding access to capital for Californians. The Programs may offer various forms of credit enhancements (“CEs”) to provide additional security to participating financial institutions, thereby attracting more private capital to energy efficiency finance and expanding customer access to enhanced financing terms. The Programs may also include on-bill repayment (“OBR”) functionality and mechanisms, which will test whether payment on the utility bill increases debt service performance across market sectors. Both CEs and OBR are, or will be, implemented across multiple sectors, as further described below. Primarily, the Programs are designed to:

- a) Attract a greater amount of private capital to the energy efficiency retrofit market by mitigating risk for lenders,
- b) Broaden the availability of financing to individuals who might not have been able to access it otherwise, and
- c) Address the upfront cost barrier to energy efficiency retrofit projects.

A collaborative effort between CAEATFA, the CPUC, and the IOUs, the CHEEF may provide over \$30 million in CEs to support private capital investment in energy efficiency upgrades. Funding has also been allocated for outreach to finance companies, outreach and training to contractors, marketing to end users, and OBR functionality. As the Programs are evaluated and transition from pilots into longer term programs, funding sources may change, eligible projects may be expanded to include additional measures, and the programs may be expanded to include project sites statewide, not just within IOU territories.

While this RFP includes common terms such as “borrower,” “lender,” “loans,” “leases,” and “financings,” the Programs may support multiple types of financing products, including: loans, leases, equipment finance agreements, retail installment contracts, energy service agreements, and more. The Programs may also partner with various types of financing providers, including: banks, credit unions, community development financial institutions, lenders, equipment lease companies, fintech and energy service companies.

The Programs encompass multiple market sectors, have launched sequentially, and are in various stages of implementation and development. Each program has been authorized for an initial two-year period. After the two-year period, each Program has been, or will be, evaluated and the CPUC will consider its continuation and/or potential modifications. At this time, the small business and affordable multifamily programs are still in their pilot phase and each is expected to continue to be implemented through its evaluation period (estimated to range from 12 to 18 months). The residential program is currently transitioning from pilot to full program. The residential, small business, and affordable multifamily programs each utilize a credit enhancement in the form of a loss reserve fund to encourage broader access to financing. In most cases, the loss reserve fund also allows Program financing to be offered at more attractive terms than what a customer would be able to access on the

¹ D. 17-03-026, page 2.

open market. The CE is also designed to incentivize broader access to financing with tiered incentives based on borrower income profile and/or credit worthiness. The Programs include:

- **The Residential Energy Efficiency Loan (“REEL”) Assistance Program** supports financing for energy efficiency retrofits to properties consisting of up to four residential units including single family homes, duplexes, triplexes, quadplexes, townhomes, and manufactured homes with permanent foundations. The first financing under the REEL program was enrolled in July 2016. As of September 1, 2020, the program has seven (7) participating credit unions, and 450 participating contractors, which have enrolled 847 loans totaling more than \$14.1 million. This program has been evaluated by the CPUC’s Evaluation, Measurement and Verification contractor, and the CPUC approved its transition from a pilot into a full program on April 16, 2020.
- **The Small Business Program** supports loans, leases and service agreements, and savings-based payment agreements for small businesses. The Small Business pilot currently has three (3) enrolled finance companies, and enrolled its first financing in July 2019 under a limited launch. In September 2019, the program fully launched when CAEATFA’s master servicer deployed a web-based user interface to assist in collecting data from participating contractors and enrolled finance companies. As of September 1, 2020, the Small Business Program had seven (7) financings enrolled totaling more than \$1.4 million, as well as 35 Contractors, and 12 Project Developers participating.
- **The Affordable Multifamily Financing Program** supports energy efficiency and demand response improvements on deed-restricted affordable housing properties. This pilot Program is live as of May 2019, and supports loans, leases and service agreements, and savings-based payment agreements. As of September 1, 2020 there are two finance companies enrolled.
- **On-Bill Repayment (“OBR”) Functionality** will also be offered to test whether this service is an effective tool to strengthen lender and borrower participation in energy efficiency retrofits. The CPUC initially proposed a stand-alone pilot that offered OBR only, without CEs, for large commercial and MUSH (municipal, university, school, and hospital) buildings. This stand-alone pilot may be developed in the future, however CAEATFA currently intends to provide OBR functionality as an option to the small business and affordable multifamily pilots. There is also a REEL sub-pilot in PG&E territory with a modified version of OBR authorized as the Energy Finance Line Item Charge (“EFLIC”) program that may be implemented in the coming years.

More information on the Programs can be found at www.gogreenfinancing.com as well as www.treasurer.ca.gov/caeatfa/cheef.

CAEATFA’s Role

CAEATFA assumed the role of the administrator of the Hub in 2013. CAEATFA serves as a facilitator among multiple stakeholders, including among others, the CPUC, the IOUs, lenders, and energy efficiency retrofit contractors. Its responsibilities include the management of the CE, flow of funds and data for the Programs, and provision of an over-arching structure through which those stakeholders can participate in a standardized “open market” that facilitates financing of energy efficiency projects in California. CAEATFA promulgates regulations for the Programs through the public rulemaking process, and develops standard program documentation for use by lenders, contractors and project developers, and borrowers. The CPUC further directed the IOUs to contract with CAEATFA to establish procedures, terms and conditions for the primary CHEEF functions of fund management, financial product data and borrower data management, and OBR mechanisms.

In addition, CAEATFA enters into contracts for services necessary to implement the Programs, including Trustee services as contemplated by this RFP. The Trustee holds and transfers all CE funds between accounts, at the direction of CAEATFA (or its delegates), on behalf of the IOU ratepayers and the lenders. Other contractors include the Master Servicer, which plays a key role in the daily administration of the Programs, accepting loan enrollment applications and processing OBR transactions. CAEATFA also contracts with a Contractor Manager(s) that assists with program and industry-specific training and enrollment and oversight of energy efficiency retrofit contractors

participating in certain Programs. Further, CAEATFA receives design and implementation assistance from various technical assistance providers and industry experts.

The Energy Efficiency Financing Program Implementation Credit Enhancement Structures: The Programs will predominantly use a loss reserve structure to offset lenders' losses on charged-off financings thereby mitigating lenders' risk. CAEATFA may develop other credit enhancement structures to address gaps in specific markets during the program development period and beyond.

A loss reserve sets aside a certain amount of money (reserve) for each eligible financing into a pool to cover potential losses in case the lender ultimately charges off a financing for non-payment. The lender's loss share (an agreed percentage of the loss) of the total financing may be recovered by the lender from its total loss reserve portfolio. The lender remains at risk for the remainder, as well as for aggregate losses in excess of its pool limit. As noted above, the loss reserve structure is currently the predominant credit enhancement that will be used under the Programs, however, other structures may be developed as a result of the public stakeholder process and program design.

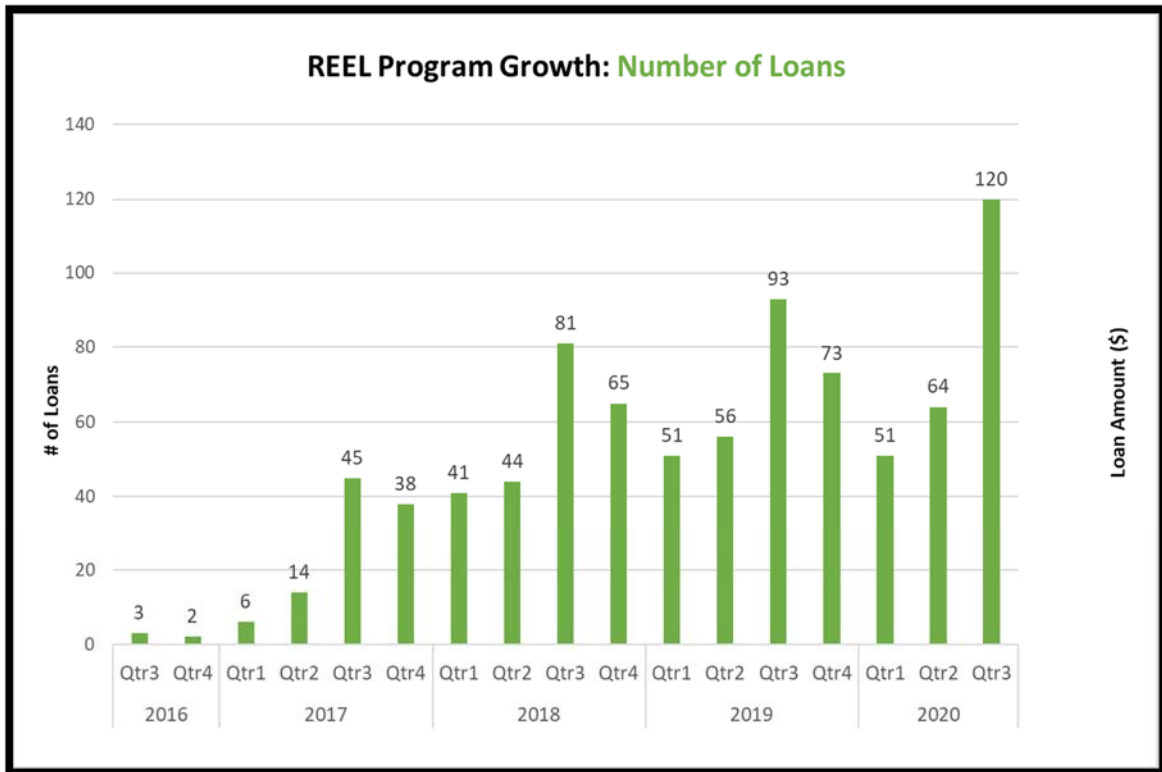
Operational Reserve Fund: The operational reserve fund ("ORF") is designed to cover unintended delays in the remittance of customer payments to lenders that participate in on-bill repayment, resulting from a variety of circumstances. The ORF is designed to mitigate risk to lenders in receiving delayed customer payments due to interruptions in the normal remittance process that were no fault of the lender. ORF usage is designed to be used on a temporary basis and is to be reimbursed when the delay to the remittance process is cured. While the Trustee Bank plays a key role in the management of Credit Enhancement funds, the Trustee Bank will NOT hold nor manage the ORF. The Trustee Bank *may* occasionally be asked to process a payment to the ORF (details below).

The table below includes the CEs authorized for each Program. These estimated CE funds can be used to extrapolate the potential size of the various programs. In addition, CAEATFA was provided with the authority to 1) shift funds between programs as needed in order to address demand in any specific program during the implementation period, and 2) explore various program structures.

Program	CE Funds Authorized ²
Single Family Loan Program	\$20,998,913
Multi-Family Program	\$2,127,008
Small Business	\$9,910,103
Non-Res OBR w/o CEs	N/A

CAEATFA's experience has been that it takes time for each Program to generate uptake in financing activity. The COVID health crisis and corresponding economic slowdown has impacted program activity in the Small Business Program. For an indication of historical Program activity, see the below chart on REEL Program volume over time.

² The estimates for CE funds available draw from I budgets included in the IOUs' Program Implementation Plans submitted to the CPUC, and are subject to change.



Additional information about the Programs, including program regulations, can be found by accessing the websites below.

- For REEL: <https://www.treasurer.ca.gov/caeatfa/cheef/reel/index.asp>
- For Small Business: <https://www.treasurer.ca.gov/caeatfa/cheef/sblp/index.asp>
- For Affordable Multifamily: <https://www.treasurer.ca.gov/caeatfa/cheef/multifamily.asp>

Further program information provided to consumers and program users can be found at gogreenfinancing.com.

4. Scope of Work

Under the general direction, in writing, of the Executive Director of CAEATFA, or their designee, the Trustee agrees to provide services as described. Note the Programs are in various stages of implementation; the specific workload and deliverables associated with a specific program will correspond to those stages once the Trustee is under contract.

a. Establish and Maintain Accounts.

i. Accounts established pursuant to this RFP shall have the following requirements:

- a) As commercially reasonable, to be determined at the commencement of the Agreement between the Trustee and CAEATFA, all established accounts will be interest-bearing demand accounts that accrue interest in U.S. dollars unless the Trustee is directed by CAEATFA to place funds in another account type. Accounts shall not be subject to any fees or costs to be paid by the Trustee or CAEATFA. The CAEATFA Executive Director, or his/her designee, will give instruction in writing for the placement of funds.

- b) Upon the written direction to the Trustee from CAEATFA's Executive Director or designee, the monies in any account will be invested by the Trustee to achieve CAEATFA's investment objectives. Securities eligible for investment under this section shall be within the top three ratings of a nationally recognized statistical rating organization. Additionally, all investments shall be made in securities denominated in U.S. dollars and are limited to one or more of the following:
- Bankers' Acceptance
 - Time Deposits
 - Certificates of Deposit which shall be limited to negotiable certificates of deposits issued by a federally or state-chartered bank or savings and loan association, a state-licensed branch of a foreign bank, or a federally or state-chartered credit union.
 - Corporate Notes and Bonds issued by corporations organized and operating within the United States.
 - Commercial Paper & Asset Backed Commercial Paper of "prime" quality as defined by a nationally recognized statistical rating organization that rates these securities, if the commercial paper is issued by a corporation, trust, or limited liability company that meets the conditions specified in either subparagraph (1) or subparagraph (2):
 - (1) Both of the following conditions:
 - (A) Organized and operating within the United States.
 - (B) Having total assets in excess of five hundred million dollars (\$500,000,000.00).
 - (2) Both of the following conditions:
 - (A) Organized within the United States as a special purpose corporation, trust, or limited liability company.
 - (B) Having program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or surety bond.
- No purchase of eligible commercial paper may:
- Exceed 180 days' maturity.
 - Represent more than 10 percent of the outstanding paper of an issuing corporation, trust, or limited liability company.
 - Exceed 30 percent of the resources of the program funds available for investment.
- U.S. Treasury and U.S. Government Agency Obligations
 - Repurchase Agreements
 - Loan Participations
 - Tax-Exempt Municipal Obligations of any county, city, metropolitan water district, California water district, California water storage district, irrigation district in the state, municipal utility district, or school district of this state.
 - Institutional Money Market Funds
 - Automatic Investment Sweep Agreements
 - Interest Bearing/High Yield Demand Deposit Accounts.
- c) Interest shall accrue for the benefit of the IOUs, and any accrued interest that is not paid directly to an IOU shall be applied to fund in part the next deposit that that IOU is required to make to its IOU Holding Account.

- d) The Trustee will be authorized and directed in writing by CAEATFA's Executive Director or designee to transfer, hold, invest and disburse monies in the IOU Holding Accounts and any future additional accounts.
 - e) Each instruction from CAEATFA will be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. Upon receipt of an instruction signed by CAEATFA, the Trustee shall disburse the amount set forth therein as directed by the terms thereof. With regard to the Operational Reserve Fund described below, CAEATFA's designee, the Master Servicer, will provide instructions to the Trustee, and the Trustee shall have no duty to confirm the accuracy of such direction.
 - f) The monies in the IOU Holding Accounts and any future additional accounts are held in trust on behalf of the respective IOU ratepayers.
 - g) The monies deposited in a Lender-Program Accounts are held in trust on behalf of the respective IOU ratepayers, and are held for the benefit of the participating lender in whose name the account was created.
- ii. The Trustee will establish/maintain: :
- a) One **"IOU Holding Account"** for each of the four IOUs (four accounts)
 - b) One Program Credit Enhancement Account (**"Program Account"**) for each Program that utilizes a credit enhancement (approximately three accounts)
 - c) One **"Program Reservation Account"** for each corresponding Program Account (approximately three accounts)
 - d) One **"Program Interest Account"** for each corresponding Program Account (approximately three accounts)
 - e) Various **"Lender-Program Accounts"** the number of which is dependent on the number of lenders that enroll, and the number of programs in which each lender participates. Some participating lenders may request up to three accounts in order to segregate their loss reserve accounts for different investors or by credit or market segment.
 - As of August 1st, there were 12 lenders enrolled in the CHEEF Programs total, each requiring one (1) Lender Program Account. CAEATFA expects an additional 5-10 lenders to participate in the CHEEF Programs during the contract period.
- iii. CAEATFA will instruct the Trustee to establish Lender-Program Accounts for participating lenders as they are approved, for each Program in which they choose to participate.
- iv. CAEATFA may instruct the Trustee to establish, maintain and hold a separate Holding or Program account for any additional designated funds, including credit enhancement funds from sources other than IOU ratepayer funds, if other sources of funds become available. As of August 1, 2020, there were no other accounts needed. CAEATFA anticipates needing up to five (5) additional accounts during the contract period.
- v. At CAEATFA's request, each IOU or contributor of CE funds will transfer funds to the Trustee for deposit into the corresponding IOU Holding Account. CAEATFA will direct the Trustee regarding how those funds should be allocated to their respective Program Accounts.
- vi. At the termination of the Programs, or at such time as CAEATFA determines, the Trustee will be authorized and directed in writing by CAEATFA's Executive Director, or their designee, to remit any money remaining in the IOU Holding Accounts to the IOUs.

b. Process Transactions.

- i. Contributions to Lender Accounts: For each approved financing, CAEATFA will instruct the Trustee to transfer a designated CE contribution amount based on a percentage of the claim eligible principal amount of the financing being enrolled to the corresponding Lender-Program Account. CAEATFA will work with the Trustee to determine a timeline within which the trustee is to transfer funds into a Lender-Program Account after receipt of an instruction to transfer a designated CE contribution amount. The timeline will be based on standard business practices and the needs of both parties.
- ii. Claims for Reimbursement. If an enrolled financing is charged off by a lender, the lender may submit one or more claims to CAEATFA for reimbursement from their loss reserve account (Lender-Program Account). CAEATFA will instruct the Trustee, in writing, to withdraw funds for an approved amount from the corresponding Lender-Program Account and remit such funds to the lender by check or wire, in accordance with the relevant Program regulations. As of August 2020, the REEL program has had a total of 11 claims paid. There have been no other claims in other programs.
- iii. Recovery of Claims. If a lender subsequently collects or receives repayment of funds for a financing for which it received a claim reimbursement, the lender will refund the claim amount to the Trustee according to the relevant Program regulations. CAEATFA will instruct the Trustee to deposit the refunds into the Lender-Program Account or the appropriate Program Account. As of August 2020, the Programs have had one recovery – which occurred in the REEL program.
- iv. Loss Reserve Account Adjustments. On at least an annual basis, CAEATFA will compare the outstanding principal amount of enrolled financings for a lender to that Lender-Program Account. If CAEATFA determines that the Lender-Program Account balance exceeds the portfolio coverage percentage as defined in the relevant Program regulations, CAEATFA will instruct the Trustee to transfer a specified amount from the Lender-Program Account to the Program Account.
- v. Operational Reserve Fund Payments. As mentioned above in Section A, Item 3, the operational reserve fund (“ORF”) is designed to cover unintended delays in remittances of customer payments to lenders that participate in OBR, resulting from a variety of circumstances. The ORF account will be held by a different entity – a treasury management bank responsible for OBR cash flow payments under the direction of the Master Servicer. However, CAEATFA may from time to time instruct the Trustee to transfer funds from a Holding or Program Account to the ORF account. Additionally, CAEATFA may instruct the Trustee to transfer funds from a Lender-Program Account to the ORF account.
- vi. Monthly Interest Sweeps. On a monthly basis, the Trustee will sweep interest earned in all Program Accounts and Lender-Program Accounts into the corresponding Program Interest Account. At CAEATFA’s direction, the Trustee will remit the funds swept into the Program Interest Accounts and IOU Holding Accounts to the IOUs.
- vii. Debt Service Reserve Fund Payments. At the time of the CPUC’s initial authorization, CAEATFA was provided with the authority to develop a debt service reserve fund. While none of the programs currently include this feature, the Trustee must have the capability to carry out the following services if ultimately requested:
 - a) If a borrower fails to make a full debt payment, CAEATFA may instruct the Trustee to withdraw funds in the amount of the payment shortfall from the appropriate Program Account and remit to the appropriate lender by check or wire, in accordance with the relevant Program regulations.
 - b) If the borrower resumes payment (or pays the remainder on a partial payment), the lender will cause a transfer of funds to the Trustee as necessary to reimburse the debt service reserve. CAEATFA will direct the Trustee to deposit those reimbursements to the

appropriate Program Holding or Lender-Program Account. Alternatively, if the financing is charged off after receiving debt service reserve payments, CAEATFA will direct the Trustee to transfer a designated amount from the corresponding Lender-Program Account to the IOU Holding Account to reimburse the debt service reserve.

c. Reporting and Other Requirements.

- i. Monthly Account Statements. The Trustee will provide monthly bank statements (by the 15th day of the following month) to CAEATFA for each account. These statements will include balances, interest earned, transactions, and any changes or transfers during the month. The Trustee will also provide such statements:
 - a) to each IOU for its IOU Holding Account, Program Accounts, Program Interest Accounts and Lender-Program Accounts; and,
 - b) to each lender for its Lender-Program Account(s).
- ii. Monthly Transaction Reports. CAEATFA may ask the Trustee to provide a monthly report (by the 15th day of the following month) to CAEATFA for each program. The contents of the monthly report will be determined at a later date by CAEATFA, in consultation with the Trustee. CAEATFA anticipates the report will contain between 5 – 10 data fields.
- iii. Annual Transaction Reports. CAEATFA may ask the Trustee to provide a report by February 1st of each year to CAEATFA for each Program. This report will provide the information outlined in the Monthly Transaction Reports described above for the prior calendar year.
- iv. Unlimited On-Demand Electronic Account Viewing. The Trustee will provide unlimited on-demand electronic viewing access to staff authorized, in writing, by CAEATFA's Executive Director to view the appropriate accounts:
 - a) To designated CAEATFA staff or CAEATFA's authorized representatives for all accounts;
 - b) To designated IOU staff for the appropriate IOU Holding Account, Program Accounts, Program Interest Accounts, and Lender-Program Accounts; and
 - c) To designated staff at each finance company for all accounts held on its behalf.

d. Other Duties.

- i. The Trustee will perform such other duties or activities related to the specific tasks listed above as may be specifically requested in writing by CAEATFA.
- ii. The Trustee will meet, as needed, with CAEATFA and its staff at a location to be determined by CAEATFA.
- iii. In all respects, the Trustee will represent the best interests of CAEATFA, the IOUs and IOU ratepayers, and the State of California in all transactions and proceedings.

5. Term of Agreement

The term of the Agreement will be for a three-year period beginning January 1, 2021 through December 31, 2023 and may not exceed \$375,000.00 over the entire term of the agreement. The effective date is either the proposed award date (Section C, Item 1), or the date of approval of the Agreement by DGS, whichever is later. No work shall commence until the effective date.

B. MINIMUM QUALIFICATIONS FOR PROPOSERS

In preparing your proposal, please provide your firm's responses to the following requirements in the order listed in this RFP. Failure to meet the minimum qualifications will cause your proposal to be considered unresponsive and the proposal will be disqualified.

The firm **must have**, at a minimum, the following qualifications and experience:

1. Any Trustee appointed under the Contract must be a trust company, corporation or bank having the powers of a trust company that either:

- a. Has a combined capital and surplus of at least fifty million dollars (\$50,000,000.00), and is subject to supervision or examination by federal or state authority; or
- b. Is a wholly-owned subsidiary of a bank, trust company, corporation or bank holding company with an aggregate combined capital and surplus of at least fifty million dollars (\$50,000,000.00), and is subject to supervision or examination by federal or state authority.

If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority referred to above, then the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. The Trustee must, at all times during the term of the Contract, meet these minimum qualifications.

2. **An office established in the State of California.** Proposer and any subcontractor identified in the proposal must be qualified to do business in the State of California. Proposer must submit evidence with its proposal demonstrating compliance with this requirement by completing all required Attachments (1-15).
3. **Firm must have been in operation for a minimum of two (2) years providing the types of services required under the Contract.**
4. **Firm must not be a publicly traded corporation or subsidiary thereof that is incorporated offshore, even if the United States is the principal market for the public trading of the corporation's stock.**
5. **Firm must be free from conflicts of interest, not only at the time of selection, but throughout the term of the Contract as well.**
6. **Firm must be immediately available to provide the services that will be set forth in the Contract.**

C. PROPOSAL REQUIREMENTS AND INFORMATION

1. Key Action Dates

Prospective proposers are hereby advised of the following estimated schedule. Dates are subject to change due to administrative processing. Proposers must adhere to the RFP response submission due date and time.

<u>Date</u>	<u>Action</u>
October 6, 2020	RFP Advertisement – California State Contracts Register (“CSCR”). RFP available to prospective proposers.

October 13, 2020	Written questions must be received by CAEATFA by 12:00 noon. Responses will be posted within a couple of days on the CSCR and CAEATFA websites.
October 27, 2020	Proposals are due and must be received by CAEATFA at 915 Capitol Mall, Room 538, Sacramento, CA 95814, or Hand Delivered to 801 Capitol Mall, 2nd Floor, Sacramento, CA 95814 by 12:00 p.m. PST.
October 27, 2020 – November 6, 2020	Evaluation and selection of firm by evaluation committee. Determination of responsive proposals.
November 17, 2020	CAEATFA Board Meeting and Notice of Intent to Award
January 1, 2021	Proposed Award Date (or upon approval of Agreement by DGS)

2. Content and Format of Proposals

This RFP, the evaluation of the proposals, and the award of any resultant Contract will be governed generally by the rules of this section and applicable State policy. The Bidder Instructions (<https://www.dgs.ca.gov/-/media/Divisions/PD/PTCS/GSPD/Bidders-Instructions.ashx>) provide general information for potential proposers describing how to provide a responsive proposal.

Proposals must be organized in the format shown below and contain all of the information listed:

- a. Table of Contents.
- b. Executive Summary. Summarize the highlights of the proposal.
 - i. Conflicts of Interest. Firms must disclose any business relationships which may be construed to be potential conflicts of interest. CAEATFA may request interviews of firms for the purpose of clarifying any situations that could be construed to be a conflict of interest, and has the sole and exclusive authority to disqualify a firm if CAEATFA determines a conflict exists.
 - ii. Legal Actions. Describe any and all instances within the past 24 months of your firm's or any of its principals' involvement in any litigation, arbitration, disciplinary or other official actions arising from the firm's business.
 - iii. Investment of Public Funds. Please identify any known restrictions and/or limitations your firm may have regarding the investment of public funds.
- c. Firm Qualifications and Experience. CAEATFA expects to have a close working relationship with the selected firm as evidenced by the Scope of Work listed above, and requires the demonstration of a high degree of experience, training and proficiency in the conduct of the various functions performed. The firm should have a background in trustee operations, practices and requirements. In addition, CAEATFA expects that the selected firm will be up-to-date and comply with most recent best practices, trustee standards, and trends, and will maintain appropriate expertise and technology at the firm's own expense.

Include a discussion of any unique strengths possessed by your firm. This section is intended to provide an opportunity for the firm to demonstrate its qualifications. Information provided will be used in the evaluation process as outlined in Section C, Item 4.

Discuss the overall experience of your firm that demonstrates its ability to successfully complete the Scope of Work (Section A, Item 4) and meet the Minimum Qualifications (Section B). Experience should include recent trustee services provided to state entities and others with similar projects.

Two Year List of Trustee Engagements: Provide a list of your firm's trustee engagements during the last two (2) years. This list can be included in this section of the proposal (Firm Qualifications and Experience) or at the end of the proposal. **This is a separate requirement from Attachment 4.**

- d. Personnel Qualifications and Experience. Identify and describe the key personnel who will be providing the services required by the proposal under this Contract. Include for each key personnel staff member: their title and role; the percentage of the total firm effort under this contract that shall be provided by that individual; type of experience; and years (at current firm as well as all prior service). Experience in trustee engagements should be highlighted/detailed, including trustee engagements for State governmental agencies, as well as private industry experience. **This is a separate requirement from Attachment 3.**

Organization Chart: Include an organization chart showing functions, positions, and titles of professionals in your firm, including any subcontractor firm(s) that your firm intends to use in performance of its duties under the Contract.

Resumes: Provide detailed resumes for individuals who will be directly involved in providing the services under the Agreement, including any proposed subcontractor firms and their employees. **Please provide resumes at the end of the proposal.**

The firm must ensure that the quality and availability of its personnel assigned to this Contract, including staff of subcontractors (if any), will be maintained over the term of the Agreement. Any changes in assigned key personnel are at the discretion of the firm, provided that the qualifications and experience of any replacements are substantially the same or better than the original personnel. Contractor shall not substitute, replace or reassign key personnel without the prior approval of the State.

- e. Cost Proposal Format and Requirements. The cost proposal (Attachment 5) shall be the basis for the cost portion of the evaluation and selection process. Proposals must include the firm's fee schedule for tasks that will be required of the Trustee as set forth in this RFP. In order to be considered responsive, proposals must be submitted with fee schedules in compliance with these requirements. Proposals **may not exceed \$375,000.00** for the entire service term.

For purposes of estimating maximum potential activity under the Pilot Programs, refer to the REEL historical chart on page 5. The cost proposal should provide fee estimates based on the criteria listed below, and assuming the following scenario:

- i. Scenario. The scenario below is only given for purposes of evaluating the fees portion of your proposal. Actual transaction volume under the Agreement may vary considerably depending on demand for the Programs, actual claim rates, and economic conditions; however, proposals submitted with fee schedules not in compliance with these requirements shall be rejected:
- Funding of the Lender Program Accounts for up to 15 lenders totaling 75 transactions total per month across all programs;
 - Processing claim payment requests by transferring funds from a Lender-Program Account(s) to a lender;
 - Average claim amount of \$5,000.00;
 - Five (5) claims in the first year;
 - Twenty (20) claims in year two;
 - Thirty (30) claims in year three;
 - Occasional receipt of funds from IOUs into their IOU Holding Accounts and the transfer of those funds into the appropriate Program Holding Account (twice per year per program); and

- Three (3) transfers of funds from Trustee accounts to the operational reserve fund (held at the Treasury Management Bank) over the term of the Agreement.
- ii. Considering the Program volume estimates in the scenario above, please provide your firm's annual fee schedule for the tasks listed in (a) – (f) below:
 - a) annual fee for trust administration; and
 - b) funding Lender Program accounts;
 - c) funding claim payments;
 - d) reporting requirements;
 - e) outline of other reimbursable expenses and services, if applicable.
- f. Required Attachments. For the proposal to be considered responsive, all required Attachments (1-15) must be completed and included with the proposal by the dates and times shown in Key Action Dates (Section C, Item 1).

3. Submission of Proposals

- a. Proposals should provide straightforward and concise descriptions of the proposing firm's ability to satisfy the requirements of this RFP. The proposal must be complete and accurate. Omissions, inaccuracies, or misstatements may be cause for rejection of a proposal.
- b. All proposals must be submitted under **sealed** cover and sent to CAEATFA by the date and time shown in Key Action Dates (Section C, Item 1). Proposals received after this date and time will not be considered.
- c. A minimum of one (1) unbound original and three (3) bound or unbound copies of the proposal must be submitted. All responses to this RFP must be submitted in hard copy and electronic copy (on USB flash drive) and received by CAEATFA no later than 12:00 p.m. PST on October 27, 2020. Emailed or faxed submissions will not be accepted.
- d. The original proposal must be marked "**ORIGINAL COPY**." All documents contained in the original proposal package must have original signatures and must be signed by a person who is authorized to bind the proposing firm. All additional proposal sets may contain photocopies of the original package.
- e. The proposal envelopes must be plainly marked with the RFP number and title, the firm name and address; marked with "**DO NOT OPEN**", as shown in the following example:

Mailing Address:

**Request for Proposals – "Trustee Services for the California Hub for
Energy Efficiency Financing (CHEEF) Programs"
RFP# CAEATFA03-20**

CAEATFA
Attn: Jessica Arceo
915 Capitol Mall, Room 538
Sacramento, CA 95814
(916) 651-5101

DO NOT OPEN

Or Hand Deliver to:

**Request for Proposals – “Trustee Services for the California Hub for
Energy Efficiency Financing (CHEEF) Programs”
RFP# CAEATFA03-20**

CAEATFA
Attn: Jessica Arceo
801 Capitol Mall, 2nd Floor
Sacramento, CA 95814
(916) 651-5101

DO NOT OPEN

- f. If the proposal is made under a fictitious name or business title, the actual legal name of the firm must be provided.
- g. Proposals not submitted under sealed cover and marked as indicated may be rejected.
- h. All proposals must include the documents identified in Attachment 1, Required Attachment Check List. Proposals not including the required attachments shall be deemed non-responsive. A non-responsive proposal is one that does not meet the basic proposal requirements.
- i. Proposals must be submitted for the performance of all the services described herein. Any deviation from the work specifications will not be considered and will cause a proposal to be rejected.
- j. A proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. CAEATFA may reject any or all proposals and may waive any immaterial deviation in a proposal. CAEATFA's waiver of an immaterial deviation shall in no way modify the proposal document nor excuse the proposer from full compliance with all requirements if awarded the Contract.
- k. Costs for developing proposals and in anticipation of award of the Agreement are entirely the responsibility of the proposer and shall not be charged to CAEATFA or the State of California.
- l. An individual who is authorized to bind the proposing firm contractually shall sign the Proposal/Proposer Certification Sheet (Attachment 2). The signature must indicate the title or position that the individual holds in the firm. An unsigned proposal may be rejected.
- m. A proposing firm may modify a proposal after its submission by withdrawing its original proposal and resubmitting a new proposal prior to the proposal submission deadline as set forth in the Key Action Dates. The submission of a new proposal must comply with requirements of this section. Proposal modifications offered in any other manner, oral or written, will not be considered.
- n. A proposer may withdraw its proposal by submitting a written withdrawal request, signed by the proposer or an authorized agent, to CAEATFA at the address identified in Item 3.e. above. A proposer may thereafter submit a new proposal prior to the proposal submission deadline. Proposals may not be withdrawn without cause after the proposal submission deadline.
- o. CAEATFA may modify the RFP prior to the date fixed for submission of proposals by the issuance of an addendum to all parties who received an RFP package.
- p. CAEATFA reserves the right to reject all proposals. The agency is not required to award an agreement.

- q. Before submitting a response to this solicitation, proposers should review such response, correct all errors, and confirm compliance with the RFP requirements.
- r. Where applicable, proposers should carefully examine work sites and specifications. No additions or increases to the Contract amount will be made due to a lack of careful examination of work sites and specifications.
- s. More than one proposal from an individual, firm, partnership, corporation or association, under the same or different names, will not be considered.
- t. The State does not accept alternate contract language from a prospective contractor. A proposal with such language will be considered a counter-proposal and will be rejected. The State's General Terms and Conditions (GTC 04/2017) are not negotiable.
- u. No oral understanding or agreement shall be binding upon either party.
- v. Conflict of Interest: The proposer/Contractor needs to be aware of the provisions regarding current or former state employees. If a Contractor has any questions on the status of any person rendering services or involved with the Contract, CAEATFA must be contacted immediately for clarification. (See Attachment 7, Contractor Certification Clauses (CCC 04/2017)).

4. Evaluation Process

- a. Each proposal will be date- and time-stamped as it is received; additionally, it will be verified that each proposal arrives properly sealed. Late proposals will not be accepted. Proposals shall remain confidential until the review process begins. At the time of proposal opening, each proposal shall be checked for the presence or absence of required information in conformance with the submission requirements of this RFP.
- b. CAEATFA staff shall evaluate each proposal to determine how responsive the firm is to the specific requirements contained in this RFP. Each proposal will be examined for the presence of required information as specified in the submission requirements of this RFP. The submission requirements are mandatory and failure to fully comply may be deemed grounds for automatic rejection.
- c. It is the proposing firm's responsibility to provide sufficient information in the proposal to permit CAEATFA staff to make an accurate assessment of the firm's ability to provide the services needed.
- d. If during the evaluation process CAEATFA staff is unable to assure itself of the proposing firm's ability to perform under the Contract, (if Contract is awarded), CAEATFA staff has the option of requesting from the firm any information deemed necessary to determine the firm's qualifications. The firm shall be notified if such information is required, and shall be permitted five working days to submit the requested information.
- e. If the information submitted by the proposing firm is insufficient to satisfy CAEATFA staff as to the firm's suitability, CAEATFA staff may ask for additional information or reject the statement. The Authority's determination of the firm's qualifications shall be final.
- f. Proposals that contain false or misleading statements, or which provide references which do not support an attribute or condition claimed by the proposer, may be rejected.
- g. CAEATFA shall evaluate only those proposals from firms meeting the Minimum Qualifications for proposers as defined in Section B as well as the Proposal Requirements in Section C.
- h. Award, if made, will be to the highest-scored responsive proposal. The proposals that meet the Minimum Qualifications for proposers in Section B and the Proposal Requirements in Section C will be evaluated and scored according to the criteria indicated below. A minimum of 85 points

must be achieved to be considered responsive (a responsive proposal is one which meets or exceeds the requirements stated in this RFP). The selection will be made by an evaluation committee of CAEATFA staff on the basis of the following weighted factors (maximum points available for each criterion are noted).

Rating/Scoring Criteria	Maximum Possible Points
a. <u>Firm Qualifications and Experience</u> . CAEATFA will evaluate the firm's overall experience as detailed in Firm Qualifications and Experience (Section C, Item 2.c.) for demonstration of the firm's ability and expertise to successfully complete the Scope of Work as described in Section A, specific to programs substantially similar to the Hub Programs.	35 Points
b. <u>Personnel Qualifications and Experience</u> . CAEATFA will evaluate the individuals to be assigned to the Contract on the basis of background and experience in related work, including any experience with similar types of programs, if applicable, as detailed in Personnel Qualifications and Experience (Section C, Item 2.d.).	30 Points
c. <u>Cost Proposal (Cost)</u> . CAEATFA will evaluate the actual fees proposed, including the reasonableness of the composite annual rates and cost detail (given value of services to be obtained), and cost effectiveness (given experience and qualifications of firm and its personnel). For evaluation purposes, the Cost Proposal must include the proposer's costs for the Scenario from Attachment 5 as detailed in Cost Proposal Format and Requirements (Section C, Item 2.e.).	35 Points
Maximum Total Possible Points	100 Points

- i. Cost Proposal Scoring. The lowest-cost proposal is awarded the maximum cost points (35 points). Other proposals are awarded cost points based on the following calculation:

$$\begin{aligned} & (\text{Lowest Proposer's Cost} / \text{Other Proposer's Cost}) = (\text{factor}) \\ & \text{Cost points for other Proposer} = (\text{factor}) \times \text{maximum cost points} \end{aligned}$$

EXAMPLE: A maximum of 35 points is available

$$\begin{aligned} & \text{Lowest Proposer's Cost Proposal} = \$280,000 \\ & \text{Other Proposer's Cost Proposal} = \$375,000 \end{aligned}$$

$$\begin{aligned} & (\text{Lowest-cost proposal} / \text{other cost proposal}) = \$280,000 / \$375,000 = .75 \\ & (\text{Cost points awarded to other proposal} = .75 \times 35 = 26.25 \text{ points} \end{aligned}$$

- j. As part of its final evaluation process, CAEATFA may request oral presentations. If this option is exercised, CAEATFA shall provide the proposing firms with at least a 72-hour notice. Presenters from the firm(s) must include the personnel who shall have primary responsibility for the services under the Contract.

CAEATFA reserves the right to:

- Request an interview with, and additional information from, proposing firms prior to final selection.
- Select the Contractor that, in CAEATFA's judgment, shall best meet the needs of CAEATFA, regardless of differences in estimated costs between proposals.
- Consider information about a proposing Contractor in addition to the information submitted in the proposal or interview.

5. Award and Protest

- a. Notice of the proposed award(s) shall be posted in a public place in the office of CAEATFA, 915 Capitol Mall, Sacramento, CA 95814 and on the following Internet site for five (5) working days prior to awarding the Contract(s): <http://www.treasurer.ca.gov/CAEATFA>.
- b. If any proposing firm, prior to the award of the Contract(s), files a protest with CAEATFA and the Department of General Services, Office of Legal Services, 707 Third Street, 7th Floor, West Sacramento, CA 95605, on the grounds that the (protesting) firm would have been awarded a Contract had CAEATFA correctly applied the evaluation standard in the RFP, or had CAEATFA followed the evaluation and scoring methods in the RFP, the Contract(s) shall not be awarded until either the protest has been withdrawn or the Department of General Services has decided the matter. It is suggested that the firm submit any protest by certified or registered mail.
- c. Within five (5) days after filing the initial protest, the protesting firm shall file with the Department of General Services, Office of Legal Services, and CAEATFA a full and complete written statement specifying the grounds for the protest. It is suggested that the firm submit this complete written statement by certified or registered mail.

6. Disposition of Proposals

- a. Upon proposal opening, all documents submitted in response to this RFP will become the property of CAEATFA and the State of California, and will be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.) and subject to review by the public. The State cannot prevent the disclosure of public documents. However, the contents of all proposals, correspondence, agenda, memoranda, working papers, or any other medium which discloses any aspect of a proposer's proposal shall be held in the strictest confidence until the letter of Intent to Award Contract is posted.

7. Agreement Execution and Performance

- a. Performance shall start on the express date set by CAEATFA and the selected Contractor, after all approvals have been obtained and the Agreement is fully executed. Should the Contractor fail to commence work at the agreed-upon time, CAEATFA, upon five (5) days' written notice to the Contractor, reserves the right to terminate the Agreement. In addition, the Contractor shall be liable to CAEATFA for the difference between the Contractor's proposal price and the actual cost of performing work by another contractor.
- b. All performance under the Agreement shall be completed on or before the termination date of the Agreement.

D. PREFERENCE PROGRAMS

1. **Small Business or Microbusiness Preference** (<https://www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/Office-of-Small-Business-and-Disabled-Veteran-Business-Enterprise/Certification-Program>)

A five percent (5%) preference will be applied to certified small business firms submitting proposals (See Attachment 11). To obtain the preference, firms must be certified as a small business at the time the proposal is submitted. The firm MUST include an updated copy of its Small Business Certificate to obtain the preference. The 5% preference is issued only for computation purposes to arrive at the successful firms and does not alter the amounts of the actual proposals. Once each proposal has been scored, if the highest responsible firm is not a certified small business or microbusiness, 5% of the highest scoring proposal is added to the total "earned" points for each proposal submitted by a certified small business. These final numbers, with the 5% included, are then used to determine the highest scoring proposal.

Questions regarding the small business certification or preference approval should be directed to the Office of Small Business & DVBE Services ("OSDS") at (916) 375-4940 or can be found at the website listed above.

2. Non-Small Business Preference (<https://www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/Office-of-Small-Business-and-Disabled-Veteran-Business-Enterprise/Certification-Program>)

A five percent (5%) proposal preference is available to a non-small business claiming twenty-five percent (25%) California certified small business subcontractor participation (See Attachment 12). If claiming the non-small business subcontractor preference, the proposal response must include a list of the small business(es) with which the firm commits to subcontract in an amount of at least 25% of the net proposal price with one or more California certified small businesses. Each listed certified small business must perform a "commercially useful function" in the performance of the Contract as defined in Government Code Section 14837(d)(4).

The required list of California certified small business subcontractors must be attached to the proposal response and must include the following: 1) subcontractor name, 2) address, 3) phone number, 4) a description of the work to be performed and/or products supplied, and 5) the dollar amount or percentage of the net proposal price (as specified in the solicitation) per subcontractor.

Firms claiming the 5% preference must commit to subcontract at least 25% of the net proposal price with one or more California certified small businesses. Completed certification applications and required support documents must be submitted to the OSDS no later than 5:00 p.m. on the proposal due date, and the OSDS must be able to approve the application as submitted. Questions regarding certification should be directed to the OSDS at (916) 375-4940.

The preference to a non-small business firm that commits to small business or microbusiness subcontractor participation of 25% of its net proposal price shall be 5% of the highest responsive, responsible firm's total score. A non-small business, which qualifies for this preference, may not take an award away from a certified small business.

3. Disabled Veteran Business Enterprise (DVBE) Incentive Program – OPTIONAL

Mandatory California Disabled Veteran Business Enterprise (DVBE) Program Participation has been waived for this proposal.

This solicitation provides an incentive for DVBE participation. The Department of General Services ("DGS") established a DVBE incentive pursuant to Senate Bill 115, Chaptered October 3, 2005 and the military and Veterans Code section 999.5(a). The regulations apply to all competitive solicitations for public works, services, goods, and information technology goods and services posted or released after October 9, 2007. The DVBE incentive is required in solicitations that include DVBE program requirements and may be offered in other competitive solicitations. Department of General Services' policy implements this program by rewarding prime proposers for increased DVBE participation: the more DVBE participation, the greater the incentive. This incentive program helps State agencies to meet their annual DVBE participation goals.

Attachment 13 outlines the DVBE Incentive Program. Proposers seeking the DVBE incentive must submit a completed DVBE Declarations form (STD. 843) that demonstrates DVBE participation and qualification for a DVBE incentive, with proposal submittal. All disabled veteran owners and disabled veteran managers of the DVBE(s) must sign the form(s). The DVBE Incentive participation is *optional* and at the discretion of the proposing firm.

NOTE: For this solicitation, the Incentive application is based on the High Score Method and shall not exceed five percent (5%) of the total score (See Attachment 13).

4. Target Area Contract Preference Act (TACPA)

The Target Area Contract Preference Act (TACPA) economic stimulus preference program was established to stimulate business investment in distressed areas of the state and create job opportunities for Californians for improving the economic vitality of their communities (See Attachment 14). TACPA is regulated by Government Code Sections 4530-4535.3 and California Code of Regulations 1896.30-1896.40. Any vendor whose bid is over \$100,000 may apply for Target Area Contract Preference Act (TACPA) preference. TACPA provides 5 to 9 percent preferences for a California business that is located in the qualified zone.

Proposers wishing to take advantage of the TACPA preference will need to review the following website and submit the appropriate response with the proposal:

<https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Request-a-Target-Area-Contract-Preference>

E. REQUIRED ATTACHMENTS

For the proposal to be considered responsive, all required attachments listed on Attachment 1 must be completed and included with the proposal by the dates and times shown in Key Action Dates (Section C, Item 1).

ATTACHMENT 1

REQUIRED ATTACHMENT CHECK LIST

A complete proposal or proposal package will consist of the items identified below. Complete this checklist to confirm the items in your proposal. Place a check mark or "X" next to each item that you are submitting to the State. For your proposal to be responsive, all required attachments must be returned. This checklist should be returned with your proposal package also.

<u>Attachment #</u>	<u>Attachment Name/Description</u>
_____	Attachment 1 – Required Attachment Check List
_____	Attachment 2 – Proposal/Proposer Certification Sheet
_____	Attachment 3 – Key Personnel and Experience
_____	Attachment 4 – Proposer References
_____	Attachment 5 – Cost Proposal Work Sheet
_____	Attachment 6 – Payee Data Record (STD 204)
_____	Attachment 7 – Contractor Certification Clauses (CCC 04/2017)
_____	Attachment 8 – Evidence of Qualification to do Business in the State of California
_____	Attachment 9 – Darfur Contracting Act Compliance Certification
_____	Attachment 10 – California Civil Rights Laws Certification
_____	Attachment 11 – Small Business or Microbusiness Preference (only if applicable)
_____	Attachment 12 – Non-Small Business Preference (only if applicable)
_____	Attachment 13 – California Disabled Veteran Business Enterprise (DVBE) Program Participation Instructions (only if applicable)
_____	Attachment 14 – Target Area Contract Preference Act (TACPA) (only if applicable)
_____	Attachment 15 – Bidder Declaration (GSPD-05-105)

ATTACHMENT 2

PROPOSAL/PROPOSER CERTIFICATION SHEET

This Proposal/Proposer Certification Sheet must be signed and returned along with all the "required attachments" as an entire package with original signatures. The proposal must be transmitted in a sealed envelope in accordance with RFP instructions.

Do not return the RFP nor the "Sample Agreement" at the end of this RFP.

- A. Place all required attachments behind this certification sheet.
- B. The signature affixed hereon and dated certifies compliance with all the requirements of this proposal document. The signature below authorizes the verification of this certification.

**An Unsigned Proposal/Proposer Certification Sheet
May Be Cause For Rejection**

1. Company Name	2. Telephone Number ()	2a. Fax Number ()		
3. Address				
Indicate your organization type:				
4. <input type="checkbox"/> Sole Proprietorship	5. <input type="checkbox"/> Partnership	6. <input type="checkbox"/> Corporation		
Indicate the applicable employee and/or corporation number:				
7. Federal Employee ID No. (FEIN)	8. California Corporation No.			
9. Indicate applicable license and/or certification information:				
10. Proposer's Name (Print)	11. Title			
12. Signature	13. Date			
14. Are you certified with the Department of General Services, Office of Small Business Certification and Resources (OSBCR) as:				
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none; padding: 5px;"> a. California Small Business Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter certification number: _____ </td> <td style="width: 50%; border: none; padding: 5px;"> b. Disabled Veteran Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter your service code below: _____ </td> </tr> </table>			a. California Small Business Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter certification number: _____	b. Disabled Veteran Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter your service code below: _____
a. California Small Business Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter certification number: _____	b. Disabled Veteran Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter your service code below: _____			
NOTE: Proof of Certification is required to be included if either of the above items is checked "Yes" and will be verified. Date application was submitted to OSBCR, if an application is pending: _____				

Completion Instructions for Proposal/Proposer Certification Sheet

Complete the numbered items on the Proposal/Proposer Certification Sheet by following the instructions below.

Item Numbers	Instructions
1, 2, 2a, 3	Must be completed. These items are self-explanatory.
4	Check if your firm is a sole proprietorship. A sole proprietorship is a form of business in which one person owns all the assets of the business in contrast to a partnership and corporation. The sole proprietor is solely liable for all the debts of the business.
5	Check if your firm is a partnership. A partnership is a voluntary agreement between two or more competent persons to place their money, effects, labor, and skill, or some or all of them in lawful commerce or business, with the understanding that there shall be a proportional sharing of the profits and losses between them. An association of two or more persons to carry on, as co-owners, a business for profit.
6	Check if your firm is a corporation. A corporation is an artificial person or legal entity created by or under the authority of the laws of a state or nation, composed, in some rare instances, of a single person and his successors, being the incumbents of a particular office, but ordinarily consisting of an association of numerous individuals.
7	Enter your federal employee tax identification number.
8	Enter your corporation number assigned by the California Secretary of State's Office. This information is used for checking if a corporation is in good standing and qualified to conduct business in California.
9	Complete, if applicable, by indicating the type of license and/or certification that your firm possesses and that is required for the type of services being procured.
10, 11, 12, 13	Must be completed. These items are self-explanatory.
14	If certified as a California Small Business, place a check in the "yes" box, and enter your certification number on the line. If certified as a Disabled Veterans Business Enterprise, place a check in the "Yes" box and enter your service code on the line. If you are not certified to one or both, place a check in the "No" box. If your certification is pending, enter the date your application was submitted to OSBCR.

ATTACHMENT 3

KEY PERSONNEL & EXPERIENCE

Complete the following regarding the key personnel (include partners and associates) who will be directly involved in providing the services required under the contemplated Contract.

Name of Firm:	
Identify Key personnel (include partners, associates, etc.) who will be directly involved in providing the services.	
Name:	Percent of Effort %
Title:	Office Location:
Phone Number:	Email:
Role:	
How Long in Current Position?	How Long Employed in Current Firm?
Experience:	

Name of Firm:	
Identify Key personnel (include partners, associates, etc.) who will be directly involved in providing the services.	
Name:	Percent of Effort %
Title:	Office Location:
Phone Number:	Email:
Role:	
How Long in Current Position?	How Long Employed in Current Firm?
Experience:	

Include additional pages as needed

ATTACHMENT 4

PROPOSER REFERENCES

Submission of this attachment is mandatory. Failure to complete and return this attachment with your proposal will cause your proposal to be rejected and deemed nonresponsive.

List below three references for services performed within the last five years, which are similar to the scope of work to be performed in this contract. If three references cannot be provided, please explain why on an attached sheet of paper.

REFERENCE 1

Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	

Brief Description of Service Provided

REFERENCE 2

Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	

Brief Description of Service Provided

REFERENCE 3

Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	

Brief Description of Service Provided

ATTACHMENT 5

COST PROPOSAL WORKSHEET

Scenario The required Cost Proposal should provide fee schedules based on the scenario described below (for each year contemplated under the Contract, including the one-year option to renew, as shown in the sample tables format provided below):

- Funding of the Lender Program Accounts for up to 15 lenders totaling 75 transactions total per month across all programs;
 - Processing claim payment requests by transferring funds from a Lender-Program Account(s) to a lender;
 - Average claim amount of \$5,000.00;
 - Five (5) claims in the first year;
 - Twenty (20) claims in year two;
 - Thirty (30) claims in year three;
 - Occasional receipt of funds from IOUs into their IOU Holding Accounts and the transfer of those funds into the appropriate Program Holding Account (twice per year per program); and
 - Three (3) transfers of funds from Trustee accounts to the operational reserve fund (held at the Treasury Management Bank) over the term of the Agreement.
- Considering the Program volume estimates in the scenario above, please provide your firm's annual fee schedule for the tasks listed below:
- annual fee for trust administration; and
 - funding Lender Program accounts;
 - funding claim payments;
 - reporting requirements;
 - outline of other reimbursable expenses and services, if applicable.

Actual transaction volume under the Agreement may vary considerably depending on demand for the Program, actual claim rates, and economic conditions; however, proposals submitted with fee schedules not in compliance with these requirements shall be rejected.

The total Contract amount may not exceed \$375,000.00 (Three Hundred Seventy-Five Thousand Dollars) for the Contract term.

Travel Costs. All travel must be pre-approved by the Executive Director. Travel, transportation and per diem expenses shall not exceed the rates payable to State employees; expenses must be itemized and receipts must be attached to invoice. The firm shall submit detailed monthly invoices to CAEATFA for review and approval.

Anticipated Miscellaneous Expenses. Authorized miscellaneous expenses will be limited to \$50.00 per transaction, including but not limited to, postage, mailing, courier, printing/reproduction costs, etc., unless prior approval is obtained. Please provide basis of estimate for these costs. CAEATFA will not reimburse the printing or copying of electronically received/delivered documents for a firm's in-house use. Miscellaneous expenses must be itemized and receipts must be attached to invoice.

FIRST CONTRACT YEAR (2021) COST:

<u>Fees (if applicable):</u>	<u>Per Transaction</u>	<u>Annual</u>
Trust Administration (Establish and maintain accounts, statements, reporting, potential transfer of funds at end of contract term)		
Fund Lender Program accounts		
Process claims to Lenders		
Transfers to Operational Reserve Fund		
<u>Other Expenses (describe):</u>		

TOTAL FEES:		

SECOND CONTRACT YEAR (2022) COST:

<u>Fees (if applicable):</u>	<u>Per Transaction</u>	<u>Annual</u>
Trust Administration (Establish and maintain accounts, statements, reporting, potential transfer of funds at end of contract term)		
Fund Lender Program accounts		
Process claims to Lenders		
Transfers to Operational Reserve Fund		
<u>Other Expenses (describe):</u>		

TOTAL FEES:		

THIRD CONTRACT YEAR (2023) COST:

<u>Fees (if applicable):</u>	<u>Per Transaction</u>	<u>Annual</u>
Trust Administration (Establish and maintain accounts, statements, reporting, potential transfer of funds at end of contract term)		
Fund Lender Program accounts		
Process claims to Lenders		
Transfers to Operational Reserve Fund		
<u>Other Expenses (describe):</u>		

TOTAL FEES:		

FEE SCHEDULE

(Cost portion of the evaluation will be scored based on the total proposed fees for Contract Years 2021, 2022 and 2023.)

Max Cost of First Contract Year (2021)	\$ _____
Max Cost of Second Contract Year (2022)	\$ _____
Max Cost of Third Contract Year (2023)	\$ _____
Total Max Cost for First (2021), Second (2022), and Third (2023) Contract Years	\$ _____

ATTACHMENT 6

PAYEE DATA RECORD (STD. 204)

Contractor must provide a taxpayer identification number (TIN) that has been assigned by the Federal Government. The TIN is entered on the Payee Data Record (Std. 204) and retained in our accounting department.

Click here to access the Payee Data Record (Std. 204) form:

<http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std204.pdf>

ATTACHMENT 7

CONTRACTOR CERTIFICATION CLAUSES (CCC 04/2017)

(<https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>)

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

<i>Contractor/Proposer Firm Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County of</i>	

CONTRACTOR CERTIFICATION CLAUSES

1. **STATEMENT OF COMPLIANCE**: Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 11102) (Not applicable to public entities.)

2. **DRUG-FREE WORKPLACE REQUIREMENTS**: Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

b. Establish a Drug-Free Awareness Program to inform employees about:

- 1) the dangers of drug abuse in the workplace;
- 2) the person's or organization's policy of maintaining a drug-free workplace;
- 3) any available counseling, rehabilitation and employee assistance programs; and,
- 4) penalties that may be imposed upon employees for drug abuse violations.

c. Every employee who works on the proposed Agreement will:

- 1) receive a copy of the company's drug-free workplace policy statement; and,
- 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made

false certification, or violated the certification by failing to carry out the requirements as noted above.
(Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that Contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lessor of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.3.

8. GENDER IDENTITY: For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.35.

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering

services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

- 1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

- 1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

ATTACHMENT 8

EVIDENCE OF QUALIFICATION TO DO BUSINESS IN THE STATE OF CALIFORNIA

Proposer and any subcontractor identified in the proposal must be qualified to do business in the State of California. Proposer must submit evidence demonstrating compliance with this requirement with its proposal. Include a copy of the proposer's evidence of qualification as Attachment 8.

ATTACHMENT 9

DARFUR CONTRACTING ACT

Pursuant to Public Contract Code section 10478, if a proposer currently or within the previous three years has had business activities or other operations outside of the United States, it must certify that it is not a "scrutinized" company as defined in Public Contract Code section 10476.

Therefore, to be eligible to submit a proposal, please insert your company name and Federal ID Number and complete only one of the following three paragraphs (via initials for Paragraph # 1 or Paragraph # 2, or via initials and certification for Paragraph # 3):

<i>Company/Vendor Name (Printed)</i>	<i>Federal ID Number</i>
<i>Printed Name and Title of Person Initialing (for Options 1 or 2)</i>	

1. _____ We do not currently have, and have not had within the previous three years,
Initials business activities or other operations outside of the United States.

OR

2. _____ We are a scrutinized company as defined in Public Contract Code
Initials section 10476, but we have received written permission from the Department of
General Services (DGS) to submit a proposal pursuant to Public Contract Code
section 10477(b). A copy of the written permission from DGS is included with our
proposal.

OR

3. _____ We currently have, or we have had within the previous three years,
Initials business activities or other operations outside of the United States,
+ certification but we certify below that we are not a scrutinized company
below as defined in Public Contract Code section 10476.

CERTIFICATION for Paragraph # 3.

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective proposer to the clause listed above in Paragraph # 3. This certification is made under the laws of the State of California.

<i>By (Authorized Signature)</i>	
<i>Printed Name and Title of Person Signing</i>	
<i>Date Executed</i>	<i>Executed in the County and State of</i>

ATTACHMENT 10

CALIFORNIA CIVIL RIGHTS LAWS CERTIFICATION

Pursuant to Public Contract Code section 2010, if a proposer executes or renews a contract over \$100,000 on or after January 1, 2017, the proposer hereby certifies compliance with the following:

1. **CALIFORNIA CIVIL RIGHTS LAWS:** For contracts over \$100,000 executed or renewed after January 1, 2017, the contractor certifies compliance with the Unruh Civil Rights Act (Section 51 of the Civil Code) and the Fair Employment and Housing Act (Section 12960 of the Government Code); and
2. **EMPLOYER DISCRIMINATORY POLICIES:** For contracts over \$100,000 executed or renewed after January 1, 2017, if a Contractor has an internal policy against a sovereign nation or peoples recognized by the United States government, the Contractor certifies that such policies are not used in violation of the Unruh Civil Rights Act (Section 51 of the Civil Code) or the Fair Employment and Housing Act (Section 12960 of the Government Code).

CERTIFICATION

I, the official named below, certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

<i>Proposer Firm Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County and State of</i>	

ATTACHMENT 11

SMALL BUSINESS OR MICROBUSINESS PREFERENCE

(If Applicable)

Small Business or Microbusiness Preference – <https://www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/Office-of-Small-Business-and-Disabled-Veteran-Business-Enterprise/Certification-Program>

A five percent (5%) preference will be applied to certified small business firms submitting proposals. To obtain the preference, firms must be certified as a small business at the time the proposal is submitted. The firm MUST include an updated copy of their Small Business Certificate to obtain the preference. The 5% preference is issued only for computation purposes to arrive at the successful firms and does not alter the amounts of the actual proposals. Once each proposal has been scored, if the highest responsible firm is not a certified small business or microbusiness, 5% of the highest scoring proposal is added to the total “earned” points for each proposal submitted by a certified small business. These final numbers, with the 5% included, are then used to determine the highest scoring proposal.

Questions regarding the small business certification or preference approval should be directed to the Office of Small Business & DVBE Services (OSDS) at (916) 375-4940 or can be found at the website listed above.

ATTACHMENT 12

NON-SMALL BUSINESS PREFERENCE

(If Applicable)

Non-Small Business Preference – <https://www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/Office-of-Small-Business-and-Disabled-Veteran-Business-Enterprise/Certification-Program>

A five percent (5%) proposal preference is available to a non-small business claiming twenty-five percent (25%) California certified small business subcontractor participation. If claiming the non-small business subcontractor preference, the proposal response must include a list of the small business(es) with which the firm commits to subcontract in an amount of at least 25% of the net proposal price with one or more California certified small businesses. Each listed certified small business must perform a "commercially useful function" in the performance of the contract as defined in Government Code Section 14837(d)(4).

The required list of California certified small business subcontractors must be attached to the proposal response and must include the following: 1) subcontractor name, 2) address, 3) phone number, 4) a description of the work to be performed and/or products supplied; and 5) the dollar amount or percentage of the net proposal price (as specified in the solicitation) per subcontractor.

Firms claiming the 5% preference must commit to subcontract at least 25% of the net proposal price with one or more California certified small businesses. Completed certification applications and required support documents must be submitted to the OSDS no later than 5:00 p.m. on the proposal due date, and the OSDS must be able to approve the application as submitted. Questions regarding certification should be directed to the OSDS at (916) 375-4940.

The preference to a non-small business firm that commits to small business or microbusiness subcontractor participation of 25% of its net proposal price shall be 5% of either the lowest, responsive, responsible firm's price or the highest responsive, responsible firm's total score. A non-small business, which qualifies for this preference, may not take an award away from a certified small business.

ATTACHMENT 13

**CALIFORNIA DISABLED VETERAN BUSINESS ENTERPRISE (DVBE)
PROGRAM PARTICIPATION INSTRUCTIONS**

(If Applicable)

DVBE PARTICIPATION REQUIREMENT. The Disabled Veteran Business Enterprise (DVBE) Participation Goal Program for State contracts is established in Public Contract Code (PCC) section 10115 et seq., Military and Veterans Code (MVC) section 999 et seq., and California Code of Regulations (CCR), title 2, section 1896.60 et seq. **This solicitation DOES NOT include a minimum DVBE participation requirement. DVBE participation is NOT required in the proposal. However, a DVBE incentive will be applied as provided below.**

DVBE INCENTIVE. The State will apply a DVBE incentive for responsive proposals (herein “proposal” or “proposals”) from responsible proposers that propose DVBE participation. The DVBE incentive will vary in relation to the percentage of confirmed DVBE participation. The following percentages shall apply.

Confirmed DVBE Participation of	DVBE Incentive
5% and above	5%
4% to 4.99% inclusive	4%
3% to 3.99% inclusive	3%
2% to 2.99% inclusive	2%
1% to 1.99% inclusive	1%

As applicable: (1) Awards based on low price – The DVBE incentive is applied by reducing the proposal price by the amount of DVBE incentive as computed from the lowest responsive proposal price submitted by a responsible proposer. The DVBE incentive is for evaluation purposes only. Application of the DVBE incentive shall not displace an award to a small business with a non-small business.

(2) Awards based on high score – The DVBE incentive is a percentage of the total possible available points, not including points for socioeconomic incentives or preferences. The DVBE incentive points are included in the sum of non-cost points. The DVBE incentive points cannot be used to achieve any applicable minimum point requirements.

DVBE PARTICIPATION COMMITMENT. **Proposers seeking the DVBE incentive must submit a completed Disabled Veteran Business Enterprise Declaration, STD. 843, which demonstrates DVBE participation and qualification for a DVBE incentive.** All disabled veteran owners and disabled veteran managers of the DVBE(s) must sign the form(s) which may be obtained through the following link:

https://www.documents.dgs.ca.gov/dgs/fmc/qs/pd/pd_843.pdf.

The completed form should be included with the submitted proposal.

DVBE participation information submitted by the intended awardee will be verified by the State. If evidence of an alleged violation is found during the verification process, the State or the Department of General Services, Office of Small Business and DVBE Services (OSDS) shall initiate an investigation in accordance with PCC section 10115 et seq., MVC section 999 et seq., and CCR, title 2, section 1896.60 et seq. Contractors found to be in violation of certain provisions may be subject to loss of certification, contract termination, and/or other penalties.

Only State of California OSDS certified DVBEs that perform a commercially useful function relevant to this solicitation may be used for the DVBE incentive and to comply with the DVBE Participation Goal Program. Please see MVC section 999(b) and CCR, title 2, section 1896.62(l) regarding the performance of a commercially useful function. Proposers are to verify each DVBE subcontractor’s certification with OSDS to ensure DVBE eligibility. Proposers cannot demonstrate DVBE incentive eligibility and DVBE Participation Goal Program compliance by performing a good faith effort.

At the State's option prior to contract award, proposers may be required to submit additional written clarifying information. Failure to submit the requested written information as specified may be grounds for proposal rejection.

RESOURCES AND INFORMATION*

U.S. Department of Labor:

System for Award Management Formerly Central Contractor
Registration on-line database
<https://www.dol.gov/general/business-ccr>

FOR:

Service-Disabled Veteran-Owned
Businesses in California

Local Organizations:

DVBE local contacts
www.pd.dgs.ca.gov/smbus

FOR:

List of Potential DVBE Subcontractors

**Department of General Services, Procurement Division
(DGS-PD) eProcurement:**

Website: <https://caleprocure.ca.gov/pages/index.aspx>
Phone: (916) 375-2000
Email: eprocure@dgs.ca.gov

FOR:

- SB/DVBE Search
- CSCR Advertisements
- Training Modules

**DGS-PD Office of Small Business and DVBE Services
(OSDS):**

707 Third Street, Room 1-400, West Sacramento, CA 95605
Website: www.pd.dgs.ca.gov/smbus
OSDS Receptionist: (916) 375-4940
PD Receptionist: (800) 559-5529
Fax: (916) 375-4950
Email: osdchelp@dgs.ca.gov

FOR:

- Directory of OSDS Certified DVBEs
- Certification Applications
- Certification Information
- Certification Status, Concerns
- General DVBE Program Information
- DVBE Business Utilization Plan
- SB/DVBE Advocates
- Lists of Trade and Focus Publications

Commercially Useful Function Definition

Military and Veterans Code section 999(b)
California Code of Regulations, title 2, section 1896.62(/)

*Contact information and available resources may be subject to change by the respective administration, department, division, or office. DVBEs must be certified by OSDS.

ATTACHMENT 14

TARGET AREA CONTRACT PREFERENCE ACT (TACPA)

(If Applicable)

The Target Area Contract Preference Act (TACPA) economic stimulus preference program was established to stimulate business investment in distressed areas of the state and create job opportunities for Californians for improving the economic vitality of their communities. TACPA is regulated by Government Code Sections 4530-4535.3 and California Code of Regulations 1896.30-1896.40. Any vendor whose bid is over \$100,000 may apply for Target Area Contract Preference Act (TACPA) preference. TACPA provides 5 to 9 percent preferences for a California business that is located in the qualified zone.

Proposers wishing to take advantage of the TACPA preference will need to review the following website and submit the appropriate response with the proposal: (<https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Request-a-Target-Area-Contract-Preference>)

ATTACHMENT 15

BIDDER DECLARATION

Submission of the completed Bidder Declaration (GSPD 05-105) is mandatory for all submissions. In the Bidder Declaration (GSPD 05-105) suppliers are required to identify they are a DVBE and to identify any DVBE subcontractors, their proposed contract function, and the corresponding percentage of participation.

Click here to access the Bidder Declaration (GSPD 05-105) form:

<https://www.documents.dgs.ca.gov/dgs/fmc/gspd/gspd05-105.pdf>

STANDARD AGREEMENT

STD 213 (Rev. 03/2019)

AGREEMENT NUMBER

PURCHASING AUTHORITY NUMBER (If Applicable)

SAMPLE

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA)

CONTRACTOR NAME

(To be determined)

2. The term of this Agreement is:

START DATE

January 1, 2021 (or upon approval by the Department of General Services, whichever is later)

THROUGH END DATE

December 31, 2023

3. The maximum amount of this Agreement is:

\$375,000.00 (Three Hundred Seventy-Five Thousand Dollars and Zero Cents)

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

EXHIBITS	TITLE	PAGES
Exhibit A	Scope of Work	6
Exhibit B	Budget Detail and Payment Provisions	3
Exhibit B, Attachment 1	Cost Sheet	2
Exhibit C *	General Terms and Conditions - GTC 04/2017	1
Exhibit D	Special Terms and Conditions	7
Exhibit D, Attachment 1	Key Personnel Resumes	
Exhibit E	Additional Provisions	1
Exhibit F	Third Party Agreement Provisions	7
Exhibit F, Attachment 1	Information Security Requirements	4
	RFP #CAEATFA03-20 and Contractor's response thereto are hereby incorporated by reference and made a part of this Agreement	

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.

These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

(To be determined)

CONTRACTOR BUSINESS ADDRESS

CITY

STATE

ZIP

PRINTED NAME OF PERSON SIGNING

TITLE

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

California Alternative Energy and Advanced Transportation Financing Authority

CONTRACTING AGENCY ADDRESS

915 Capitol Mall

CITY

Sacramento

STATE

CA

ZIP

95814

PRINTED NAME OF PERSON SIGNING Nancee A. Robles	TITLE Designated Signatory
CONTRACTING AGENCY AUTHORIZED SIGNATURE	DATE SIGNED
CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL	EXEMPTION (If Applicable)

SAMPLE

EXHIBIT A
(Standard Agreement)

SCOPE OF WORK

1. Scope of Work

Under the general direction, in writing, of the Executive Director of CAEATFA, or their designee, the Trustee agrees to provide services as described. Note the Programs are in various stages of implementation; the specific workload and deliverables associated with a specific program will correspond to those stages once the Trustee is under contract.

a. Establish and Maintain Accounts.

i. Accounts established shall have the following requirements:

(a) As commercially reasonable, to be determined at the commencement of the Agreement between the Trustee and CAEATFA, all established accounts will be interest-bearing demand accounts that accrue interest in U.S. dollars unless the Trustee is directed by CAEATFA to place funds in another account type. Accounts shall not be subject to any fees or costs to be paid by the Trustee or CAEATFA. The CAEATFA Executive Director, or his/her designee, will give instruction in writing for the placement of funds.

(b) Upon the written direction to the Trustee from CAEATFA's Executive Director or designee, the monies in any account will be invested by the Trustee to achieve CAEATFA's investment objectives. Securities eligible for investment under this section shall be within the top three ratings of a nationally recognized statistical rating organization. Additionally, all investments shall be made in securities denominated in U.S. dollars and are limited to one or more of the following:

- Bankers' Acceptance
- Time Deposits
- Certificates of Deposit which shall be limited to negotiable certificates of deposits issued by a federally or state-chartered bank or savings and loan association, a state-licensed branch of a foreign bank, or a federally or state-chartered credit union.
- Corporate Notes and Bonds issued by corporations organized and operating within the United States.
- Commercial Paper & Asset Backed Commercial Paper of "prime" quality as defined by a nationally recognized statistical rating organization that rates these securities, if the commercial paper is issued by a corporation, trust, or limited liability company that meets the conditions specified in either subparagraph (1) or subparagraph (2):

(1) Both of the following conditions:

1. Organized and operating within the United States.
2. Having total assets in excess of five hundred million dollars (\$500,000,000.00).

(2) Both of the following conditions:

1. Organized within the United States as a special purpose corporation, trust, or limited liability company.
2. Having program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or surety bond.

EXHIBIT A
(Standard Agreement)

No purchase of eligible commercial paper may:

- Exceed 180 days' maturity.
 - Represent more than 10 percent of the outstanding paper of an issuing corporation, trust, or limited liability company.
 - Exceed 30 percent of the resources of the program funds available for investment.
- U.S. Treasury and U.S. Government Agency Obligations
 - Repurchase Agreements
 - Loan Participations
 - Tax-Exempt Municipal Obligations of any county, city, metropolitan water district, California water district, California water storage district, irrigation district in the state, municipal utility district, or school district of this state.
 - Institutional Money Market Funds
 - Automatic Investment Sweep Agreements
 - Interest Bearing/High Yield Demand Deposit Accounts.
- (c) Interest shall accrue for the benefit of the IOUs, and any accrued interest that is not paid directly to an IOU shall be applied to fund in part the next deposit that that IOU is required to make to its IOU Holding Account.
- (d) The Trustee will be authorized and directed in writing by CAEATFA's Executive Director or designee to transfer, hold, invest and disburse monies in the IOU Holding Accounts and any future additional accounts.
- (e) Each instruction from CAEATFA will be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. Upon receipt of an instruction signed by CAEATFA, the Trustee shall disburse the amount set forth therein as directed by the terms thereof. With regard to the Operational Reserve Fund described below, CAEATFA's designee, the Master Servicer, will provide instructions to the Trustee, and the Trustee shall have no duty to confirm the accuracy of such direction.
- (f) The monies in the IOU Holding Accounts and any future additional accounts are held in trust on behalf of the respective IOU ratepayers.
- (g) The monies deposited in a Lender-Program Accounts are held in trust on behalf of the respective IOU ratepayers, and are held for the benefit of the participating lender in whose name the account was created.
- ii. The Trustee will establish/maintain: :
- (a) One **"IOU Holding Account"** for each of the four IOUs (four accounts)
 - (b) One Program Credit Enhancement Account (**"Program Account"**) for each Program that utilizes a credit enhancement (approximately three accounts)
 - (c) One **"Program Reservation Account"** for each corresponding Program Account (approximately three accounts)
 - (d) One **"Program Interest Account"** for each corresponding Program Account (approximately three accounts)

**EXHIBIT A
(Standard Agreement)**

- (e) Various “**Lender-Program Accounts**” the number of which is dependent on the number of lenders that enroll, and the number of programs in which each lender participates. Some participating lenders may request up to three accounts in order to segregate their loss reserve accounts for different investors or by credit or market segment.
- As of August 1st, there were 12 lenders enrolled in the CHEEF Programs total, each requiring one (1) Lender Program Account. CAEATFA expects an additional 5-10 lenders to participate in the CHEEF Programs during the contract period.
- iii. CAEATFA will instruct the Trustee to establish Lender-Program Accounts for participating lenders as they are approved, for each Program in which they choose to participate.
- iv. CAEATFA may instruct the Trustee to establish, maintain and hold a separate Holding or Program account for any additional designated funds, including credit enhancement funds from sources other than IOU ratepayer funds, if other sources of funds become available. As of August 1, 2020, there were no other accounts needed. CAEATFA anticipates needing up to five (5) additional accounts during the contract period.
- v. At CAEATFA’s request, each IOU or contributor of CE funds will transfer funds to the Trustee for deposit into the corresponding IOU Holding Account. CAEATFA will direct the Trustee regarding how those funds should be allocated to their respective Program Accounts.
- vi. At the termination of the Programs, or at such time as CAEATFA determines, the Trustee will be authorized and directed in writing by CAEATFA’s Executive Director, or their designee, to remit any money remaining in the IOU Holding Accounts to the IOUs.
- b. Process Transactions.
- i. Contributions to Lender Accounts. For each approved financing, CAEATFA will instruct the Trustee to transfer a designated CE contribution amount based on a percentage of the claim eligible principal amount of the financing being enrolled to the corresponding Lender-Program Account. CAEATFA will work with the Trustee to determine a timeline within which the trustee is to transfer funds into a Lender-Program Account after receipt of an instruction to transfer a designated CE contribution amount. The timeline will be based on standard business practices and the needs of both parties.
- ii. Claims for Reimbursement. If an enrolled financing is charged off by a lender, the lender may submit one or more claims to CAEATFA for reimbursement from their loss reserve account (Lender-Program Account). CAEATFA will instruct the Trustee, in writing, to withdraw funds for an approved amount from the corresponding Lender-Program Account and remit such funds to the lender by check or wire, in accordance with the relevant Program regulations. As of August 2020, the REEL program has had a total of 11 claims paid. There have been no other claims in other programs.
- iii. Recovery of Claims. If a lender subsequently collects or receives repayment of funds for a financing for which it received a claim reimbursement, the lender will refund the claim amount to the Trustee according to the relevant Program regulations. CAEATFA will instruct the Trustee to deposit the refunds into the Lender-Program Account or the appropriate Program Account. As of August 2020, the Programs have had one recovery – which occurred in the REEL program.

EXHIBIT A
(Standard Agreement)

- iv. Loss Reserve Account Adjustments. On at least an annual basis, CAEATFA will compare the outstanding principal amount of enrolled financings for a lender to that Lender-Program Account. If CAEATFA determines that the Lender-Program Account balance exceeds the portfolio coverage percentage as defined in the relevant Program regulations, CAEATFA will instruct the Trustee to transfer a specified amount from the Lender-Program Account to the Program Account.
 - v. Operational Reserve Fund Payments. As mentioned above in Section A, Item 3, the operational reserve fund ("ORF") is designed to cover unintended delays in remittances of customer payments to lenders that participate in OBR, resulting from a variety of circumstances. The ORF account will be held by a different entity – a treasury management bank responsible for OBR cash flow payments under the direction of the Master Servicer. However, CAEATFA may from time to time instruct the Trustee to transfer funds from a Holding or Program Account to the ORF account. Additionally, CAEATFA may instruct the Trustee to transfer funds from a Lender-Program Account to the ORF account.
 - vi. Monthly Interest Sweeps. On a monthly basis, the Trustee will sweep interest earned in all Program Accounts and Lender-Program Accounts into the corresponding Program Interest Account. At CAEATFA's direction, the Trustee will remit the funds swept into the Program Interest Accounts and IOU Holding Accounts to the IOUs.
 - vii. Debt Service Reserve Fund Payments. At the time of the CPUC's initial authorization, CAEATFA was provided with the authority to develop a debt service reserve fund. While none of the programs currently include this feature, the Trustee must have the capability to carry out the following services if ultimately requested:
 - (a) If a borrower fails to make a full debt payment, CAEATFA may instruct the Trustee to withdraw funds in the amount of the payment shortfall from the appropriate Program Account and remit to the appropriate lender by check or wire, in accordance with the relevant Program regulations.
 - (b) If the borrower resumes payment (or pays the remainder on a partial payment), the lender will cause a transfer of funds to the Trustee as necessary to reimburse the debt service reserve. CAEATFA will direct the Trustee to deposit those reimbursements to the appropriate Program Holding or Lender-Program Account. Alternatively, if the financing is charged off after receiving debt service reserve payments, CAEATFA will direct the Trustee to transfer a designated amount from the corresponding Lender-Program Account to the IOU Holding Account to reimburse the debt service reserve.
- c. Reporting and Other Requirements.
- i. Monthly Account Statements. The Trustee will provide monthly bank statements (by the 15th day of the following month) to CAEATFA for each account. These statements will include balances, interest earned, transactions, and any changes or transfers during the month. The Trustee will also provide such statements:
 - (a) to each IOU for its IOU Holding Account, Program Accounts, Program Interest Accounts and Lender-Program Accounts; and,
 - (b) to each lender for its Lender-Program Account(s).
 - ii. Monthly Transaction Reports. CAEATFA may ask the Trustee to provide a monthly report (by the 15th day of the following month) to CAEATFA for each program. The contents of the monthly report will be determined at a later date by CAEATFA, in consultation with the Trustee. CAEATFA anticipates the report will contain between 5 – 10 data fields.

**EXHIBIT A
(Standard Agreement)**

- iii. Annual Transaction Reports. CAEATFA may ask the Trustee to provide a report by February 1st of each year to CAEATFA for each Program. This report will provide the information outlined in the Monthly Transaction Reports described above for the prior calendar year.
- iv. Unlimited On-Demand Electronic Account Viewing. The Trustee will provide unlimited on-demand electronic viewing access to staff authorized, in writing, by CAEATFA's Executive Director to view the appropriate accounts:
- (a) To designated CAEATFA staff or CAEATFA's authorized representatives for all accounts;
- (b) To designated IOU staff for the appropriate IOU Holding Account, Program Accounts, Program Interest Accounts, and Lender-Program Accounts; and
- (c) To designated staff at each finance company for all accounts held on its behalf.
- d. Other Duties.
- i. The Trustee will perform such other duties or activities related to the specific tasks listed above as may be specifically requested in writing by CAEATFA.
- ii. The Trustee will meet, as needed, with CAEATFA and its staff at a location to be determined by CAEATFA.
- iii. In all respects, the Trustee will represent the best interests of CAEATFA, the IOUs and IOU ratepayers, and the State of California in all transactions and proceedings.

2. Term of Agreement

The term of the Agreement will be for a three-year period beginning January 1, 2021 through December 31, 2023 and may not exceed \$375,000.00 over the entire term of the agreement. The effective date is either the proposed award date, or the date of approval of the Agreement by DGS, whichever is later. No work shall commence until the effective date.

3. Project Representatives

State Agency: California Alternative Energy And Advanced Transportation Financing Authority (CAEATFA)	Contractor: To Be Determined
Name: Jennifer Gill, Senior Manager, CAEATFA Core Programs	Name:
Address: 915 Capitol Mall Sacramento, CA 95814	Address:
Phone: (916) 653-8157	Phone:
Fax: (916) 589-2855	Fax:
Email: jgill@treasurer.ca.gov	Email:

**EXHIBIT A
(Standard Agreement)**

Direct all inquiries to:

State Agency: California Alternative Energy And Advanced Transportation Financing Authority (CAEATFA)	Contractor: To Be Determined
Section/Unit: CAEATFA	Section/Unit:
Attention: Jessica Arceo	Attention:
Address: 915 Capitol Mall Sacramento, CA 95814	Address:
Phone: (916) 651-5101	Phone:
Fax: (916) 589-2855	Fax:
Email: jarceo@treasurer.ca.gov	Email:

SAMPLE

**EXHIBIT B
(Standard Agreement)**

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Invoicing and Payment

- a. For services satisfactorily rendered, and upon receipt and approval of invoices, in consideration of the services described in Exhibit A, Scope of Work, CAEATFA agrees to pay the Contractor based on the fee schedule provided in the Contractor's proposal, which is attached hereto and made a part of this Agreement. The State agrees to compensate the Contractor for actual expenditures incurred in accordance with the fees specified.
- b. The Contractor will submit invoices for review and approval (as described in the Sample Billing provided on page 4 below) that clearly identify the description of work associated with each line item. The Contractor shall work with CAEATFA in an ongoing manner to ensure that monthly invoicing conforms to contract terms and is conducive to accurate contract accounting and reporting.
- c. Invoices shall be provided to CAEATFA on a **monthly** basis in arrears, shall include Agreement Number CAEATFA03-20, the specific dates (month, day and year) covered by the invoice, and be addressed as follows:

Jennifer Gill, Senior Manager, CAEATFA Core Programs
California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA)
915 Capitol Mall, Room 538
Sacramento, California 95814

Invoices shall be sent via email to caeatfa@sto.ca.gov with copies to CAEATFA personnel as instructed at the commencement of the Contract.

Itemized billings must include the following:

- i. Project name, Agreement Number, name(s) of individual(s) who performed work, services provided, and dates and hours worked at the approved rates.
- ii. Itemized reimbursable expenses, along with receipts.
- iii. Sufficient detail regarding the activity engaged in or the services provided includes, at a minimum:
 - For preparation of documents, a brief description of the document prepared;
 - For attendance, or preparation for attendance, at a meeting, hearing, or other event, a brief description of the purpose of the meeting, hearing or event;
 - For telephone conversations, the name of the party/ies to the conversation and a brief description of the subject matter discussed;
 - For strategy conferences, the name of the parties participating in the strategy conference and a brief description of the subject matter discussed; and for research, a brief description of the issues researched.
- d. All travel must be pre-approved by the Executive Director. Travel, transportation and per diem expenses shall not exceed the rates payable to State employees.
- e. The maximum amount of this agreement shall not exceed \$375,000 over the entire term of the agreement.

**EXHIBIT B
(Standard Agreement)**

2. Budget Contingency Clause

- a. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- b. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

3. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

SAMPLE

**EXHIBIT B, ATTACHMENT 1
 (Standard Agreement)**

COST SHEET

First Contract Year (2021) Cost:

<u>Fees (if applicable):</u>	<u>Per Transaction</u>	<u>Annual</u>
Trust Administration (Establish and maintain accounts, statements, reporting, potential transfer of funds at end of contract term)		
Fund Lender Program accounts		
Process claims to Lenders		
Transfers to Operational Reserve Fund		
<u>Other Expenses (describe):</u>		

	TOTAL FEES:	

Second Contract Year (2022) Cost:

<u>Fees (if applicable):</u>	<u>Per Transaction</u>	<u>Annual</u>
Trust Administration (Establish and maintain accounts, statements, reporting, potential transfer of funds at end of contract term)		
Fund Lender Program accounts		
Process claims to Lenders		
Transfers to Operational Reserve Fund		
<u>Other Expenses (describe):</u>		

	TOTAL FEES:	

**EXHIBIT B, ATTACHMENT 1
 (Standard Agreement)**

Third Contract Year (2023) Cost:

<u>Fees (if applicable):</u>	<u>Per Transaction</u>	<u>Annual</u>
Trust Administration (Establish and maintain accounts, statements, reporting, potential transfer of funds at end of contract term)		
Fund Lender Program accounts		
Process claims to Lenders		
Transfers to Operational Reserve Fund		
<u>Other Expenses (describe):</u>		

	TOTAL FEES:	

FEE SCHEDULE

(Cost portion of the evaluation will be scored based on the total proposed fees for Contract Years 2021, 2022 and 2023.)

Max Cost of First Contract Year (2021)	\$ _____
Max Cost of Second Contract Year (2022)	\$ _____
Max Cost of Third Contract Year (2023)	\$ _____
Total Max Cost for First (2021), Second (2022), and Third (2023) Contract Years	\$ _____

**EXHIBIT C
(Standard Agreement)**

GENERAL TERMS AND CONDITIONS

Exhibit C to this Agreement, the General Terms and Conditions (GTC 04/2017), is hereby incorporated by reference and made part of this Agreement as if attached hereto. The General Terms and Conditions may be viewed and downloaded at <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>.

SAMPLE

**EXHIBIT D
(Standard Agreement)**

SPECIAL TERMS AND CONDITIONS

1. Excise Tax

The State of California is exempt from federal excise taxes, and no payment will be made for any taxes levied on employees' wages. The State will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Agreement. California may pay any applicable sales and use tax imposed by another state.

2. Settlement of Disputes

In the event of a dispute, Contractor shall file a "Notice of Dispute" with a Deputy Treasurer of the State Treasurer's Office within ten (10) days of discovery of the problem. Within ten (10) days, the Deputy Treasurer shall meet with the representatives of Contractor and the State identified in Section 3 of Exhibit A for purposes of resolving the dispute. The decision of the Deputy Treasurer shall be final.

In the event of a dispute, the language contained within this Agreement shall prevail over any other language including that of any bid proposal.

3. Evaluation of Contractor

Pursuant to Public Contract Code sections 10367 and 10369 within sixty (60) days after the completion of this Agreement, the State shall complete a written evaluation of Contractor's performance under this Agreement. If this Agreement is a contract for consultant services and if Contractor did not satisfactorily perform the work, a copy of the evaluation will be sent to the Department of General Services (DGS), Office of Legal Services, and to the Contractor within fifteen (15) working days of the completion of the evaluation in accordance with Public Contract Code section 10371.

4. No Agency Liability

The Contractor warrants by execution of this Agreement that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the State shall, in addition to other remedies provided by law, have the right to annul this Agreement without liability, paying only for the value of the work actually performed, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

5. Potential Subcontractors

Nothing contained in this Agreement or otherwise, shall create any contractual relationship between the State and any subcontractors, and no subcontract shall relieve the Contractor of his responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the obligation of the State to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

6. Force Majeure

Neither party to this Agreement shall be liable for damages resulting from delayed or defective performance when such delays arise out of causes beyond the control and without the fault or negligence of the offending

**EXHIBIT D
(Standard Agreement)**

party. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the State in its sovereign capacity, fires, floods, power failure, disabling strikes, epidemics, quarantine restrictions, and freight embargoes.

7. Waivers

No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party of any right, power or privilege hereunder, nor any single or partial exercise of any right, power or privilege hereunder, preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

8. Incorporation of Amendments to Applicable Laws

Any references to sections of federal or state statutes or regulations shall be deemed to include a reference to any amendments thereof and any successor provisions thereto.

9. Confidentiality

All financial, statistical, personal, technical and other data and information relating to the operations of the State which are designated confidential by the State and become available to Contractor shall be protected by Contractor from unauthorized use and disclosure.

10. Titles/Section Headings

Titles and headings are for convenience of reference only, and shall have no effect on the construction or legal effect of this Agreement.

11. Choice of Law

Notwithstanding Paragraph 14 of Exhibit C (General Terms and Conditions), this Agreement shall be administered, construed, and enforced according to the laws of the State of California (without regard to any conflict of laws' provisions) to the extent such laws have not been preempted by applicable federal law. Any suit brought hereunder, including any action to compel arbitration or to enforce any award or judgment rendered thereby, shall be brought in state court sitting in Sacramento, California, the parties hereby waiving any claim or defense that such forum is not convenient or proper. Each party agrees that any such court shall have in personam jurisdiction over it and consents to service of process in any manner authorized by California law.

12. Notices

The parties agree that to avoid unreasonable delay in the progress of the services performed hereunder, Contractor and the State have designated in Section 3 of Exhibit A specific staff representatives for the purpose of communication between the parties. Any notice or other written communication required or which may be given hereunder shall be deemed given when delivered personally, or by mail three (3) days after the date of mailing, unless by express mail then upon the date of confirmed receipt, to the representatives named in Section 3 of Exhibit A.

Either party hereto may, from time to time by notice in writing served upon the other as aforesaid, designate a different mailing address or a different or additional person to which all such notices or demands thereafter are to be addressed.

EXHIBIT D
(Standard Agreement)

13. Permits and Licenses

Contractor shall carry out its duties and responsibilities herein in accordance with, be limited in the exercise of its rights by, and observe and comply with, all federal, state, city and county laws, rules or regulations affecting services under this Agreement. Contractor shall procure and keep in full force and effect during the term of this Agreement all permits and licenses necessary to accomplish the work contemplated in this Agreement.

14. Books and Records

Contractor shall keep accurate books and records connected with the performance of this Agreement for a period of at least three (3) years. Contractor shall ensure that books and records of subcontractors, suppliers, and other providers shall also be accurately maintained. Such books and records shall be kept in a secure location and shall be available for inspection and copying by the State and its representatives at any time.

15. Key Personnel

- a. A resume for each member of Contractor's staff who will exercise a significant administrative, policy, or consulting role under this Agreement is attached to this Agreement as Attachment 1 to Exhibit D. These members of Contractor's staff shall be hereafter referred to (both individually and collectively) as "Key Personnel."
- b. Contractor shall not substitute, replace or reassign Key Personnel without the prior approval of the State.
- c. This Agreement may be terminated immediately, in the sole discretion of the State and upon written notice from the State to Contractor, because of any change in or departure of any of the Key Personnel.

16. Changes in Control, Organization or Key Personnel

Contractor shall promptly, and in any case within five (5) days, notify the State in writing: (i) if any of Contractor's representations and warranties, as set forth in this Agreement, cease to be true at any time during the term of this Agreement; (ii) of any change in Contractor's staff who exercises a significant administrative, policy, or consulting role under this Agreement, including without limitation any Key Personnel; (iii) of any change in the majority ownership, control, or business structure of Contractor; or (iv) of any other material change in Contractor's business, partnership or corporate organization. All written notices from Contractor under this provision shall contain sufficient information to permit the State to evaluate the changes within Contractor's staff or organization under the same criteria as was used by the State in its award of this Agreement to Contractor.

17. Insurance Requirements

Contractor warrants that it carries adequate liability, worker's compensation and other necessary insurance and shall maintain such insurance at levels acceptable to the State in full force and effect during the term of this Agreement. Contractor agrees to furnish satisfactory evidence of this insurance coverage to the State upon request.

18. Subcontractors

- a. Contractor shall perform the work contemplated by this Agreement with resources available within its own organization except for subcontracted work identified in this Agreement or other attachment incorporated hereto. No other portion of the work pertinent to this Agreement shall be subcontracted

**EXHIBIT D
(Standard Agreement)**

without written authorization by the State. The subcontractor must be mutually agreed upon in advance by both parties.

- b. Contractor shall require that any subcontractor agree to be bound by all provisions of this Agreement, as applicable.

19. Notice of Proceedings

Contractor shall promptly notify the State in writing of any investigation, examination or other proceeding involving Contractor, including any Key Personnel, commenced by any regulatory agency, which proceeding is not conducted in the ordinary course of Contractor's business.

20. Cumulative Remedies

The rights and remedies provided herein are cumulative and are not exclusive of any rights or remedies that any party may otherwise have at law or in equity.

21. Binding Effect

This Agreement, any instrument or agreement executed pursuant to this Agreement, and the rights, covenants, conditions and obligations of Contractor and the State contained therein, shall be binding upon the parties and their successors, assigns and legal representatives.

22. Publicity

No publicity release or announcement concerning this Agreement or the transactions contemplated herein shall be issued by Contractor without advance written approval by the State.

23. Services or Procurement Resulting from Agreement

Neither Contractor, nor any of its subsidiaries, officers or directors, may submit a bid or be awarded a contract for the provision of services, procurement of goods or supplies, or any other related action which is required, suggested, or otherwise deemed to be an outgrowth of the advice or recommendations that Contractor provides under this Agreement.

24. Agreement Does Not Violate Law

Contractor represents and warrants that neither the execution of this Agreement nor the acts contemplated hereby nor compliance by Contractor with any provisions hereof will:

- a. Violate any provision of the charter documents of Contractor;
- b. Violate any statute or law or ordinance or any judgment, decree, order, regulation or rule of any court or governmental authority applicable to Contractor; or
- c. Violate, or be in conflict with, or constitute a default under, or permit the termination of, or require the consent of any person under, any agreement to which Contractor may be bound, the violation of which in the aggregate would have a material adverse effect on the properties, business, prospects, earnings, assets, liabilities or condition (financial or otherwise) of Contractor.

EXHIBIT D
(Standard Agreement)

25. Power and Authority

Contractor represents and warrants that it has the power and authority to enter into this Agreement and to carry out its obligations hereunder. The execution of this Agreement has been duly authorized by Contractor and no other proceeding on the part of Contractor is necessary to authorize this Agreement. Contractor has completed, obtained and performed all registrations, filings, approvals, authorizations, consents or examinations required by any government or governmental authority for its acts contemplated by this Agreement.

26. Signature Authorization

The person signing this Agreement warrants that he/she is an agent of Contractor and is duly authorized to enter into this Agreement on behalf of Contractor.

27. Entire Agreement; Order of Precedence

- a. This Agreement, including documents that have been incorporated in this Agreement by reference, contains all representations and the entire understanding between the parties hereto with respect to the subject matter hereof. Any prior correspondence, memoranda or agreements are replaced in total by this Agreement.
- b. In the event there are any inconsistencies or ambiguities among the terms of this Agreement and incorporated documents, the following order of precedence shall be used: (i) applicable laws; (ii) the terms and conditions of this Agreement, including exhibits and attachments; (iii) the Request for Proposal (RFP) if any; (iv) Contractor's response to the RFP if any; and (v) any other provisions, terms, or materials incorporated herein.

28. Termination at Option of the State

In addition to the provisions of Paragraph 7 of Exhibit C (General Terms and Conditions), this Agreement may be terminated in whole or in part at any time upon 30 calendar days' written notice by the State, for any reason. Upon receipt of a termination notice, Contractor shall promptly discontinue all services affected unless the notice specifies otherwise. In the event the State terminates all or a portion of this Agreement for any reason, it is understood that the State will provide payment to Contractor for satisfactory services rendered prior to the termination, but not in excess of the maximum amount of this Agreement.

29. Termination for Insolvency

Contractor shall notify the State immediately in writing in the event that Contractor files any federal bankruptcy action or state receivership action, any federal bankruptcy or state receivership action is commenced against Contractor, Contractor is adjudged bankrupt, or a receiver is appointed and qualifies. In the event of any of the foregoing events, or if the State determines, based on reliable information, that there is a substantial probability that Contractor will be financially unable to continue performance under this Agreement, the State may terminate this Agreement and all further rights and obligations immediately.

30. Completion

In the event of termination for default, the State reserves the right to take over and complete the work by contract or other means. In such case, Contractor will be liable to the State for any additional cost incurred by the State to complete the work whether reimbursed or not.

EXHIBIT D
(Standard Agreement)

31. Effect of Termination

All duties and obligations of the State and Contractor shall cease upon termination of this Agreement, except that:

- a. Each party shall remain liable for any rights, obligations, or liabilities arising from activities carried on by it under this Agreement prior to the effective date of termination; and
- b. Contractor shall provide for the return of all records of the State to the State or its designee and shall cooperate fully to effect an orderly transfer of services.

32. Termination for Expatriation

Contractor shall notify the State immediately in writing in the event that Contractor or its parent files any notice with the Securities and Exchange Commission that Contractor intends to reincorporate offshore. In the event of such notice, the State may terminate this Agreement and all further rights and obligations immediately by giving five (5) days' notice in writing in the manner specified herein.

33. Compliance With Political Reform Act

Contractor acknowledges that the State is subject to the provisions of the Political Reform Act (Government Code section 81000 et seq. and all regulations adopted thereunder, including, but not limited to, California Code of Regulations, title 2, section 18700 et. seq.) and Contractor shall comply promptly with any requirement thereunder. If required by law, Contractor shall require its personnel, including without limitation, its Key Personnel all later substitutions therefore, to file Statements of Economic Interests in compliance with the Conflict of Interest Code for the Office of the State Treasurer and the various boards, authorities, commissions, and committees chaired by the State Treasurer (California Code of Regulations, title 2, section 1897). All such reports shall be filed simultaneously with the State.

34. Darfur Contracting Act

Effective January 1, 2009, all Invitations for Bids (IFB) or Requests for Proposals (RFP) for goods or services must address the requirements of the Darfur Contracting Act of 2008 (Act). (Public Contract Code section 10475 et seq.) The Act was passed by the California Legislature and signed into law by the Governor to preclude State agencies generally from contracting with "scrutinized" companies that do business in the African nation of Sudan of which the Darfur region is a part, for the reasons described in Public Contract Code section 10475.

A scrutinized company is a company doing business in Sudan as defined in Public Contract Code section 10476. Scrutinized companies are ineligible to, and cannot, bid on or submit a proposal for a contract with a State agency for goods or services. (Public Contract Code section 10477(a).)

Therefore, Public Contract Code section 10478(a) requires a company that currently has (or within the previous three years has had) business activities or other operations outside of the United States to certify that it is not a "scrutinized" company when it submits a bid or proposal to a State agency. A scrutinized company may still, however, submit a bid or proposal for a contract with a State agency for goods or services if the company first obtains permission from DGS according to the criteria set forth in Public Contract Code section 10477(b).

EXHIBIT D
(Standard Agreement)

35. Labor Neutrality Policy

CAEATFA recognizes the value of labor organizing and encourages the entities with which it contracts to demonstrate that they also value this principle by encouraging management neutrality in labor organizing activities.

To remain "neutral" means not to take any action or make any statement that will directly or indirectly state or imply any support for or opposition to the selection by the Contractor's employees of a collective bargaining agent, or preference or opposition to any particular union as a bargaining agent. Nothing in this section obligates or prohibits the Contractor from entering into private neutrality, labor peace or other lawful agreements with a labor organization seeking to represent or who currently represents the Contractor's employees.

SAMPLE

**EXHIBIT D, ATTACHMENT 1
(Standard Agreement)**

KEY PERSONNEL RESUMES

SAMPLE

**EXHIBIT E
(Standard Agreement)**

ADDITIONAL PROVISIONS

1. Progress Payments

Progress payments are permitted for work completed under this Agreement. Ten percent (10%) of the invoiced amount may be withheld pending final completion of each task. Any funds withheld with regard to a particular task shall be paid upon completion of that task.

2. Conflict of Interest; No Profit

A. Contractor certifies that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest, and that no officer or employee who exercises any functions or responsibilities in connection with this Agreement shall have any personal financial interest or benefit which either directly or indirectly arises from this Agreement.

B. Contractor shall establish safeguards to prohibit its employees or its officers from using their positions for a purpose which could result in private gain or which gives the appearance of being motivated for private gain for themselves or others, particularly those with whom they have family, business, or other ties.

3. Third-Party Agreement Provisions and Information Security Requirements

Pursuant to the CHEEF Implementation Agreement effective September 12, 2014 and as amended and restated effective June 15, 2017, entered into by and among the California Alternative Energy and Advanced Transportation Financing Authority, a public instrumentality of the State of California created pursuant to Division 16 (commencing with Section 26000) of the California Public Resources Code ("CAEATFA"), Pacific Gas and Electric Company, a California corporation ("PG&E"), San Diego Gas & Electric Company, a California corporation ("SDG&E"), Southern California Edison Company, a California corporation ("SCE"), and Southern California Gas Company, a California corporation ("SoCalGas"), terms for the protection of the investor-owned utilities ("IOUs") are included as Exhibit F and made a part of this Agreement.

EXHIBIT F
(Standard Agreement)

THIRD PARTY AGREEMENT PROVISIONS

1. Confidentiality and Data Protection

1.1 Definitions

“Confidential Information and Property” means all non-public, confidential or proprietary commercial or personal information or property of a party or IOU, including without limitation Customer Data, disclosed or provided under this Agreement to any other party or its agents, employees, officers, directors, partners, attorneys, accountants, contractors or providers (collectively, **“Representatives”**), whether disclosed or provided orally or disclosed, provided or accessed in written, electronic or other form of media, whether or not marked or otherwise identified as “confidential,” concerning, but not limited to, research, development, products, services, processes, designs, inventions, software, tools, reports, ratemaking, regulatory and legislative matters and practices of that party, its parent company, subsidiaries, affiliates, or members of the public, including Customer Data provided by that party. Such Confidential Information and Property also includes non-public, confidential or proprietary commercial or personal information, data or tangible or intangible property produced, developed or delivered by Contractor in the performance of this Agreement.

1.1.1 **“Customer Data”** means all information and data regarding an IOU customer that is furnished, disclosed, or otherwise made available to Contractor by an IOU under this Agreement, including without limitation personal information such as the customer’s name, address, contact information, service agreement number on the Customer’s electric bill, user name, password, financial status, and social security number, and any information regarding the Customer’s energy usage or billing. No confidential Customer Data shall be provided to Contractor except pursuant to a release of any such Customer Data in one or more forms provided by that IOU, as may be amended from time to time in that IOUs’ sole discretion, executed by that IOU’s customer to whom such Customer Data pertains (**“Release”**).

1.1.2 **“Contractor Personnel”** means any and all personnel furnished or engaged by the Provider to perform any part of the Scope of Work, as defined in the Agreement, including employees and independent contractors of the Contractor and its Subcontractors.

1.1.3 **“Disclosing Party”** means the party or, as applicable, the IOU, that discloses its Confidential Information and Property to the Receiving Party pursuant to this Agreement.

1.1.4 **“Receiving Party”** means the party that receives Confidential Information and Property from the Disclosing Party pursuant to this Agreement.

1.2 Confidentiality

1.2.1 Contractor shall not disclose or make available Confidential Information and Property to any third party, except as permitted by this Agreement. Contractor shall, and shall require Contractor Personnel to, access and use Confidential Information and Property solely for the purpose of performing the Scope of Work, but not otherwise. In addition, Contractor shall comply, and ensure that Contractor Personnel comply, with all applicable laws relating to the protection of Confidential Information and Property and Customer Data.

1.2.2 Contractor shall not, and shall ensure Contractor Personnel do not, use Confidential Information and Property or Customer Data (including any Customer Data received by Contractor pursuant to a Release) for Contractor’s or Contractor Personnel’s own benefit or for any purpose other than as expressly stated in this Agreement.

1.2.3 If Contractor receives any Customer Data pursuant to this Agreement without a Release, Contractor shall (1) provide written notice to CAEATFA and the relevant IOU within two (2) business days of discovering that the Customer Data was disclosed without a Release; (2) shall delay processing of any application related to an IOU customer to which the Customer

EXHIBIT F (Standard Agreement)

Data pertains until Contractor receives such Release; and (3) treat any such Customer Data as Confidential Information and Property.

1.2.4 The foregoing confidentiality restrictions shall not apply to information which is (i) previously known to a Receiving Party, prior to its receipt from Disclosing Party, (ii) independently developed by Receiving Party without use of the Confidential Information, (iii) acquired by it from a third party not participating in the Program(s), which was not, to the Receiving Party's knowledge, under an obligation to the Disclosing Party not to disclose such information, (iv) which is or becomes publicly available through no breach of this Agreement by the Receiving Party; or (v) Customer Data provided by an IOU pursuant to a Release; provided that if such Customer Data has been compiled in a database, that database shall nonetheless be deemed Confidential Information and Property owned by the IOUs, and all of the confidentiality obligations herein shall apply unless such Customer Data in that database is anonymized or aggregated so that it cannot be identified with the individuals to whom it relates.

1.2.5 Contractor acknowledges that CAEATFA and the IOUs may elect to disclose Contractor Confidential Information and Property to their respective regulator(s) and legislators. In addition, CAEATFA and the IOUs may be required to disclose Contractor's Confidential Information and Property to third parties to comply with Commission directions relating to energy efficiency program reporting or to comply with other applicable laws. Such disclosures are not prohibited by this Section 1.2.5 but, in making such disclosures, CAEATFA and the IOUs will afford the level of protection to such information as CAEATFA and the IOUs determine to be appropriate in accordance with their normal business practices.

1.3 Use of Confidential Information and Property

Confidential Information and Property is and will remain the property of the Disclosing Party. The Receiving Party may not use the Disclosing Party's Confidential Information and Property or Customer Data (including any Customer Data received by such Party pursuant to a Release) for any purpose other than those expressly authorized by this Agreement. The Disclosing Party's Confidential Information and Property shall not be sold, assigned, leased or otherwise disposed of to third parties or commercially exploited by or on behalf of the Receiving Party. The Receiving Party may not possess or assert any lien or other right against or to the Disclosing Party's Confidential Information and Property.

1.4 Compliance with Data Privacy and Data Protection Laws

Contractor shall observe and comply with all applicable laws, including data privacy, data protection, and consumer privacy laws. If a party becomes aware of any use or disclosure of another party's Confidential Information and Property or Customer Data that is not permitted by this Agreement, it will notify that other party as soon as practicable, but no later than two (2) business days after such party becomes aware of any such unauthorized use or disclosure.

1.5 Information Security and Protection Measures

1.5.1 Contractor shall take "Information Security and Protection Measures" consistent with industry best practices, as such practices evolve and improve during the Term and, without limiting the foregoing, shall comply with the Information Security Requirements set forth in Attachment A hereof, as such policies are updated and supplemented by the relevant parties during the continuance of this Agreement. Information Security and Protection Measures means measures to safeguard against the unauthorized access, loss, destruction, use, alteration or disclosure of Confidential Information and Property owned or provided by CAEATFA or IOUs, including but not limited to:

1.5.1.1 Systems, infrastructure, procedures and services as necessary to recover data, systems and operations in the event of a major outage or disaster, and regular tests (no less frequently than annually) to verify that such recovery can be achieved;

**EXHIBIT F
(Standard Agreement)**

1.5.1.2 Policies and procedures providing information security, third-party assurance auditing and penetration testing;

1.5.1.3 Password protected access to Confidential Information and Property at all access points;

1.5.1.4 Encryption of Confidential Information and Property at rest and in transit (including any backup copies);

1.5.1.5 Restriction of physical access to Confidential Information and Property;

1.5.1.6 Implementation of logical access controls and sanitization or destruction of media, including hard drives;

1.5.1.7 Compliance with NIST standards, as applicable to the Scope of Work; and

1.5.1.8 Contractor shall furnish to CAEATFA and the IOUs upon request an SSAE 16 Type II report on Contractor's internal controls pertaining to the Scope of Work (or such other independent verification of Contractor's Information Security and Protection Measures that is reasonably acceptable to CAEATFA and the IOUs):

1.5.1.8.1 Before commencing performance of the Scope of Work;

1.5.1.8.2 No later than *[date]* each year during the Term; and

1.5.1.8.3 Upon request by CAEATFA or the IOUs, but not more than once per calendar year in addition to the provision of the annual certification referred to in paragraph (2).

1.5.2 CAEATFA and the IOUs may inspect and audit, or engage a third party auditor to inspect and audit, the Contractor's facilities and systems to assess the Contractor's Information Security and Protection Measures. The Contractor shall cooperate fully with any requested inspection or audit. If CAEATFA or an IOU notifies Contractor of a material vulnerability in the Contractor's security measures, Contractor shall develop an action plan acceptable to CAEATFA and the IOUs to correct the material vulnerability or vulnerabilities, in accordance with Attachment A to this Exhibit.

1.5.3 Contractor hereby represents, warrants and covenants that, to the extent Contractor's facilities or information system(s) have been the subject of security audits prior to the date hereof and such audits have revealed any material vulnerabilities in the Contractor's facilities or Contractor's information system(s), Contractor has fully remedied such vulnerabilities.

1.6 Compelled Disclosure

If Contractor becomes legally compelled to disclose any Confidential Information and Property of the Disclosing Party in a manner not otherwise permitted by this Agreement (including any disclosure that is required pursuant to the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the California Government Code (the "Public Records Act"))), Contractor will provide CAEATFA and the Disclosing Party with notice of the request within two (2) business days to enable CAEATFA and the Disclosing Party to fulfill their obligations under Section 7.5 of the (Amended and Restated) CHEEF Implementation Agreement dated May 15, 2017. Contractor acknowledges that the obligation to produce documents and the ultimate determination of what information is privileged and what is to be released is solely CAEATFA's.

1.7 Public Disclosures

1.7.1 CAEATFA and the IOUs may be required or may determine it is desirable to file this Agreement with regulatory entities and, Contractor acknowledges that in either case, they shall have the right to do so. Each Party will otherwise refrain from disclosing the specific terms and conditions of this Agreement to third parties to the extent allowed by law.

EXHIBIT F
(Standard Agreement)

1.7.2 All other media releases, public announcements and public disclosures by CAEATFA or the IOUs relating to this Agreement or the subject matter of this Agreement (including disclosures and announcements regarding the conduct or results of the Pilot Programs) will be coordinated with and approved by CAEATFA and the IOUs prior to release.

1.7.3 The fact that the parties have entered into this Agreement does not constitute, nor does it imply in any way, endorsement by CAEATFA of Contractor, and Contractor will not indicate or imply that CAEATFA endorses, recommends, or vouches for Contractor in any form of written, verbal, or electronic advertisement, communication, or any other business development effort, except to the extent expressly approved by CAEATFA in writing.

1.8 Return or Destruction

Upon request by the Disclosing Party, and with the written consent of CAEATFA in the event of a request from an IOU, Contractor will return or provide the Disclosing Party a copy of any designated Confidential Information and Property of the Disclosing Party. When Confidential Information and Property of the Disclosing Party is no longer required for the Contractor's performance under this Agreement, or in any event upon expiration or termination of this Agreement for any reason, the Contractor will return all materials in any medium that contain, refer to, or relate to Confidential Information and Property of the Disclosing Party or, at the Disclosing Party's election, destroy them. At the Disclosing Party's request, the Receiving Party will certify in writing that it has returned or destroyed all copies of the Disclosing Party's Confidential Information and Property in the possession or control of the Receiving Party. Contractor shall remove, or cause to be removed, all Confidential Information and Property from Contractor and Contractor Personnel's information system and other computing resources. Contractor shall not, without the prior written authorization of CAEATFA and the IOUs, sell or otherwise dispose of any parts, equipment, or other materials containing, conveying, embodying, or made in accordance with or by reference to any Confidential Information and Property. Before disposing of such parts, equipment, or materials, Contractor shall render them unusable.

1.9 Duration of Confidentiality Obligations

The Receiving Party's obligations hereunder apply to Confidential Information and Property of the Disclosing Party disclosed to the Receiving Party before or after the Effective Date and will continue during the Term and survive the expiration or termination of this Agreement as follows and in compliance with any obligations arising under the Public Records Act:

1.9.1 The Receiving Party's obligations under Section 1.8 will continue in effect until fully performed;

1.9.2 As to any portion of the Disclosing Party's Confidential Information and Property that constitutes a trade secret under applicable law, the obligations will continue for as long as the information continues to constitute a trade secret;

1.9.3 As to Customer Data, such obligations shall continue in perpetuity; and

1.9.4 As to all other Confidential Information and Property of the Disclosing Party, the obligations will survive for two years after the Receiving Party's fulfillment of its obligations under Section 1.8 with respect to the Confidential Information and Property in question.

1.10 Database and Derived Data

1.10.1 Any database or information repository developed or maintained by Contractor using IOU Confidential Information and Property or Customer Data (a "**Database**"), and all analysis, reports, aggregated and/or anonymized data and metadata created by Contractor based on IOU Confidential Information and Property or Customer Data ("**Derived Data**"), shall be owned jointly by the IOUs from whose Confidential Information and Property and Customer Data the Database

EXHIBIT F
(Standard Agreement)

or Derived Data was derived, and shall be held for the benefit of ratepayers subject to the continuing jurisdiction and regulation of the Commission.

1.10.2 Contractor may use, publish and disclose the Database and Derived Data only for the purpose of performing the Scope of Work in accordance with this Agreement, but not otherwise, and shall not sell, assign, lease or otherwise dispose of the Database or Derived Data to third parties or commercially exploit it for Contractor's benefit or the benefit of any third party. Contractor may not possess or assert any lien or other right against or to the Database or Derived Data.

1.10.3 Before the Database and/or any Derived Data is made public or disclosed to any third party pursuant to authorization under this Agreement, Contractor shall ensure that any Customer Data included therein is anonymized so that it cannot be identified with the individuals to whom it relates.

2. Provisions Related to Personnel (Security Training and Background Check)

2.1 The Contractor, at its own expense, will ensure that, prior to providing any of the Scope of Work, Contractor's Personnel will: (i) complete any CAEATFA- or IOU-provided or required orientation and security procedures, which will include training on the confidentiality, security and non-disclosure obligations regarding the IOUs' computing system and Confidential Information and Property, Security Incident Response Plan, as well as appropriate business conduct and protocols directed at compliance with applicable laws and any relevant IOU policies; and (ii) complete annual training thereafter, and update such training when applicable laws materially change or when CAEATFA or an IOU informs the Contractor of material changes in the IOUs' information or physical security policies.

2.2 The Contractor, at its own expense, will (iii) screen and conduct background checks of the Contractor Personnel in accordance with CAEATFA's and the IOUs' policies that have been provided to the Contractor in writing; (iv) verify that each individual involved in providing the Scope of Work has received and signed a copy of the Contractor's code of conduct and is bound to maintain the confidentiality of all Confidential Information and Property provided by CAEATFA and the IOUs pursuant to this Agreement; and (v) confirm to CAEATFA and the IOUs that these and any other pre-assignment steps described in this Agreement or CAEATFA's and the IOUs' written policies for contractors have been successfully completed.

3. Enforcement by IOUs

3.1 Each IOU is a third party beneficiary of the Contractor's warranties, covenants, indemnities and other obligations under this Agreement. In addition to CAEATFA's right to enforce the Agreement as a Party, each IOU may enforce the terms of this Agreement against the Contractor as if the IOU were a Party. Alternatively, each IOU may, in its sole discretion, authorize CAEATFA or another IOU to enforce such rights, including by participating in an arbitration proceeding or litigation on its behalf. The IOUs shall take no action pursuant to this section without providing three (3) business days' prior written notice to CAEATFA.

3.2 Subject to paragraph (a), this Agreement is entered into solely between CAEATFA and Contractor, and will not be deemed to create any rights in any third parties or to create any obligations of either CAEATFA or Contractor to any third parties.

4. Prior Written Approval for Changes

Contractor's Cost Proposal, submitted in response to CAEATFA's Request for Proposal ("RFP") and made a part of the Agreement by reference (hereinafter "**Cost Proposal**"), describes the personnel, subcontractors, facilities and systems (the "**Service Delivery Environment**") that will be used by the Contractor to perform and deliver the Scope of Work. Any material change to the

EXHIBIT F
(Standard Agreement)

Service Delivery Environment as described in the Cost Proposal shall require CAEATFA's prior written approval. Without limiting the foregoing, CAEATFA's prior written approval is required for any subcontracting of the Scope of Work by Contractor, any relocation of Confidential Information and Property or any change in the locations from which Confidential Information and Property may be accessed by Contractor Personnel.

5. Compliance with Applicable Laws

The Contractor will comply with all applicable laws in connection with the performance of the Scope of Work and the conduct of its business. [if applicable] [Without limitation, the Contractor shall maintain and keep in good standing a money transmitter's license pursuant to the California Money Transmission Act (California Financial Code § 2000, et seq.), a finance lender's license pursuant to California Financial Code §§ 2200 et seq., a mortgage lender's license pursuant to the California Residential Mortgage Lending Act (California Financial Code, § 50000 et seq.) and a real estate broker's license pursuant to Section [____] of the California Business and Professions Code, to the extent applicable to the Scope of Work.]

6. Insurance

6.1 Contractor will maintain the following insurance coverage or self-insurance coverage, at all times during the term of this Agreement, with companies having an A.M. Best rating of "A-, VII" or better, or equivalent:

- i. **Workers' Compensation:** statutory minimum.
- ii. **Employer's Liability coverage:** \$1 million minimum.
- iii. **Commercial General Liability:** \$2 million minimum per occurrence/\$4 million minimum aggregate.

6.2 The insurance policies referred to in paragraphs (i), (ii) and (iii) above shall acknowledge CAEATFA, the IOUs and their respective officers, agents and employees (the "**Beneficiaries**") as additional insureds, be primary for all purposes, contain standard cross-liability or severability of interest provisions, and waive all rights of subrogation against the Beneficiaries.

- i. **Professional Liability** (if applicable): \$1 million minimum.
- ii. **Commercial or Business Auto:** \$1 million minimum. Such insurance shall acknowledge the Beneficiaries as additional insureds and be primary for all purposes.

6.3 Evidence of Insurance. Upon request at any time during the term of this Agreement, Contractor shall provide evidence that the insurance policies required by this Section are in full force and effect, and provide the coverage and limits of insurance required herein.

6.4 Notice of Claims. Contractor shall immediately report to CAEATFA, and promptly thereafter confirm in writing, the occurrence of any injury, loss or damage incurred by Contractor in the course of performing Scope of Work, or receipt of notice or knowledge of any claim by a third party of any occurrence that might give rise to such a claim.

7. Audit Rights and Record Retention.

7.1 Contractor shall maintain, for a period of five (5) years after final payment, complete accounting records (and supporting documentation) of all funds paid to Contractor hereunder. Contractor agrees that CAEATFA and the IOUs shall have the right to review and to copy any records and supporting documentation pertaining to the performance of the Agreement. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar

**EXHIBIT F
(Standard Agreement)**

audit right provision in any contract with a subcontractor performing any of the Scope of Work.

- 7.2** Contractor shall not retain any funds erroneously paid by CAEATFA to Contractor, including, but not limited to, any funds paid on behalf of an IOU. If, at any time, CAEATFA or the IOUs discover that an amount was paid to Contractor in error, either through subsequent review or audit, or by another means, the amount erroneously paid to Contractor may, at the option of CAEATFA or IOUs, as applicable be used to offset future payment(s) due to Contractor or must be repaid by Contractor.

8. Contractor Indemnities.

- 8.1** Contractor shall indemnify, defend and hold harmless CAEATFA, the IOUs, their affiliates, and their respective officers, directors, employees, agents and representatives from and against any and all Losses arising in connection with any Claim:

- 8.1.1 resulting from the negligent or unlawful acts or omissions, or willful or tortious conduct of Contractor or its employees, agents and subcontractors, including any failure of any of them to comply with applicable laws in connection with this Agreement;
- 8.1.2 resulting from any collection or enforcement action in connection with this Agreement; and/or
- 8.1.3 arising from the Contractor's breach or alleged breach of its confidentiality, data privacy and data protection obligations under this Agreement.

8.2 Definitions Related to Contractor Indemnities.

- 8.2.1 **"Claim"** means any claim, demand, action, proceeding or investigation made or commenced against a Party that is related to this Agreement or a Contractor agreement, as applicable, by an unaffiliated third party or governmental authority, whether or not a lawsuit is filed.
- 8.2.2 **"Losses"** means any and all expenses, losses, liabilities and/or damages suffered or incurred by any indemnified person as a result of or in connection with a Claim, including any amounts paid or incurred in settlement of a Claim, and including the costs of defending and/or settling the Claim and associated legal costs.

**EXHIBIT F, ATTACHMENT 1
(Standard Agreement)**

INFORMATION SECURITY REQUIREMENTS

CAEATFA and Contractor (together, the "Parties") have entered into Agreement CAEATFA04-18 as of the Effective Date thereof (the "Agreement"). The terms set forth in this Attachment A shall be governed by the Agreement and shall be effective as of the Effective Date. Capitalized terms used in this Attachment but not defined herein shall have the meanings given in the Agreement.

1. **Scope.** This Attachment A applies to and governs any and all receipt of, access to, storage of, or use of Confidential Information and Property by Contractor and Contractor Personnel, in connection with the Scope of Work.

2. **Definitions.** In addition to the definitions set forth elsewhere in the Agreement, the following capitalized terms shall have the meanings set forth below:

(a) **"Security Incident"** means (i) any Unauthorized Use or other breach in the security of Contractor and/or Contractor Personnel's information systems that contain Confidential Information and Property, or any unauthorized access to, interception of, disclosure or acquisition of such Confidential Information and Property, or (ii) if caused by the action or inaction of Contractor, any Unauthorized Use or other breach in the security of information systems that contain Confidential Information and Property, or any unauthorized access to, interception of, disclosure or acquisition of such Confidential Information and Property.

(b) **"Security Incident Response Plan" or "SIRP"** means a written plan and process for preventing, detecting, identifying, reporting, tracking and remediating Security Incidents.

(c) **"Security Incident Report" or "SIR"** means a report prepared by Contractor regarding a Security Incident which includes, at a minimum, the information more fully set forth below in Section 5.

(d) **"Unauthorized Use"** means any use, reproduction, distribution, transfer, disposition, disclosure, possession, memory input, alteration, erasure, damage or other activity by Contractor involving Confidential Information and Property that is not expressly authorized under the Agreement.

3. **Security Obligations.**

(a) **Security Incident Response Plan:** Prior to accessing any Confidential Information and Property, Contractor shall develop a SIRP and implement and maintain such SIRP throughout the Term.

(b) **SIRP General Requirements:** Contractor's SIRP will include, at a minimum, Security Incident handling and response procedures, specific contacts in an event of a Security Incident, the contacts' roles and responsibilities, and their plans to notify CAEATFA and/or the relevant IOU(s), as the case may be, concerning the Security Incident. The SIRP must be based on and meet all of the following requirements:

(i) Applicable laws concerning the care, custody, control and integrity of data and information, including but not limited to, California's Information Practices Act of 1977, California Civil Code §§ 1798.80 *et seq.*

(ii) Provides for notice to CAEATFA and/or the IOUs (as applicable), of any breach of the security of Confidential Information and Property if it is reasonably believed to have been acquired by an unauthorized person and California Public Utilities Commission Decision 11-07-056, 2011 Cal. PUC LEXIS 404.

(c) **SIRP Review.** At CAEATFA's request, Contractor shall review the SIRP at least annually with CAEATFA, and the IOU's (if applicable) to identify updates, changes or potential improvements, and a process to document these changes within ninety (90) days of these changes.

(d) **Physical Security.** Contractor shall provide and maintain physical controls in accordance with Applicable Standards to prevent any Security Incidents and the Unauthorized Use of Confidential Information and Property. Physical controls shall include, but not be limited to: (i) effective physical security

**EXHIBIT F, ATTACHMENT 1
(Standard Agreement)**

of any Contractor facilities and Contractor's computing systems used in connection with providing the Scope of Work to CAEATFA, on behalf of the IOUs. At a minimum, such methods must include visitor sign-ins, restricted access key cards or locks for employees, and limited access to server rooms and archival backups; (ii) physical hazard protection; (iii) equipment configuration control methods to detect unauthorized changes in configuration and inventory; and (iv) requirements stating that all removable media such as compact discs, digital video discs, thumb drives, or laptops used to store Confidential Information and Property shall be protected from Unauthorized Use or a Security Incident.

(e) Additional Security Obligations. In addition to its other obligations relating to Confidential Information under the Agreement, Contractor shall (and shall ensure Contractor Personnel) comply with the following additional obligations:

(i) Data Storage. Contractor shall maintain all Confidential Information and Property so as to be compartmentalized or otherwise logically separate from, and in no way commingled with, other information of Contractor or its other customers and not accessible by other customers.

(ii) Security Program. The security program implemented and maintained by Contractor for its Information Systems shall consist of safeguards to prevent any Unauthorized Use, accidental or unauthorized destruction, accidental loss, alteration of, access to and any other unauthorized collection or use of Confidential Information and Property, and shall include, without limitation: (aa) appropriate access controls and data integrity controls, including the use of strong authentication of users, least privilege access, and use of firewalls and antivirus software; (bb) testing and auditing of all controls; and (cc) encryption of all Confidential Information and Property, while at rest and in transit.

(iii) Backup of Confidential Information and Property. Contractor will use prevailing: (aa) secure and redundant encrypted data backup, (bb) recovery technologies, and (cc) destruction methods, at no additional cost to CAEATFA, with respect to Contractor's access and use of Confidential Information and Property. Contractor shall at all times ensure that it is aware of and has documented the location of all copies of Confidential Information and Property.

4. Notice of Security Incident. Contractor covenants and agrees that if Contractor or Contractor Personnel, discover or are notified of a Security Incident or potential Security Incident relating to the IOUs' or CAEATFA's computing systems, Confidential Information and Property or information therein, Contractor shall immediately submit a SIR to CAEATFA and the relevant IOU(s) by emailing the SIR. The SIR shall include, at a minimum, a brief summary of the issue, facts and status of Contractor's investigation; (b) identify the potential number of individuals affected by the Security Incident; (c) provide any other information pertinent to CAEATFA's and the IOUs' understanding of the Security Incident and the exposure or potential exposure of Confidential Information and Property; (d) investigate such Unauthorized Use or such potential Unauthorized Use that caused the Security Incident or may cause a Security Incident, (e) inform CAEATFA and the relevant IOU(s), in writing, of the results of such investigation, (f) assist CAEATFA and the relevant IOU(s), (at Contractor's cost and expense) in maintaining the confidentiality of such Confidential Information and Property; and (g) if requested by CAEATFA, discuss with CAEATFA and the relevant IOU(s) the cause(s) of the Security Incident, Contractor's response, lessons learned and potential improvements to Contractor's computing system's security process and procedures. Upon receipt of Contractor's SIR, CAEATFA or the IOUs may immediately revoke Contractor's and Contractor Personnel's access to the relevant computing systems and Confidential Information and Property. Such revocation shall not relieve Contractor of its obligations to perform the Scope of Work in accordance with the terms of the Agreement. If CAEATFA or an IOU deems it prudent to notify individuals potentially affected by the Security Incident and/or to offer them free credit monitoring service or other remedies, then Contractor shall reimburse CAEATFA or the IOU for its costs and expenses for the notification and remedies.

5. Vulnerability Management After a Security Incident. Upon the occurrence of a Security Incident, Contractor shall immediately inform CAEATFA and the IOUs of such Security Incident and provide access to CAEATFA and the IOUs so that CAEATFA and the IOUs or an independent third party may conduct an onsite audit and inspection of the facility or facilities and Contractor's computing systems involved in the

**EXHIBIT F, ATTACHMENT 1
(Standard Agreement)**

Security Incident. Contractor shall develop an action plan acceptable to CAEATFA and the IOUs to correct the causes of the Security Incident and all material vulnerability or vulnerabilities discovered during the audit or inspection. Promptly after CAEATFA and the IOUs approve the action plan, Contractor shall correct each such Security Incident cause or vulnerability at its sole cost and expense. Contractor shall certify in writing to CAEATFA and the IOUs that it has corrected all such Security Incident causes and vulnerabilities. Contractor shall bear (and if applicable, shall reimburse CAEATFA and/or the applicable IOU(s) for) all costs and expenses of an audit or inspection following a Security Incident. Additionally, Contractor shall:

(i) Upon CAEATFA's or an IOU's written request, promptly perform (or shall permit the IOUs or an independent third party to perform) a vulnerability threat assessment ("VTA") test or such additional testing as may be reasonably required by CAEATFA or an IOU. The VTA may be performed, in CAEATFA's or the IOUs' sole discretion, by CAEATFA, the staff or subcontractor of one or more IOU, or a security consultant selected and approved in writing by CAEATFA.

(ii) Thereafter, throughout the remainder of the Term, perform quarterly vulnerability assessments of Contractor's computing systems used to perform the Scope of Work ("Assessments"). Such Assessments shall include an evaluation of Contractor's externally accessible computer systems from the perspective of an external attacker, with a focus on service discovery and service identification. This Assessment shall include a logical assessment, penetration/intrusion testing and/or analysis services. Threats to Contractor's computing systems' availability, reviewing of whether attackers could deny legitimate users access to information made available through Contractor's IT infrastructure, may also be evaluated. Such quarterly Assessments shall be at Contractor's sole expense and shall be conducted by a third party nationally recognized for performing such Assessments (a "VTA Contractor"), proposed by Contractor and subject to CAEATFA's and the IOUs' prior approval, which shall not be unreasonably withheld.

(iii) CAEATFA or an IOU may also request Contractor to have the VTA Contractor conduct additional Assessments on an ad hoc basis, to provide reviews of Contractor's computing systems, including without limitation, Contractor's infrastructure, applications, networks, internal scans, external scans and code. Such ad hoc Assessments shall be conducted in a manner that does not compromise Contractor's reasonable security standards, shall be conducted under Contractor's direction, and shall be at CAEATFA's or the IOU's sole expense. CAEATFA and the IOUs shall have the right to require Contractor to use a different VTA Contractor (other than the one proposed by Contractor) to perform such additional ad hoc Assessments.

(iv) The results of all Assessments described in these Sub-Sections 6(d) (i) – (iii) shall be provided by Contractor to CAEATFA and the IOUs and shall include a comprehensive report of the Assessment findings, redacted to exclude only specific information that is confidential and proprietary to Contractor's other customers. Contractor, CAEATFA and the IOUs shall reach an agreement regarding remediation of the findings within the Assessment results and Contractor shall promptly perform such remediation at its sole cost and expense.

(e) Nothing set forth in Sections 6(c) or (d) shall be construed as a waiver of any legal or equitable rights and remedies available to CAEATFA and/or the IOUs in connection with an audit, inspection, or Security Incident. In addition, CAEATFA's and the IOUs' onsite audit or inspection of Contractor's facilities under these sections shall not be interpreted as CAEATFA's or the IOUs' assumption of any liability or responsibility to remedy the Security Incident or vulnerability or otherwise to assist Contractor in the repair or replacement of Contractor's computing systems or facilities.

(f) Document Retention. Contractor shall maintain all documentation relating to Security Incidents, remediation activities and follow-on assessments, whether in written or electronic form, including their identification, processing and resolution, for three (3) years after final resolution of the Security Incident, including the final resolution of all claims arising out of the Security Incident.

**EXHIBIT F, ATTACHMENT 1
(Standard Agreement)**

6. Additional Representations and Warranties. In addition to Contractor's other representations and warranties in the Agreement, Contractor hereby represents and warrants:

(a) Contractor shall comply with all of the terms in this Attachment A throughout the Term;

(b) Virus Precautions. Contractor represents and warrants that: (i) Contractor's information systems utilized to provide the Scope of Work were checked with Internet industry standard up-to-date antivirus software, and were determined to be virus-free, before their first use in performance of the Agreement; (ii) Contractor will update its virus definitions no less than monthly to ensure that they use the most up-to-date definitions available, and will conduct at least biweekly virus sweeps of all networks, databases, computers, and software (including archival copies of the foregoing) utilized to provide the Scope of Work; (iii) Contractor will promptly use such virus detection software to attempt to purge all viruses discovered during such sweeps; (iv) prior to delivering any digital files to CAEATFA and/or the IOUs, as applicable, Contractor will scan all files with Internet industry standard up-to-date antivirus software and will determine that they are virus-free; and (v) if Contractor discovers that a virus may have been transmitted to CAEATFA or to one or more IOUs by Contractor, Contractor will promptly notify CAEATFA and the IOUs of such possibility in a writing that states the nature of the virus, the date on which transmission may have occurred, and the means Contractor has used to attempt to purge the virus; and

(c) Contractor will not (and will ensure Contractor Personnel do not) access or use any Confidential Information and Property for any purpose other than that of performing Contractor's obligations under the Agreement.

7. Acknowledgement. Contractor acknowledges that the IOUs each retain sole and exclusive ownership of all right, title and interest to and to all Confidential Information and Property. The Agreement does not grant Contractor or Contractor Personnel any implied licenses with respect to Confidential Information and Property or Customer Data.

8. Survival. The terms in this Attachment A will survive the expiration or any termination of the Agreement.