



Texas-New Mexico Power Company

Single Family

Low Income Weatherization

Program Manual

2022

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1 Program Description

The Texas-New Mexico Power Company (TNMP) Low Income Weatherization Program provides incentives for the installation of energy efficiency measures in the single-family homes of low-income customers. The program is administered by Frontier Energy (Frontier); Frontier and non-profit agencies coordinate all work conducted on participants' homes. All measures are approved based on providing a cost-effective improvement in energy efficiency.

Under electric utility restructuring, funding for energy efficiency programs comes from the electric distribution companies, e.g. TNMP, and not from the retail electric providers, e.g., TXU, Reliant Energy, etc. TNMP funds various energy efficiency programs for residential customers including several Standard Offer Programs (SOP) and Market Transformation Programs (MTP). This manual covers only the single-family sector of TNMP's Low Income Weatherization (LIW) Program, which targets single-family homes of low-income qualified residents.

Single-family homes generally are defined as buildings with 4 or fewer separate domiciles, including duplexes, triplexes, fourplexes. A definition of multifamily homes (ineligible to participate in this program) is stated on the current version of the PUCT forms referenced in Appendix A.

2 Program Eligibility Requirements

2.1 Agency Eligibility

Agencies must be registered 501(c)(3) or 501(c)(4) entities, housing authorities or local government agencies. They must be able to identify eligible customers and validate income eligibility using the current forms published by the Public Utility Commission of Texas. These forms can be found at <https://www.puc.texas.gov/industry/electric/forms/Default.aspx> under the Energy Efficiency heading.

Agencies must have sufficient staff or manage contractors to perform assessments, the installation of measures, and data entry. In certain cases, where local Agencies are unable to coordinate qualifying work, Frontier may perform some or all of the duties of an Agency to ensure eligible customers are served by the program.

Persons performing assessments must be certified or working under the direct supervision of an agency staff member with one of the approved certifications. As an option, agencies may subcontract with qualified firms to provide assessment services.

Acceptable certifications for those performing assessments are listed in the table below.

<u>Certification Type</u>	<u>Certifying Organization</u>
HERS Rater	Residential Energy Services Network (RESNET)
Energy Smart Contractor	RESNET
Building Analyst Professional	Building Performance Institute (BPI)
Building Envelope Professional	BPI
Infiltration and Duct Leakage Certification	BPI

Upon request, agencies will be required to produce documentation of certification for all who are performing assessments.

2.2 Customer Eligibility

To be eligible for the program, participants must be a TNMP electric distribution service customer, i.e. their ESI ID number on the electric bill must begin with “1040051.” The ESI ID can be found on the customer’s electric bill.

Eligible customers must meet the at least one of the eligibility requirements as stated on the current version of the PUCT income verification forms referenced in Appendix A. Federal poverty guidelines are updated annually, usually in the first quarter of the year. Updated income verification forms will be provided to participating agencies, once the guidelines are updated.

Customers must agree to possibly having installed measures inspected via follow-up on-site inspections and/or surveys conducted by Frontier, the Texas Evaluation, Measurement and Verification team, the sponsoring utility, or third parties operating on their behalf. While rare, a single customer may be required to have multiple inspections from different parties.

Eligible customers must use electric air conditioning in their home. Multi-family properties containing five or more dwelling units may reach Stefani Case with TNMP to discuss multi-family sector options at 214-222-4174 or stefani.case@tnmp.com.

2.3 Home Eligibility

Eligible customers can live in a single-family home, mobile home, or multiplex with up to four dwelling units that are individually metered. Eligible customers must use electric air conditioning in their home.

The income eligibility process and the eligible measures are different from those of the single-family sector of the program.

Homes must have one or more eligible measures available, based on the energy assessment conducted by the agency.

Homes with any of the following conditions are not eligible for weatherization.

- Ambient CO reading above 9 ppm (in homes with gas heat or appliances)
- Black mold present
- Large area of holes in sheetrock, sheet rock missing in ceiling
- No air conditioning
- Non-working plumbing, e.g., toilets
- Red-tagged gas appliances
- Severe foundation problems, obvious structural damage
- Tarp on roof, obvious roof damage or water damaged sheetrock
- Unvented gas heater used for heating

Agencies should make every attempt to screen for and correct these conditions prior to scheduling an assessment. In some cases, necessary repairs can be arranged using other funding sources to make the home eligible before proceeding with weatherization work.

2.4 Eligible Measures

Only measures that have a Saving-to-Investment Ratio (SIR) of 1.0 or higher on the National Energy Audit Tool (NEAT), or have been pre-approved by Frontier, will be approved for installation. The measures that are included in the program, are listed below:

- Attic and wall insulation, and/or attic encapsulation
- Light Emitting Diodes (LEDs)
- Replacement air conditioners and heat pumps, including mini-split heat pumps
- Air infiltration control measures
- Duct sealing (single family homes only)
- Electric water heaters only
 - Low-flow faucet aerators
 - Low-flow showerheads
 - Water heater pipe wrap
- Solar screens (homes with gas heat only)

Measures that automatically qualify based on pre-approval by Frontier:

- ENERGY STAR® connected thermostats (home must have a working central HVAC controlled by a non-qualifying thermostat)

- ENERGY STAR® air purifiers (must have a Clean Air Delivery Rate (CADR) for Dust of at least 101 cubic feet per minute)
- Tier 1 Advanced power strips (each APS must be installed to include one control device and at least 2 peripherals. Each installation must be designated as a Home Entertainment or Home Office system, with priority given to the Home Entertainment system configuration)

3 Responsibilities of Frontier Energy

As implementer for the Program, Frontier’s responsibilities include the following:

- Recruit non-profit agencies to participate in the program
- Provide on-line tools to manage installations and reporting
- Provide technical support to agency staff performing data entry in program database
- Provide updates of program requirements
- Make payments to participating agencies
- Conduct inspections of completed projects to verify installations

4 Incentives

4.1 Assessment Incentive

The table below lists incentives for assessments for 2022. The NEAT assessment incentive is only paid for NEAT audits that evaluate all program-supported measures, including central HVAC replacement.

Assessment Type	Incentive
Single-family NEAT with blower door and duct blaster	\$375
Same as above with no duct blaster	\$275
Allowance for single-family homes > 30 miles from nearest Agency office	\$50
Home assessments resulting in ineligible status	\$75

In the event the customer does not disclose disqualifying conditions prior to the assessment, and the assessor determines during a site visit that the home is not eligible due to one or more of the disqualifying conditions listed in section 2.3 above, the agency is eligible for a \$75 payment. If this incentive is paid for a home that subsequently is repaired and becomes eligible, the \$75 will be deducted from any future assessment incentive payment for that home.

When conducting home assessments, all qualifying customers and homes should be offered all measures that automatically qualify based on pre-approval by Frontier, provided the home meets the requirements listed in the latest version of the Texas TRM (see

<http://texasefficiency.com/index.php/emv>), the measure can be installed within the incentive limits, and the homeowner does not refuse the measure. These include ENERGY STAR® connected thermostats, Tier 1 advanced power strips, and ENERGY STAR® air purifiers.

4.2 Measure Incentives

The incentive for each measure is determined by the agency. Before any data is entered in the NEAT audit program or in the TNMP LIW database costs for each measure must be provided by the agency. The incentive for each approved measure is calculated by multiplying the cost per measure by 1.08 to reflect the addition of 8% for the Admin incentive, e.g. for a measure that the agency determines costs \$100 (materials and labor) to install, an incentive of \$108 will be paid. The same costs must be entered in to NEAT. Agencies should NOT include the 8% agency Admin incentive: in other words the SIR calculation in NEAT does not include the 8% admin incentive.

4.3 Limits on Incentives

The maximum allowed funding per home, including all agency, assessor, measure and agency administrative costs is \$7,541.

Maximum incentive limits apply to some measures:

- The incentive for installation of ENERGY STAR® Omnidirectional LEDs is limited to \$10 per bulb. Maximum 20 bulbs per home.
- Incentives provided for ENERGY STAR® connected thermostats may not exceed \$200 per thermostat, with no more than 1 per central HVAC system.
- Incentives provided for Tier 1 APS may not exceed \$50 per APS installed, with no more than 3 per home.
- Incentives provided for ENERGY STAR® air purifiers may not exceed \$200/purifier, with no more than 3 per home.

5 Program Application and Agreement

5.1 Application

Register on the LIW Program website by clicking on the “First time users click here.” link. Fill out and submit the on-line application found at the following: <http://www.ehomepower.com/>

Be prepared to show proof of applicable insurance, including: all statutorily required coverages, including Workers’ Compensation; Commercial General Liability at \$1 million each occurrence, general aggregate; Excess Umbrella (including Bodily Injury and Property Damage combined) at

\$1 million. Insurance policies should name as additional insured: Frontier Energy, 1515 S Capital of Texas Hwy, Suite 110, Austin TX 78756, 512-372-8778.

5.2 Program Agreements

Agencies that are offered acceptance into the program must sign a Participation Agreement with Frontier Energy.

5.3 Funding Allocations

The Participation Agreement includes the initial funding allocated to the agency for the year, milestones for obligation of the funding, as well as other terms of participation. Initial funding allocations may be updated throughout the program year based on completion of performance milestones, as stated in the Participation Agreement.

5.4 Performance Milestones

Agency performance toward meeting program milestones will be reviewed by TNMP on or about May 1 and August 1 each program year. Agencies generally are expected to have invoiced for at least 25% of their budget allocation by May 1 and 75% by August 1. Agencies that are behind these milestones may have their allocations reduced for the remainder of the program year.

6 Program Protocol

Texas requires targeted low-income energy efficiency programs “comply with the same audit requirements that apply to federal weatherization programs.” The audit software used by most federal programs is called the National Energy Audit Tool, or NEAT. This software is in the public domain and can be downloaded from the federal Oak Ridge National Laboratories here - <https://weatherization.ornl.gov/obtain/>.

Setup of the NEAT software for the TNMP program requires information about residential electric rates, correct weather files, and requires that the effective residential gas rate be set to \$0.000. Frontier makes NEAT setup files that meet these requirements available to participants before the beginning of the program year. At the time of this writing, NEAT Weatherization Assistant Version 8.9.0.5 is the most current version available for download.

Agencies are required to upload the results of the NEAT audit (“Recommended Measures Report”) into the TNMP LIW database and then enter information from the NEAT audit into the database. Only measures that score an SIR of 1.0 or greater in the “Energy Savings Measure Economics” section of the NEAT-recommended measures report are eligible to be funded.

The TNMP LIW Program database is used to perform these functions:

- Verify ESI ID numbers and prior measure installations
- Lookup and record AHRI certification for central heat pump and air conditioning measures. AHRI or DOE certification is required for funding of these measures
- Track homes
- Generate and submit work orders for review, approval and payment by Frontier
- Submit documentation on completed homes to Frontier and TNMP for final review (including inspection), approval and payment reconciliation

6.1 Single Family Homes

6.1.1 Income Verification

Agencies shall have the customer fill out the appropriate income verification form found at <http://www.puc.texas.gov/industry/electric/forms/Default.aspx> and scrolling down to the section on Energy Efficiency. Once completed by the customer, the agency must upload the form and supporting documentation (if required) in the appropriate section of <http://www.ehomepower.com/>.

Some pathways to eligibility listed on the form require the agency to verify backup documentation supporting the customer’s claim of income eligibility. Generally, such backup documentation is not required to be submitted to Frontier Energy/TNMP; in cases where submission is required, the agency must remove personally-identifiable information (such as social security numbers, bank account numbers, etc.) before submitting it electronically.

6.1.2 Check for Previously Funded Measures

For single family homes, enter the home in the TNMP LIW database before assessing it to make sure that TNMP has not paid for weatherization measures in a prior program year. If one or more measures have been previously installed, check to make sure the estimated useful life (EUL) of each measure has fully elapsed before determining the measure is eligible for installation in the current program year. Frontier can help you with this determination. Obtain complete information about the home before you enter it because once you save the information at the top of the file you cannot change it.

The “Lookup” button will verify that you have the correct ESI ID or Meter Number for the home, and will auto fill the address information for home, but will do so only after you have chosen “TDU/Distribution Service Provider”.

After entering information about the house and the customer, click on “Save” to save the information. Then click on “Installation Selection” at the bottom of the file. Look at the top of the file at the “Status: Installation Selection” line. If there is a statement in red indicating “Need

Pre-Approval: Duplicate Account Number,” send an email to Rob Lovenguth, rlovenguth@frontierenergy.com, to check what measures were previously funded.

The screenshot displays the 'Home Information' form within the 'Low Income Weatherization Program' application. The form is titled 'Home Information' and includes the following fields and options:

- Home #: 42057
- Apply for Electric Incentives: YES NO
- Apply for Gas Incentives: YES NO
- TDU/Distribution Service Provider: -Please Select-
- Electric Meter #: [Text Field] [Lookup]
- Account Number: [Text Field] [Lookup]
- Gas Service Provider: -NONE-
- Gas Meter #: [Text Field] [Lookup]
- Account Number (Gas): [Text Field] [Lookup]
- Address: [Text Field]
- APT #: [Text Field]
- City/State/Zip: [Text Field] / TX / [Text Field]
- County name: -Select County-
- Customer name: [Text Field]
- Assessor name: [Text Field]
- Blower Door Test: YES NO
- # of Stories: 1
- Cooling Type: -Cooling Type-
- Heating Type: -Heating Type-
- Approx. home sq. ft.: [Text Field]
- Phone #: [Text Field]
- Assessor Phone #: [Text Field]
- Year Built: [Text Field]
- NEAT Base Assessment Fee:
- Adjustment for Other Programs:
- SF NEAT Audit:
- Adjustment for Gas Energy:
- Travel Allowance:

Buttons at the bottom of the form include Save, Undo, and Delete.

6.1.3 Assessment

An assessment is a NEAT audit performed by a certified assessor. The NEAT audit requires a substantial amount of information about the building structure, envelope, and heating/cooling systems. A blower door test and a duct blaster test is required where appropriate.

6.1.4 Data Entry

The data entry requirements have several steps:

1. The assessment information will be entered in the NEAT program.
2. The NEAT “Recommended Measures Report” must be uploaded into the TNMP LIW database in the appropriate section.
3. Information from the NEAT audit must be entered in the TNMP LIW database so that the incentive for the approved measures can be calculated. The costs and units (e.g. square feet, insulation R- values, number of LEDs, etc.) for measures entered into TNMP

LIW database must be consistent with the costs and units entered in NEAT for the same measures.

Note that the TNMP LIW database only re-totals costs and recalculates savings when the “Installation Selection” button is selected. If you enter any new information for a home, be sure to select “Installation Selection”. (Important: for savings to be calculated for central AC or heat pump measures, a valid AHRI reference number is required. For window units, the make and model number are required.)

6.1.5 Work Order

When you have the information for a group of homes entered in the TNMP LIW database, you can submit a work order. The work order will be reviewed and paid within 10 working days of submittal unless modifications to the work order are required. A work order can consist of one home or multiple homes; typically, a work order consists of multiple homes. You can select which homes to place on a work order by navigating to “Work Order” tab and selecting “Eligible Homes for New Work Order.”

Use check boxes to select homes to include in the work order. For a home to be included on a work order, the NEAT Recommended Measures Report must have been uploaded.

6.1.6 Measure Installation

It is the agency’s responsibility to purchase materials and to hire and manage contractors to perform all required installations, in accordance with program and local requirements. In the event of a post-installation inspection failure, the agency will be responsible for taking corrective action. Failure to take corrective action will result in the removal of this measure from the database, and a reduction in future work order payments. Deliberate and/or repeated measure installation or reporting discrepancies may result in further administrative action, including contract termination.

6.1.7 Close Out

After all the measures have been installed, you are ready to close out the home. Key steps to close out the home include the following:

- Make necessary adjustments in the database, if there is any difference between the measures or measure costs that were approved for installation and the measures installed in the home.
- Be sure that the Customer Certification Form correctly indicates the measures that were installed in the home and that the form is signed by the customer.
- Upload the signed Customer Certification Form in the appropriate section of <http://www.ehomepower.com/>.

- If a central AC unit or heat pump was installed, enter the condenser serial number in the TNMP LIW database (required) and, if available, enter the coil/air handler serial number.

When you are ready to close out the home, navigate to the bottom right of the home file and select “Complete and Submit”. This button is not active until you have uploaded both the Customer Certification form and the Income Verification form and, for homes where Central AC or Heat Pump was installed, there was a successful AHRI lookup for the model, and the condenser serial number information has been entered.

Appendix A. Customer Income Certification

Eligible customers are defined as residential customers who meet the income eligibility qualifications listed on the current version of the appropriate Public Utility Commission of Texas form. These forms are available on the [Public Utility Commission of Texas' website](https://www.puc.texas.gov/industry/electric/forms/Default.aspx), <https://www.puc.texas.gov/industry/electric/forms/Default.aspx>, under the Energy Efficiency heading.

New versions of the forms are expected to be released for program year 2022 with significant revisions. TNMP and/or Frontier will notify all agencies and post the new forms on the program website when available.

Appendix B. 2022 Agency Participation Agreement

PARTICIPATION AGREEMENT

TEXAS-NEW MEXICO POWER COMPANY (“UTILITY”) LOW INCOME WEATHERIZATION PROGRAM

ADMINISTERED BY FRONTIER ENERGY, INC.

PROGRAM YEAR 2022

- 1.0 This Participation Agreement is between Frontier Energy, Inc., hereinafter known as Frontier, and _____, hereinafter known as the Participant or Agency, who seeks to participate in the Low Income Weatherization Program.

Whereas Frontier has been engaged by Texas-New Mexico Power Company (“TNMP”, “Utility”), a Texas corporation, to deliver energy efficiency services to certain income-qualified electric distribution customers via the Low Income Weatherization Program (the “Program”); and

Whereas, Frontier desires to permit Participants to receive incentive payments for eligible energy efficiency measures and services installed or performed at eligible residential properties as described in the current Program Manual, and Participant desires access to such incentives:

- 2.0 Referenced Documents. All Work shall be accomplished in accordance with this Participation Agreement, the current Program Manual and any other program information or updates provided by Frontier to Participant via the program website, program-related documents and forms, or other communication from Frontier or Utility staff, and the current version of the Texas TRM.
- 3.0 Intellectual Property Rights. This Participation Agreement does not convey ownership or any intellectual property rights to work product that Frontier developed, in whole or in part, prior to this agreement.
- 4.0 Frontier Energy. Frontier Energy is solely responsible for directing Participants for all services required for the implementation of the Program in conformance with established guidelines and may, at its sole discretion, adjust any compensation requested to comply with the Program guidelines.
- 5.0 Liability. Notwithstanding any other provisions in this agreement to the contrary, the liability of Frontier with respect to this Participation Agreement shall not exceed the total price of this agreement, whether remedy is sought in contract, tort (including negligence), strict liability, warranty, indemnity or other legal theory. In no event shall Frontier be liable to Participant in contract, tort (including negligence), strict liability, warranty, indemnity or other legal theory for any special, indirect, incidental, or consequential damages, such as but not limited to loss of anticipated profits or revenue, loss of use or non-operation, or increased expense of operation.

- 6.0 Term. The term of this Agreement shall end on December 31, 2022, unless extended per mutual written consent by Frontier and Participant. All Authorized Work shall be completed by November 30, 2022, unless a modified timetable is agreed to in writing by both parties.
- 7.0 Funding Allocation. Participant is awarded an initial allocation of \$ _____ to be used in the Program in the current year. This allocation shall cover all costs of determining participant eligibility, conducting assessments, installing eligible measures, and agency administrative incentives. The Agency is wholly responsible for managing its allocation to ensure it does not overspend during the program year. This allocation may be increased or decreased after periodic reviews of the agency's progress toward completing performance milestones are completed; changes to the agency's allocation will be communicated via email to the agency's contact listed in section 31.0.
- 8.0 Performance Milestones. Participants must demonstrate they are on track to spend the funding allocated to them in a timely manner. Frontier will review Participant progress throughout the program year, and may increase or decrease a Participant's allocation depending on such progress. Agency performance toward meeting program milestones will be reviewed by TNMP on or about May 1 and August 1 each program year. Agencies generally are expected to have invoiced for at least 25% of their budget allocation by May 1 and 75% by August 1. Agencies that are behind these milestones may have their allocations reduced for the remainder of the program year. Frontier shall notify Participants of any changes to a Participant's allocation in writing to the Participant.
- 9.0 Customer Outreach and Eligibility Determination. Agency will utilize its own resources to identify eligible customers, and shall verify income eligibility using eligibility verification procedures outlined in Texas Administrative Code (TAC) Rules for Energy Assistance Programs. Agency will verify that the customer premise is in the electric distribution service territory of Utility by obtaining the ESI ID number or meter ID number from the customer and inputting this number into the program database.
- 10.0 Assessments. For customers determined to be eligible using the procedures outlined in Section 9.0, Agency shall conduct an assessment using the National Energy Audit Tool (NEAT audit) to determine the applicability and Savings-to-Investment (SIR) ratio for each eligible energy efficiency measure listed in the Program Manual, unless the measure is pre-approved by Frontier. This assessment will include a blower door and duct blaster test wherever applicable. As part of the assessment, the Agency is responsible for verifying that the health and safety of customers will not be impacted by the installation of any of the above measures. This may include, but is not limited to: conducting lead-safe renovation practices in accordance with US EPA regulations; and verifying pre- and post-installation carbon monoxide levels and pre- and post-installation ventilation rates.
- 11.0 Assessment Incentive. The incentive for conducting assessments is based on performance of the NEAT Audit (including pre- and post-installation blower door test and, if applicable, pre- and post-installation duct leakage measurement), or on use of the multifamily priority list. Incentives, and any limits thereon, are as described in the current year's Program Manual.
- 12.0 Determination of Measures to be Installed. The NEAT audit will be configured with measure cost,

weather, and Utility rate data specific for the Program. The NEAT audit will be used to determine which measures are eligible to be installed, up to the maximum per-home expenditure as stated in the current Program Manual, . Agency shall input measure data from measures recommended by the NEAT audit into the program database. The program database will be used to calculate and track assessment incentives, measure installation costs and administrative payments.

- 13.0 Work Order Submittal. Agency shall submit work orders via the program database. Work orders shall consist of a list of homes for which an assessment has been completed, including installation cost and savings estimates. Agency shall upload a copy of the Income Verification Form and a copy of the NEAT audit report via the program database before work order submittal.
- 14.0 Work Order Payment. Frontier shall provide payment for properly-submitted work orders within thirty calendar days of submittal. Work order payment shall include payment for the assessment, plus estimated installation costs for program measures.
- 15.0 Installation of Measures. Agency shall perform and/or coordinate the installation activities, as well as any required post-installation services, such as installation verifications and the recycling or disposal of old appliances. All work shall be performed in a workmanlike manner, consistent with industry and TDHCA measure installation standards. Agency shall complete all required services and input updated measure installation data for each home included in a work order within forty-five (45) calendar days of work order submittal.
- 16.0 Installation Reporting. Agency shall update installation data and upload a copy of the Customer Certification Form using the Program database for each home as soon as measures are installed. For homes where the air infiltration measure is included, a post-installation manometer reading photo must be uploaded.
- 17.0 Agency Administration Incentive. The program database will include in the installation report the installation costs, using the updated measure installation data, plus the Agency's administration incentive, which is eight percent (8%) of the measure installation costs.
- 18.0 Reconciliation of Work Order and Installation Report. In consideration of satisfactory performance of the work as outlined above, Frontier will reconcile the total amount due on the installation report against the corresponding work order payment. Any amount over or under paid shall be credited against or added to the amount requested on the next work order submitted after this installation report, or in the case of work completed near the end of Agreement Term, within 30 days.
- 19.0 On-Site Inspections. Agency shall inform all customers that follow-up on-site inspections and/or surveys may be required by Frontier, the Texas Evaluation, Measurement and Verification team, the sponsoring utility, or third-parties operating on their behalf . While rare, a single customer may be required to have multiple inspections from different parties. These inspections are aimed at validating that all program process and requirements are fully met.
- 20.0 Sales Taxes. Participants are responsible for payment of all sales taxes. Applicable state and local sales tax should be added to the prices submitted for all measures and services.
- 21.0 Independence of Participants. Participant shall be fully responsible for its own acts and omissions in addition to the acts and omissions of its affiliates, directors, officers, employees, and

subcontractors, and shall be specifically responsible for sufficient and competent supervision and inspection to assure compliance in every respect with Participation Agreement requirements. Frontier shall not be responsible for the payment of any sums to any of the Participant's subcontractors or suppliers.

- 22.0 Standards, Codes, Laws and Regulations. Participants shall comply with all applicable laws, rules, regulations, codes and standards of all federal, state, local and municipal Governmental Authority having jurisdiction over the Work covered by this Agreement.
- 23.0 Background Checks. Participants shall be responsible for conducting criminal background checks on all personnel who will be working in the home or on the property of any customer who is participating in the Program. Any records matching any assigned personnel to the Texas Department of Public Safety criminal history file, sex offender registration or other name- based files shall be reported immediately to Frontier.
- 24.0 Insurance. Participant represents and agrees that it and its subcontractors will carry and provide proof of all required insurance as stated in the Program Manual throughout the term of the Agreement.
- 25.0 Termination for Cause. If Participant fails to perform a material term or condition of this Agreement, and fails to cure such default within 30 calendar days after receipt of written Notice of Default and Termination from Frontier, Frontier may declare this Agreement terminated, effective on the last day of said notice period ("Termination Date"). Participant shall be paid for all undisputed work performed prior to the Termination Date, which payment shall not be unreasonably withheld. Grounds for termination for cause include, but are not limited, to the following situations:
- the failure, refusal or inability of the Participant to perform any material aspect of the Authorized Work in accordance with this Participation Agreement (except as specified in Section 39, "Force Majeure"); or
 - Participant has become insolvent, has exhibited a pattern of failure to pay its bills, or has had checks for payment of its bills returned from suppliers and subcontractors due to insufficient funds; or
 - a court of law has enjoined Participant from performing the Authorized Work; or
 - In Frontier's reasonable judgment, the Authorized Work will not be completed within the specified time and/or budget and Frontier has reasonably requested Participant to take steps necessary to accomplish the required progress and completion and/or cost containment, and Participant has failed to do so; or
 - Participant has misused the corporate name, brand, or logo associated with Utility or Frontier.
- 26.0 Termination for Convenience. Notwithstanding anything to the contrary, Frontier reserves the right to terminate or suspend this contract at any time, for any reason. If, however, after consulting with Frontier, it is Participant's opinion that any of the Work is in a state such that interruption thereof would result in substantially increased costs upon resumption of the Work, Participant, with Frontier's written concurrence, may complete that portion of the Work.

Participant shall resume any of the Work so interrupted, suspended or delayed when directed to do so by Frontier, provided, however, that the schedule and the time for performance shall be revised by a period of time reasonably necessary to overcome the effect of the interruption, suspension or delay. Other provisions of this Agreement, such as the delivery dates and terms of payment, will

also be adjusted if necessary and as appropriate. Participant shall make every reasonable effort to minimize any additional expense pursuant to this Section.

Participant may terminate the terms of this agreement without cause upon forty-five (45) days written notice to Frontier. Failure to provide such notice will maintain the agreement in full effect with all provisions included herein.

- 27.0 Reporting. Participant will provide data and required documentation, either by inputting or uploading required documents to the Program database, as specified in this Participation Agreement.
- 28.0 Records and Audit. Participant's records, correspondence, procedures and practices and any other supporting evidence relating to this Agreement (all of the foregoing hereinafter referred to as "Records") shall be open to inspection and subject to audit and/or reproduction, during normal working hours, by Frontier or its authorized representative to the extent necessary to adequately permit evaluation and verification of customer eligibility forms, income documentation, customer agreement, and other Program documentation. Frontier or its authorized representative shall have access to said Records from the effective date of this Agreement, for the duration of the Work and until three (3) years after the date of final payment by Frontier to Participant pursuant to this Agreement.
- 29.0 Use of Name. Participant may not use Utility's or Frontier's corporate name, trademark, trade name, logo, identity or any affiliation for any reason, including soliciting customers for participation in its project, without Utility's or Frontier's prior written consent.
- 30.0 Publicity. Information relating to this Agreement may be released for publication and/or advertising only with the prior written approval of Frontier. Participant is expressly prohibited from using Utility's or Frontier's name in any publication, advertising, or promotion without written approval Utility's and Frontier' prior written consent.
- 31.0 Indemnity. Participant agrees to indemnify, defend, and hold harmless, Frontier and Utility their officers, directors, employees, agents and independent contractors, and each of Utility's affiliates and each of their respective officers, directors, employees, agents and independent contractors from and against any and all liabilities resulting from third party claims for loss, damage, or injury to persons or property ("Liabilities") arising from the negligence or misconduct of Participant, its affiliates, directors, officers, employees, and subcontractors.
- 32.0 Infringement Protection. Participant represents to Frontier and Utility that the material prepared under this Agreement will not infringe on the copyright, patent, or license, or otherwise violate the proprietary rights, including trade secret rights, of any person or entity. Participant agrees to indemnify and hold Frontier and Utility, harmless from and against all liabilities, costs and damages arising out of such infringement, as well as claims of infringement. Participant further agrees to pay any judgment or reasonable settlement offer resulting from a suit, demand or claim, and pay any reasonable attorney's incentives incurred by Frontier or Utility in defense of such a suit.
- 33.0 Notices. All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered in person or deposited in the United States mail, postage prepaid, addressed as follows:

Frontier:

Name: Steve Wiese
Title: Director
Frontier Energy
1515 S Capital of Texas Hwy
Ste. 110
Austin, TX 78746-6544
swiese@frontierenergy.com

Participant:

Name: _____
Title: _____
Company: _____
Street Address 1: _____
Street Address 2: _____
City/State/ZIP: _____
Email: _____

Such information may be changed from time to time by either party by providing written notice to the other in the manner set forth above.

- 34.0 Entire Agreement. This Agreement constitutes the entire understanding of the Parties with respect to the Authorized Work, and there shall be no modification or waiver hereof except by writing, signed by the party asserted to be bound thereby. There are no oral representations or agreements between the parties.
- 35.0 Time is of the Essence. The Parties hereby acknowledge that time is of the essence in performing the duties under this Agreement. Failure to comply with stated deadlines or milestones may result in termination of this Agreement, payments being withheld, or other contractual modifications.
- 36.0 No Waiver. The failure of either Party to enforce or insist upon compliance with any of the terms or conditions of this Agreement shall not constitute a general waiver or relinquishment of any such terms or conditions, but the same shall be and remain at all times in duly force and effect.
- 37.0 Applicable Law. This Agreement shall be governed by the laws of the State of Texas, without application of its conflict of laws provisions. Venue shall lie exclusively in the state courts of Harris County, Texas, unless such cause of action is within the jurisdiction of the Public Utility Commission of Texas (PUCT), in which case the proper venue and jurisdiction will be at the PUCT.
- 38.0 Assignment Prohibited. This Agreement may not be assigned without the written consent of Frontier. Arrangements between Participants and subcontractors which result in the assumption of substantial contractual obligations by the Participant shall be considered as an assignment, and shall be subject to the provisions of this paragraph.
- 39.0 Modification. This Agreement may not be modified except by written agreement.
- 40.0 Severability. If any term or provision of this Participation Agreement shall, to any extent, be held invalid or unenforceable, the remaining terms and provisions of this Participation Agreement shall not be affected thereby, but each remaining term and provision shall be valid and enforced to the fullest extent permitted by law.
- 41.0 Force Majeure. Neither Party shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure of performance constitute default, if such delay or failure is caused by "Force Majeure." As used in this Section, Force Majeure is defined as: Acts of war and acts of God such as earthquakes, floods and other natural disasters, or actions of others, including but not limited to strikes, lockouts or other industrial disturbance, not within the control or arising from the fault of the Party claiming Force Majeure.

42.0 No Joint Enterprise. Each party shall perform its obligations under this Agreement as an independent Participant, and nothing contained herein shall be deemed to create, nor does it create, any association, partnership, joint venture, or relationship of principal and agent or master and servant between the parties, or to provide either party with the right, power or authority, whether express or implied, to create any duty or obligation on behalf of the other party.

43.0 Attorney's Fees. In the event of any legal action or other proceeding between the Parties arising out of this Agreement or the transactions contemplated herein, the prevailing Party in such legal action or proceeding shall be entitled to have and recover from the other Party all costs and expenses incurred therein, including reasonable in-house and outside attorneys' fees.

AGREED as of _____, 2022.

Frontier Energy, Inc.

Participant

By: _____

By: _____

Name: Steve Wiese

Name: _____

Title: Director

Title: _____