



# **SCHEDULE A - ADDITIONAL TERMS AND CONDITIONS**

2021

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## **SCHEDULE A**

### **Additional Terms and Conditions**

1. **Changes to the Work.** Company may at any time, in writing, direct or authorize Contractor to make changes to the Work within the general scope of this Agreement. All such changes must be agreed upon and authorized in writing by each Party before Contractor's implementation thereof. Company shall not be required to make any payment for any change that is not authorized in writing. If any change is performed by Contractor without such written authorization, Company may take the same actions and exercise the same rights and remedies with respect to such change that it would have with respect to any of the Work as though such change were in fact authorized.
2. **Performance Standards.** Contractor warrants that it shall, and shall cause any and all Contractor Parties to perform the Work in a good and workmanlike manner, free from defects, and in accordance with established professional business and ethical standards as well as those standards of care and diligence normally practiced by nationally recognized firms in performing services similar to the Work, and in conformity with each and every term of this Agreement, including any performance standards, drawings, specifications, and any other description of the Work set forth in this Agreement ("**Performance Standards**"). Company may reject any Work failing to meet such Performance Standards, and require Contractor to promptly repeat, correct or replace the Work, at no charge to Company or, at Company's election, Company may hire a third party to complete the Work at Contractor's expense. Contractor further warrants that any and all materials provided or made available in connection with the Work will be in accordance with the Performance Standards.
3. **Warranties.** To the extent the Work includes the installation of equipment or materials at Company customer site or the delivery of equipment, goods or materials to a Company customer, Contractor shall provide, or cause the Contractor Party performing such Work to provide, such customer in writing with industry-standard warranties that are no less than one (1) year in duration that cover the workmanship and quality of such equipment, goods or materials. To the extent such warranties are supported by manufacturer warranties, Contractor shall transfer and assign, or cause such Contractor Party to transfer and assign, all such warranties to such customer upon the end of the warranty period.
4. **Inspection.**
  - 4.1. Any and all Work is subject to inspection, testing, and acceptance or rejection by Company at all times in accordance with the testing methods and acceptance criteria set forth in the Scope of Work or, if none, in accordance with such methods and criteria as Company determines before or at the time of any such inspection. Notwithstanding the foregoing, such right of inspection of the Work by Company will not relieve Contractor of responsibility for the proper performance of the Work, nor shall such inspection waive Company's right to reject the Work at a later date. Contractor shall provide to Company or Company's designee access to the Work, Contractor's facility(ies) where the Work is being performed, and sufficient, safe, and proper conditions for such inspection. Contractor shall furnish to Company such information concerning its operations or the performance of the Work as Company reasonably requests. It is Contractor's responsibility to schedule such inspections in a manner that enables completion of related and subsequent Work in accordance with the applicable schedules, and to identify and make easily accessible for inspection, any Work covered.
  - 4.2. Company may, if requested by the California Public Utilities Commission ("CPUC"), or as reasonably necessary to respond to an authorized data request or other regulatory proceeding, request information or data relating to the Program, Work or this Agreement, and Contractor shall, and shall cause each Contractor Party to, provide such information in the format and within the time requested by Company as reasonably required for Company to respond, provided that such response by Contractor shall be subject to additional, reasonable fees if responding requires significant effort beyond the scope of the Work. Nothing in this provision shall limit the type, format or frequency of such requests by Company for such purposes.
5. **Company Rules and Requirements.**
  - 5.1. **Duty to Abide by Company's Rules.** At all times while on Company Property, Contractor shall strictly observe access routes, entrance gates or doors, parking, and temporary storage areas as designated by Company. Under no circumstances shall Contractor cause any vehicles or equipment relating to the Services to enter, be moved, handled, maintained, or stored upon any area not authorized in writing by Company.
  - 5.2. **Duty to Abide by Company's Security Procedures.** Contractor shall abide by Company's security procedures, rules, and regulations, and properly display identification badges at all times while on Company Property. Contractor shall abide by rules imposed within the rights of way of the Company. Contractor shall cooperate with Company's security personnel whenever on Company Property. Contractor shall comply with and observe all applicable regulatory security procedures and requirements, including all applicable Federal Energy Regulatory Commission Critical Infrastructure Protection Reliability Standards codified at FERC Order 791 (18 C.F.R. pt. 40).
  - 5.3. **Information Security Requirements.** Company has adopted certain requirements relating to information security, which are attached as **Attachment A** to this Schedule, and Contractor agrees to abide by all such requirements.
6. **Company Documentation.**
  - 6.1. **Standard Practices.** Company has adopted certain standard practices, policies, procedures, and environmental, health, and safety standards for gas and electric work ("**Standard Practices**"). To the extent that any such Standard Practices are listed in any Schedule or otherwise, or provided to Contractor during the Term either through Company's online platform, Power Advocate (or its successor), SharePoint, or otherwise in accordance with the notice provisions of this Agreement, such Standard Practices shall apply to the performance of the Work and all other activities of Contractor related to the Work, and Contractor agrees to abide by all such Standard Practices, which are incorporated herein.
  - 6.2. **ISN.** If Contractor or any Contractor Party is classified as a Class 1 Contractor (as defined in the Contractor Safety Manual) by Company, Contractor and such Contractor Party shall register with Company's vendor workplace safety management company, ISNetworld ("**ISN**") and shall obtain and maintain during the Term an "Approved" status from ISN.
    - 6.3. **Contractor Safety Manual.**
      - 6.3.1. Company has developed and adopted a manual describing the rules, safe work practices, and procedures that Contractor and Contractor Parties must follow and comply with when performing Work on behalf of Company or on Company Property ("**Contractor Safety Manual**"). The Contractor Safety Manual is available to view or download on Contractor's ISN Bulletin Board, accessible at <https://www.isnetworld.com/BulletinBoard/asBulletinBoard.aspx>.
      - 6.3.2. No later than ten (10) days after the Effective Date, at least once every year thereafter (no later than December 1 of each such year), and no later than thirty (30) days after receiving notification of a change to the Contractor Safety Manual, Contractor and any Contractor Party classified as a Class 1 Contractor shall sign the last page of the Contractor Safety Manual stating that Contractor and such Contractor Party has read and understands the requirements set forth therein, and upload such signed document into ISN. Duplicates are not necessary if there is already a signed and active Contractor Safety Manual acknowledgment on file.
      - 6.3.3. Contractor shall review the Pre-Work Safety Meeting Notification and Acknowledgement provided by Company at the time of contracting (Exhibit B of the Contractor Safety Manual), sign the form, and post it on its ISN Bulletin Board before the commencement of Services.
    - 6.4. **Disclaimer.** Company does not represent or warrant that the Standard Practices or the Contractor Safety Manual comply with Applicable Laws. Company does not undertake any obligations with respect to Contractor by virtue of the Standard Practices or the Contractor Safety Manual. Company may make changes to the Standard Practices or the Contractor Safety Manual from time to time, and the updated Standard Practices(s) or Contractor Safety Manual will be deemed to become a part of this Agreement at the time received or deemed received by Contractor of same (including by electronic delivery, update to the website or online portal, or otherwise). Contractor shall immediately inform Company of any conflict between any Applicable Laws and the Contractor Safety Manual or any Standard Practice, but such duty to inform shall not relieve Contractor of any liability or indemnity requirement for failure to comply with all Applicable Laws.
  7. **Anti-Conduit Rules.** Contractor understands that the California Public Utilities Commission ("CPUC") and the Federal Energy Regulatory Commission ("FERC") have issued certain Affiliate Rules, including CPUC Decision ("D.") 06-12-029, FERC Order 697 (18 C.F.R. Section 35.39(g)), and FERC Order 717 (18 C.F.R. pt. 358 (2008)). Contractor and the Contractor Parties may be in receipt of or have access to non-public information that is subject to the foregoing rules. In accordance with those rules, Contractor understands and agrees, and shall cause the Contractor Parties to understand and agree not to disclose or allow access to: (1) any non-public information of San Diego Gas & Electric Company or Southern California Gas Company with any entity affiliated with such utilities by virtue of substantial, even if not majority, direct or indirect ownership other than the ultimate parent company of both such entities, Sempra Energy (each, a "**Sempra Subsidiary**"); (2) any non-public electric or gas marketing, procurement or transmission-related information of any Sempra Subsidiary with any other Sempra Subsidiary; (3) any non-public transmission-related information of any Sempra Subsidiary's transmission operations with persons participating in the performance of the same Sempra Subsidiary's or any other Sempra Subsidiary's electric or gas procurement, marketing or other merchant functions; or (4) any gas procurement, marketing or merchant information associated with Southern California Gas Company's merchant function with persons participating in the performance of Southern California Gas Company's or San Diego Gas & Electric Company's gas operations function. In addition, per Resolution E-4874, the CPUC prohibits electric corporations with Community Choice Aggregator Codes of Conduct from using their contractors and consultants in a manner that circumvents such Codes of Conduct, and to the extent applicable, Contractor must comply with such Codes of Conduct. Contractor and its subcontractors understand and agree that they may be required to complete training regarding the foregoing at the Company's sole discretion.
8. **Independent Contractor; Employee Benefits.**
  - 8.1. **Contractor's Relationship with Company.**
    - 8.1.1. The Parties acknowledge and agree that (a) Contractor is an independent business separate from Company that will perform the Work as an independent contractor, and no principal-agent or employer-employee relationship or joint-venture partnership will be created with Company, (b) Company has no authority to direct or control the means or methods by which the Work will be performed, and (c) Contractor is free to contract with others for similar services.
    - 8.1.2. Contractor agrees (a) to provide and maintain its own business premises, equipment, and supplies at its sole expense, (b) that, in accordance with industry practices, it will not employ or utilize for the Work any Contractor Party unskilled in the Work, (c) that it shall use prudent business practices in its relationships with each Contractor Party, and (d) that it will not hold itself or its employees out as employees or agents of Company.

8.1.3. Contractor represents to Company that Contractor and each Contractor Party is properly licensed, fully experienced, and possesses the requisite education, technical certifications, training, and qualifications (including all necessary authorizations) to perform the Work, in addition to being properly equipped, organized, staffed, and financed to handle such Work.

8.2. **Individuals Performing the Work; Benefits and Affordable Care Act.** Regardless of the nature or duration of any assignment with Company, neither Contractor, any Contractor Party, nor any other individuals performing Work will be eligible for or entitled to participate in any of Company's employee benefit plans, programs, policies, or practices which may now or in the future be in effect, including any pension, retirement, or 401(k) plan; any profit sharing, stock option, bonus or incentive compensation plan; any life or health insurance plan; any vacation or holiday pay plan; or any separation payment plan. Contractor shall, and shall require that the appropriate Contractor Party is contractually obligated (a) to treat individuals performing the Work as its employees for the purposes of satisfying the requirements of the Affordable Care Act, including the associated reporting requirements of requirements of IRC Sections 4980H and 6056, and the requirements of Sections 18A and 18B of the Fair Labor Standards Act, and (b) to offer minimum essential coverage that is both affordable and of minimum value to all individuals performing Work who are full-time employees (and their dependents) in accordance with IRC Section 4980H and the regulations issued thereunder, provided that the Contractor or applicable Contractor Party is a "large employer" subject to Section 4980H.

9. **Compliance with Site and Facility Rules.** To the extent the Work comprises of entry onto a third-party site or facility (e.g. Utility Participant customer site), Contractor shall comply with and abide by all rules, guidelines, recommendations, procedures, protocols and requirements of the site or facility owner while performing Work, including without limitation all security protocols required by such site or facility owner. Contractor shall minimize any interference with the site or facility owner's operations at the Work site during the performance of the Work. Contractor shall submit to Company's and the applicable Utility Participant's requests for outages, interferences or changes in the operation of the site as well as those facilities located on or adjacent to such site. Such request shall include the approximate duration, date, time and reason for the interference, outage or operational change. Contractor shall comply with the instructions of Company, the applicable Utility Participant and the site or facility representative with respect to the avoidance of conditions that create a nuisance, may be disruptive or create conditions that may be hazardous to the health and safety of site or facility personnel. Company and the applicable Utility Participant shall have the right to participate in any material communications or discussions between Contractor and the site owner in respect of the Work. Contractor shall cause each Contractor Party to comply with the same requirements required of Contractor as set forth in this Article.

#### 10. **Indemnity.**

10.1. **General Indemnity.** Contractor shall indemnify, defend, and hold Company, each Utility Participant, and their respective current and future direct and indirect parent company(ies), subsidiaries, affiliates, and their respective directors, officers, shareholders, employees, agents, representatives, successors, and assigns, (collectively, including Company, "Indemnitees") harmless for, from, and against any and all claims, actions, suits, or proceedings of any kind whatsoever (collectively, "Claims"), and any and all losses, liabilities, penalties, fines, damages, demands, costs, or expenses, including all reasonable consulting or attorneys' fees (including fees and disbursement of in-house and outside counsel) of any kind whatsoever (collectively, "Liabilities") arising out of, connected in any manner with, or resulting from: (a) injuries to or death of any individuals (including members of the general public, or any employee, agent, independent contractor, consultant, or affiliate of Company, Utility Participant, Contractor, or any Contractor Party), or damage to, loss, or destruction of property (including any property of Company), in each case arising out of or connected in any manner with Contractor's or a Contractor Party's provision of the Work or any defects with respect thereto; (b) any alleged, threatened, or actual violation of any Applicable Law in connection with Contractor's or a Contractor Party's performance of its obligation under this Agreement; (c) Contractor's Default under or failure to comply with any term of this Agreement; (d) any unauthorized release of Hazardous Materials; (e) any action reasonably necessary to abate, remediate or prevent a violation or threatened violation of any EH&S Law; or (f) any misrepresentation made by Contractor or any Contractor Party in the course of performance under this Agreement, including the failure to provide accurate reports or information required under this Agreement, in each case above, regardless of whether (x) such Claims or Liabilities arose from or are caused by the negligence or fault of any Indemnitee, (y) such Claims or Liabilities are based on contract, tort, or any other theory of liability, or (z) liability without fault or strict liability is imposed or sought to be imposed on any Indemnitee. Notwithstanding the foregoing, the foregoing indemnification obligations will not apply to the extent Claims or Liabilities are caused by the sole negligence or willful misconduct of Company. Contractor shall pay all costs and expenses, including all reasonable consulting or attorneys' fees (including fees and disbursement of in-house and outside counsel), that may be incurred by Company or Utility Participant in enforcing Contractor's indemnity and defense obligations set forth in this Agreement.

10.2. **Liens.** Contractor shall indemnify, defend, and hold each Indemnitee harmless from and against any mechanic's lien or stop notice claim against Company by Contractor or any Contractor Party pertaining to the Work. If Contractor fails to remove or discharge by bond, payment or otherwise any lien or claim within five (5) business days after Company's written demand to do so, Company may offset the compensation otherwise payable to Contractor under this Agreement or any other agreement to pay such lienors directly.

10.3. **Intellectual Property Indemnity.** Contractor shall indemnify, defend, and hold the Indemnitees harmless for, from, and against any and all Claims or Liabilities arising out of, connected in any manner with, or resulting from: (a) actual or alleged infringement or misappropriation by Contractor or any Contractor Party of any patent, copyright, trade secret, trademark, service mark, trade name, or other intellectual property right in connection with the provision of the Work, including any deliverable or related work product; or (b) Contractor's or any Contractor Party's violation of any third-party license to use intellectual property in connection with the provision of the Work, including any deliverable or related work product. The foregoing indemnification obligations will not apply to the extent Claims or Liabilities are caused by the sole negligence or willful misconduct of Company.

10.4. **Indemnity Respecting Individuals Performing the Work.** Contractor shall, and shall require that each Contractor Party be contractually obligated to, indemnify, defend, and hold each Indemnitee harmless from and against all Liabilities or Claims: (a) arising out of, connected in any manner with, or resulting from an Indemnitee being found liable as (i) an employer or joint employer, (ii) a "client employer" as defined in Section 2810.3 of the California Labor Code, or (iii) the hirer of an independent contractor, in each case, with respect to Contractor, any Contractor Party, or any other individual performing Work, (b) arising out of, connected in any manner with, or resulting from the failure of any individual performing Work to be recognized as exclusively employed by Contractor or a Contractor Party and not by such Indemnitee; (c) asserted by or on behalf of any individual performing Work alleging that, in connection with the Work, he or she is entitled (i) to overtime, minimum wage, meal or rest break, wage statement, waiting time, or other wage penalties, unemployment compensation, or disability benefit, or (ii) to participate in any Indemnitee's employee benefit plans, programs, policies or practices which may now or in the future be in effect, including any pension, retirement, 401(k), profit sharing, stock option, bonus, incentive compensation, life insurance, health insurance, vacation, holiday, or separation payment plan; (d) arising out of any assertion by the Internal Revenue Service that an individual performing Work is a common law employee of an Indemnitee, including any Liability or Claim for taxes owed under IRC Section 4980H; or (e) arising out, connected in any manner with, or resulting from Contractor's or such Contractor Party's obligations set forth in the Section entitled "California Labor Code Section 2775."

10.5. **Indemnity Respecting Insurance Obligations.** If Contractor fails to obtain the insurance policies required by this Agreement in accordance with its terms, such required insurance lapses or is cancelled during the Term or coverage thereunder is vitiated by an act or omission of Contractor, or if Contractor's insurer fails or refuses to indemnify or defend an Indemnitee as an additional insured under the applicable policy because of (a) Contractor's failure to obtain an additional insured endorsement, (b) a policy deductible or self-insured retention, or (c) unauthorized exclusion or sublimit, then Contractor will be obligated to indemnify and defend the Indemnitee(s). Without limiting the generality of the foregoing, Contractor shall indemnify and defend each Indemnitee if any Contractor Party fails to obtain and maintain sufficient insurance limits appropriate for such Contractor Party's Work, as further described in the Section entitled "Contractor Party Insurance Obligations."

10.6. **Assumption of Defense.** If any Claim is brought against an Indemnitee for which Contractor is required to indemnify, hold harmless, or defend under this Agreement, Contractor shall assume the defense of such Claim with counsel reasonably acceptable to such Indemnitee, unless in the opinion of counsel for such Indemnitee a conflict of interest between such Indemnitee and Contractor may exist with respect to such Claim. If a conflict precludes Contractor from assuming the defense of such Indemnitee, Contractor shall reimburse such Indemnitee on a monthly basis for such Indemnitee's defense costs through separate counsel of such Indemnitee's choice. If Contractor assumes the defense of such Indemnitee with acceptable counsel, such Indemnitee, at its sole option and expense, may participate in the defense with counsel of such Indemnitee's own choice without relieving Contractor of any of its obligations hereunder.

10.7. **Design Professionals.** Notwithstanding anything to the contrary set forth in this Article, if Contractor is a "design professional" (as defined in California Civil Code Section 2782.8(c)), and to the extent that it is performing any of the Services in its capacity as a design professional, Contractor's indemnification and defense obligations under this Article with respect to such Services will be limited in accordance with, but required to the maximum extent permitted under, California Civil Code Section 2782.8.

10.8. **No Statutory Limitation; Survival.** Contractor's obligations under this Article are not limited in any way by any limitation on the amount or type of damages, compensation, penalty, or benefits payable by or for Contractor or any Contractor Party under any statutory scheme, including any workers compensation acts, disability benefit acts or other employee benefit acts, or the expiration or termination of this Agreement.

10.9. **Claims Process and Contractor's Responsibility.** Contractor shall provide Notice to Company for each injury to, or death of, a person or injury to property immediately upon knowledge of the occurrence. Contractor shall ensure that this condition is included in all of its contracts with Contractor Parties. Contractor also shall promptly acknowledge and make every effort to satisfactorily settle, within a reasonable time after it occurs, any Claim for injury, loss, damage, expense, or other Liability for which Contractor (or any Contractor Party) is responsible (or potentially responsible) under this Agreement.

11. **Insurance.** Insurance requirements are set forth as follows, but do not limit the amount or scope of liability of Contractor under this Agreement. The following constitutes the minimum insurance and requirements relating thereto:

11.1. On or before the Effective Date, and thereafter upon Company's request, Contractor shall provide Company with (a) current certificates of insurance and all renewals thereof, and (b) all endorsements required by this Article, in each case executed by an authorized representative of each insurer, as evidence of all insurance policies required under this Article. Contractor shall submit such certificates via e-mail to [sempraenergy@ebix.com](mailto:sempraenergy@ebix.com). No insurance policy may be canceled, materially revised, or subject to non-renewal without at least thirty (30) days advance Notice being given to Company or, with respect to a non-payment of a premium, at least ten (10) days advance Notice. Insurance shall be maintained without lapse in coverage as of the Effective Date until at least the later of (i) the end of the Term and (ii) the expiration of the applicable warranty period(s) set forth in this Agreement, including any extension thereof ("Insured Period"). If Contractor's coverage is cancelled, non-renewed, or exhausts (or is likely to exhaust) through the payment for Claims unrelated to this Agreement, Contractor shall obtain and have in place replacement coverage in accordance with the terms of this Article and shall provide Company with

certificates of insurance and additional insured endorsements of all required insurance before termination, expiration, or exhaustion of prior coverage. Upon Company's request, Contractor shall permit, and shall be responsible for requiring that each Contractor Party permits, Company to view copies of Contractor's or such Contractor Party's policies of insurance.

11.2. All required policies of insurance must be written by companies having an A.M. Best rating of "A-, VII" or better, or equivalent.

11.3. Company and its parent company, and its subsidiaries, affiliates and their respective officers, directors, and employees, shall be named as additional insureds by applicable endorsement for all policies listed in this Article except for Workers' Compensation and Professional Liability, including on policies issued in excess of the minimum limits specified in this Article, until at least the end of the Insured Period. In the event the policies include a "blanket additional insured endorsement where required by contract," the following language added to the certificate of insurance will satisfy Company's requirement: "San Diego Gas & Electric Company, its parent, its affiliates, and each of their respective directors, officers, agents and employees are included as additional insured with respect to liability arising out of the work performed by Contractor or any of its subcontractors." The insurance policies shall include (a) a severability of interest or cross-liability clause, and (b) additional insured endorsements evidencing ongoing and completed operations endorsements – ISO forms CG2010 and CG2037, or their equivalent.

11.4. Contractor's insurance policies shall provide, and Contractor shall ensure that each Contractor Party's insurance policies provide, that the coverage is primary for all purposes and that any insurance or self-insurance maintained by Company shall not contribute with Contractor's or such Contractor Party's insurance.

11.5. Contractor shall be solely responsible for any deductible or self-insured retention on insurance required hereunder this Agreement.

11.6. Each policy of insurance required to be obtained and maintained by Contractor as described herein shall contain a waiver of the insurers' rights of subrogation against Company and its current and future direct and indirect parent company(ies), subsidiaries, affiliates, and their respective directors, officers, shareholders, employees, agents, representatives, successors, and assigns.

11.7. Contractor shall comply with all conditions in its insurance policies, including the notice and cooperation provisions, and shall promptly notify its insurers of any Claim or potential Claim in connection with, related to, or arising out of the Work.

11.8. The insurance requirements in this Article cannot be waived unless documented by a written amendment hereto.

11.9. During the Insured Period, Contractor shall provide and maintain, at Contractor's expense, the following types of insurance:

11.9.1. **Commercial General Liability Insurance.** Contractor shall maintain commercial general liability insurance written on an occurrence basis in the amount of not less than \$2,000,000 per occurrence. If the policy maintains a policy aggregate, such aggregate shall not be less than twice the per occurrence limit. Coverage shall be at least as similar to or broad as the Insurance Services Office Commercial General Liability Coverage, with no sublimits or wildfire, explosion, collapse, or underground exclusions. Such insurance shall include coverage for products/completed operations, broad form/blanket contractual liability for written contracts, property damage and personal injury liability, premises/operations, independent contractor liability, and hostile fire liability. Defense costs shall be provided as an additional benefit and may be included within the limits of liability. Coverage limits may be satisfied using an umbrella or excess liability policy that satisfies the requirements of this Article.

11.9.2. **Commercial Automobile Liability Insurance.** Contractor shall maintain automobile liability insurance (including coverage for owned, non-owned, and hired automobiles) covering vehicles used by Contractor in connection with the Work in the amount of not less than \$1,000,000 combined single limit per occurrence for bodily injury, death and property damage (including loss of use thereof). Contractor's automobile liability insurance coverage shall contain appropriate no-fault insurance provisions or other endorsements in accordance with Applicable Laws. Coverage shall be at least as broad as the Insurance Services Office Business Auto Coverage form covering Automobile Liability, code 1 "any auto." Coverage shall be endorsed to include MCS 90 endorsement. Coverage limits may be satisfied using an umbrella or excess liability policy that satisfies the requirements of this Article.

11.9.3. **Workers Compensation Insurance.** In accordance with the laws of the State(s) in which the Services will be performed, Contractor shall maintain in force workers compensation insurance for all of its employees. If applicable, Contractor shall obtain U.S. Longshore and Harbor Workers compensation insurance, separately, or as an endorsement to workers compensation insurance. Contractor shall also maintain employer's liability coverage in an amount of not less than \$1,000,000 per accident and per employee for disease. In lieu of such insurance, Contractor may maintain a self-insurance program meeting the requirements of the State(s) in which the Services will be performed along with the required employer's liability insurance.

11.9.4. **Pollution Liability.** Contractor shall maintain insurance coverage for bodily injury and property damage, including but not limited to cleanup, onsite disposal, storage, treatment and defense costs, resulting from sudden, accidental and gradual pollution conditions, including the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, hydrocarbons, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any water course or body of water shall be maintained. The limit shall be in the amount of not less than \$2,000,000 for bodily injury and property damage each pollution incident/aggregate.

11.9.5. **Umbrella / Excess Liability.** Contractor shall maintain excess or umbrella liability insurance on an occurrence basis covering all risks, losses and liabilities in excess of the applicable underlying insurance described in this article, in the amount of not less than \$5,000,000 per occurrence, and on a following-form basis.

11.9.6. **Cyber Risk Liability Insurance.** Contractor shall maintain cyber risk liability insurance with a combined single limit of not less than \$2,000,000 per occurrence. Such insurance shall include coverage for Claims or Liabilities arising from network risks (including data breaches, unauthorized access/use, ID theft, invasion of privacy, loss/theft of electronic information, release of private information, damage to or alteration of electronic information, degradation, downtime, extortion, and network security) and intellectual property infringement, including infringement of copyright, trademark, service mark and trade dress and interruption of or damage to SCADA systems. The insurance also shall provide coverage for breach response costs, defense costs, regulatory fines and penalties, and credit monitoring expenses with limits sufficient to respond to these obligations. No exclusions shall be listed within the policy for unencrypted or portable devices. Notwithstanding any other provision of this Agreement, such policy shall remain in place during the Term, including any applicable maintenance period. Policy or policies shall also explicitly include all Contractor Parties. In the event of loss under this coverage, Contractor shall notify Company no later than 24 hours after discovery of any breach and will provide Company with access to data.

11.10. **Contractor Party Insurance Obligations.** Contractor shall require each Contractor Party that performs any Work to obtain and maintain insurance policies with sufficient limits appropriate for the type of Work being performed by such Contractor Party. Unless Company specifically requires otherwise, a Contractor Party is not required to obtain (a) excess or umbrella liability insurance policies so long as Contractor's excess or umbrella liability insurance provides coverage for the performance of Work by all Contractor Parties, or (b) aviation liability insurance unless such Contractor Party is performing aviation Work.

**12. Compliance with Applicable Laws and Company Documentation.** At all times during Contractor's performance of its obligations under this Agreement, Contractor shall, and shall cause each Contractor Party:

12.1. To comply with and observe all EH&S Laws and any and all other applicable laws, permits, statutes, licenses, rules, regulations, codes, ordinances, judgments, decrees, writs, legal requirements, orders or the like, of any governmental agency, and the written interpretations thereof, including any statute, law, rule, regulation, code, ordinance, judgment, decree, writ, order or the like, regulating or relating to this Agreement, the Program, Company, Contractor, or a Contractor Party (collectively, together with the EH&S Laws, "Applicable Laws"), which Applicable Laws shall include the Energy Efficiency Policy Manual and other similar guidance, orders, decisions, or requirements governing the Program as promulgated by the CPUC from time to time;

12.2. To comply with and observe the Contractor Safety Manual and all applicable Standard Practices, *provided* that neither Contractor nor any Contractor Party shall comply with the Contractor Safety Manual or the Standard Practices if and only to the extent that such compliance would violate Applicable Laws; and

12.3. To have and maintain in effect all licenses, permits, registrations, certificates, trainings, and approvals required by any Applicable Law or governmental agency, including all necessary and appropriate licenses issued by the Contractor's State License Board.

**13. Remedies.** If a Contractor Event of Default occurs (as defined in Schedule A1), Company will have the following rights and remedies and may elect to pursue any or all (or any combination) of them: (a) Company may terminate this Agreement as set forth in Schedule A1 or elsewhere in the Agreement, (b) Company may seek damages (including compensation for losses, penalties, fines, excess costs and consequential, special, incidental, or indirect damages) arising from such Event of Default; (c) Company may procure, upon such terms and in such manner as Company deems appropriate, services similar to that specified in this Agreement, and Contractor shall be liable to Company for all direct and indirect losses and excess costs in procuring the same, which losses or costs Company may offset against any payments owed or due to Contractor; or (d) Company may pursue any other right or remedy that may be available to Company at law or in equity as a result of such Event of Default.

**14. Retention.** Company will have the right to withhold a retention from payments due Contractor. The amount of the retention will be paid within 45 days after the "date of completion," as defined by California Civil Code Section 8180, *provided* that Company may require Contractor to provide conditional or unconditional lien releases as a condition to release of the retention and such additional amounts due Contractor as necessary until such liens have been satisfied by Contractor. In addition, Company may use the retention to satisfy directly the claim of any lienor.

**15. Audit.** Company may designate its own employee representative(s) or its contracted representative(s) with a certified public accounting firm, who will have the right to audit and to examine any cost, payment, settlement, or other supporting documentation relating to this Agreement. Any such audit(s) will be undertaken by Company or its representative from a certified public accounting firm at reasonable times during normal business hours. Contractor agrees to fully cooperate with such audit(s). Contractor shall include a clause similar to the one immediately above in its arrangements with each Contractor Party reserving the right to designate Contractor's own employee representative(s), its contracted representative(s) from a certified public accounting firm, or representative(s) from Company, who will have the right to audit and to examine any cost, payment, settlement or other supporting documentation resulting from any item related to this Agreement. Company shall provide Notice to Contractor of any exception taken as a result of an audit of Contractor, and Contractor shall refund to Company no later than ten (10) days of such Notice the amount of any such exception. If Contractor fails to make such payment, Contractor shall pay interest on any unpaid portion of such payment, accruing monthly, at a rate equal to the lesser of ten percent (10%) per annum and the maximum lawful rate. Company shall compute such interest from the date of the Notice of exception(s) to the date Contractor reimburses Company in full for such exception(s). Contractor shall reimburse Company for the cost for the performance of an audit if it discloses an overcharge of five percent (5%) or greater. Company's audit rights hereunder extend for a period of five (5) years following the date

of final payment under this Agreement. Contractor shall and shall require each Contractor Party to retain all necessary records and documentation for the entire length of this audit period.

#### **16. Taxes.**

16.1. **Contractor's Liability for Taxes.** Contractor assumes exclusive liability for and shall pay before delinquency, all federal, state, regional, municipal, or local sales, use, excise and other taxes, charges or contributions imposed on, with respect to, or measured by (a) the Services, and all other materials, supplies or labor furnished hereunder, (b) the wages, salaries or other remunerations paid to individuals employed in connection with, the performance of the Services, and (c) any failure of Contractor or any Contractor Party to comply with the Affordable Care Act with respect to individuals performing the Services.

16.2. **Tax Treatment of Individuals.** Without limiting the generality of this Article, Contractor agrees to treat, and shall cause each Contractor Party to treat, all individuals performing the Services as employees of Contractor or Contractor Party, as applicable, for purposes of federal and state income taxes, Social Security, and Medicare taxes, unemployment and disability insurance premiums. Contractor agrees that, at any time during the performance of this Agreement, Company will have the right to audit Contractor's compliance with this provision in accordance with the Article entitled "Audit."

16.3. **California Withholding.** To the extent any portion of the Services is performed in the State of California, either: (a) Contractor represents that Contractor is a California resident or registered with the California Secretary of State and shall provide Company with an original and a copy of Form 590, Withholding Exemption Certificate, in accordance with California Revenue and Taxation Code Section 18662 and regulations thereunder; or (b) seven percent (7%) of all compensation payable to Contractor for the Services performed in California shall be withheld in accordance with applicable California Franchise Tax Board ("**FTB**") regulations, unless Company has been notified in writing by FTB that withholding is waived or a lower rate or withholding is authorized.

16.4. **Minimization of Tax Liability.** Contractor and Company shall cooperate in good faith to minimize their respective tax liability to the extent legally permissible (and with no duty to increase either Party's tax liability), which, with respect to Contractor, includes separately stating taxable charges on Contractor's invoices and supplying resale and exemption certificates, if applicable, and any other information reasonably requested by Company.

16.5. **Confidentiality Exception.** Notwithstanding anything to the contrary set forth herein or in any other written or oral understanding or agreement to which the Parties are parties or by which they are bound, the Parties acknowledge and agree that: (a) any obligations of confidentiality contained herein and therein do not apply and have not applied from the commencement of discussions between the Parties to the tax treatment and tax structure of any transaction related to the Services or any other transactions or arrangements; and (b) each Party (and each of its employees, subcontractors, suppliers, representatives, or other agents) may disclose to any and all persons or entities, without limitation of any kind, the tax treatment and tax structure of any transaction and all materials of any kind (including opinions or other tax analyses) that are provided to such Party relating to such tax treatment and tax structure, all within the meaning of Treasury Regulations Section 1.6011-4; *provided that* the foregoing is not intended to affect any privileges that each Party is entitled, in its sole discretion, to maintain, including with respect to any confidential communications with its attorney or any confidential communications with a federally authorized tax practitioner under Internal Revenue Code ("**IRC**") Section 7525.

17. **Entry onto Property.** Without limiting the generality of any other provision of this Agreement, to the extent that any Work requires Contractor to enter onto Company property (including any property held in fee, under an easement, lease, license, right of entry or other interest, in whole or part) (collectively, "**Company Property**"), Contractor shall comply with the following provisions: (a) Contractor shall, and shall cause each Contractor Party to make best efforts to minimize interference with any existing use of Company Property by Company or its assignees; (b) Contractor's right to enter Company Property is expressly conditioned upon the right of Company to commence or resume the use of the Company Property whenever in the interest of its service to its patrons or consumers it shall appear necessary or desirable to do so, as provided in General Order 69-C or any revision thereof or amendment thereto, issued by the CPUC; (c) Contractor shall, before the termination of the Work occurring on Company Property, restore the Company Property to the same condition, or as nearly the same condition as reasonably possible, to that which existed immediately before Contractor's entry; (d) **TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, CONTRACTOR WAIVES ALL CLAIMS CONTRACTOR MIGHT HAVE AGAINST EACH AND EVERY INDEMNITEE FOR ANY INJURY, ACCIDENT, ILLNESS, PROPERTY DAMAGE, DEATH OR OTHER OCCURRENCE ARISING IN ANY MANNER WHATSOEVER OUT OF CONTRACTOR'S OR ANY CONTRACTOR PARTY'S PRESENCE ON COMPANY PROPERTY;** (e) **TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, CONTRACTOR EXPRESSLY ASSUMES ALL RISKS OF CONTRACTOR'S AND ANY CONTRACTOR PARTY'S ENTRY ONTO THE COMPANY PROPERTY, INCLUDING ANY INJURY, DAMAGE, OR LOSS SUFFERED BY CONTRACTOR OR ANY CONTRACTOR PARTY OR ANY EMPLOYEE, REPRESENTATIVE OR AGENT THEREOF ARISING OUT OF ANY DISCLOSED OR UNDISCLOSED DEFECT, HAZARD OR PRESENCE OF ANY MATERIAL ON THE COMPANY PROPERTY;** and (f) Contractor shall not create nor cause to exist on the Company Property any public or private nuisance, or any other condition that would present a threat to the Company Property, human health & safety, or the environment. Contractor shall also not store or park, and shall not cause to be stored or parked, on the Company Property, any equipment, vehicle, machine, tool, or other device, that is not in compliance with any local, state or federal law or regulation, including the California Air Resources Board's ("**CARB**") statewide portable equipment registration program, and CARB's air toxics control measure for portable diesel-fueled engines.

#### **18. Confidentiality.**

18.1. **Definition.** For purposes of this Agreement, the term "**Confidential Information**" means proprietary information concerning the business, operations, or assets of Company, a Utility Participant, or their respective direct and indirect parent company(ies), subsidiaries or affiliates, their respective suppliers, or their respective customers including (a) the terms of this Agreement, (b) any information or materials prepared in connection with the performance of the Work, (c) any related agreement, designs, drawings, specifications, techniques, models, data, business plans, documentation, source code, object code, diagrams, flow charts, research, development, processes, procedures, know-how, manufacturing, development or marketing techniques and materials, development or marketing timetables, strategies, development plans, and any other information of a similar nature, (d) any data in GIS format pertaining to any Utility Participant's electric or gas transmission facilities, including shapefiles for structures, biological and cultural resources survey shapefile data, tie-line layers and access roads, electric transmission pole locations and any other information of a similar nature (collectively, "**GIS Data**"), (e) information relating to any Utility Participant's substation, compressor station, valve station, or pipeline pressure regulating station design (including design documents and drawings, security systems design, and operation and similar information constituting critical energy infrastructure information as defined by 18 C.F.R. §388.113(c)(1)) (collectively, "**CEII**"), (f) information related to any of Company's, a Utility Participant's or their affiliates' customers, including but not limited to addresses, contact information, billing information, energy usage data, ethnicity and financial status ("**Confidential Customer Information**"); and (g) information related to Company's, any Utility Participant's, or their affiliates' customers, suppliers, personnel, pricing policies or financial information, in each case whether or not reduced to writing or other tangible form, and any other trade secrets. Notwithstanding the foregoing, Confidential Information does not include: (i) information known to Contractor before obtaining the same from Company or any Utility Participant; (ii) information in the public domain at the time of disclosure by Contractor; (iii) information lawfully obtained by Contractor from a third party which did not receive the same, directly or indirectly, from Company or any Utility Participant; (iv) information developed independently by Contractor without use of, reference to, or access to Confidential Information, or (v) information approved for release by express prior written consent of an authorized officer of Company or Utility Participant, as applicable. Contractor will have the burden of proof in establishing that its use of Confidential Information is permitted by any of the foregoing exceptions.

18.2. **Limited Use; Nondisclosure.** Except as expressly set forth in this Article, Contractor shall not disclose any Confidential Information to any individual or entity other than a Contractor Party, *provided that* such Contractor Party agrees to abide by the terms of this Article as if such Contractor Party were the Contractor hereunder. Contractor shall use, and shall cause each Contractor Party to use, the Confidential Information solely for the purpose of performing the Work. Contractor shall not, and shall not permit any Contractor Party to, use the Confidential Information for their own benefit other than for the limited purpose set forth herein. To prevent unauthorized use or disclosure of the Confidential Information, Contractor agrees to use the higher of (a) the same degree of care Contractor uses with respect to its own proprietary or confidential information, and (b) a reasonable standard of care. Contractor shall cause each Contractor Party receiving Confidential Information to become familiar with and abide by the terms of this Article as if such Contractor Party were the Contractor hereunder. Contractor shall be responsible for any breach of this Article by any Contractor Party.

18.3. **Court or Administrative Order.** Notwithstanding any other provisions of this Article, Contractor may disclose any of the Confidential Information in the event, but only to the extent that, based upon reasonable advice of counsel, Contractor is required to do so by the disclosure requirements of any law, rule, or regulation, or any order, decree, subpoena, or ruling or other similar process of any court, governmental agency, or regulatory authority. Before making or permitting any such disclosure, Contractor shall provide the applicable Utility Participant with prompt Notice of any such requirement so that such Utility Participant (with Contractor's assistance if requested by such Utility Participant) may seek a protective order or other appropriate remedy.

18.4. **Publicity.** Except in the event Contractor is required to disclose any Confidential Information in accordance with the foregoing provisions, Contractor shall not, without the prior written consent of Company, disclose to any third party (a) the fact that such Confidential Information has been made available to Contractor, or (b) the existence of any ongoing business relationship between the Parties.

18.5. **Document Retention.** Upon any Utility Participant's request (and, in addition, if Contractor has obtained Confidential Customer Information, at the earlier of (a) the end of the Agreement term, and (b) any time during the Agreement term when such Confidential Customer Information is no longer necessary to perform the Work), Contractor shall promptly deliver to such Utility Participant or destroy if so directed by such Utility Participant (with such destruction to be certified to such Utility Participant) all documents (and all copies thereof, however stored) furnished to or prepared by Contractor that contain or are based on or derived from Confidential Information and all other portions of documents in Contractor's possession that contain or are based on or derived from Confidential Information. Notwithstanding the foregoing, Contractor will not be required to return or destroy Confidential Information that has been created solely by Contractor's automatic archiving and back-up procedures, but only to the extent created and retained in a manner consistent with such procedures and not for any other purpose, and provided that such electronic copies will be subject to the confidentiality provisions of this Article.

18.6. **Survival.** Notwithstanding the return or destruction of all or any part of the Confidential Information, the provisions of this Article shall nevertheless remain in full force and effect with respect to specific Confidential Information until the date that is five (5) years after the date of disclosure of such Confidential Information, except as to GIS Data, CEII, and Confidential Customer Information for which information the provisions of this Article shall remain in full force and effect in perpetuity. Moreover, Contractor represents, warrants, and covenants that security procedures and practices appropriate to the nature of the GIS Data, CEII, and Confidential Customer Information involved are in place on the

Effective Date and will be used at all times to protect the GIS Data, CEI and Confidential Customer Information from unauthorized access, destruction, use, modification, or disclosure. Without limiting the generality of the foregoing or any other provision of this Agreement, Contractor shall access, collect, store, use, and disclose the Confidential Customer Information under policies, practices, and notification requirements no less protective than those under which Company operates as required by the applicable Utility Participant's tariffs regarding privacy and security protections for energy usage data.

18.7. **Remedies.** The Parties acknowledge that the Confidential Information is valuable and unique, that damages would be an inadequate remedy for breach of this Article, and that the obligations of Contractor are specifically enforceable. Accordingly, the Parties agree that in the event of a breach or threatened breach of this Article by Contractor, Company and each Utility Participant, and their respective direct and indirect parent company(ies), subsidiaries or affiliates (as applicable), which shall be third party beneficiaries of this Agreement, shall be entitled to seek an injunction preventing such breach, without the necessity of proving damages or posting any bond. Any such relief shall be in addition to, and not in lieu of, monetary damages or any other legal or equitable remedy available to Company, each Utility Participant, and their respective direct and indirect parent company(ies), subsidiaries or affiliates, as applicable.

**19. Environmental, Health, and Safety Terms.**

19.1. **Definitions.** For purposes of this Agreement, the following terms have the following meanings:

19.1.1. **"Hazardous Materials"** means any chemical, substance, material, controlled substance, object, product, by-product, residual, condition, solid, hazardous waste, or any combination thereof, that is hazardous to human health, safety, or the environment due to its ignitability, corrosivity, reactivity, toxicity, or other harmful or potentially harmful properties or effects. Hazardous Materials include (a) any flammable explosives, radioactive materials, hazardous wastes, toxic substances, or related materials, and substances defined as "hazardous substances," "hazardous material," "hazardous wastes," or "toxic substances" in, under, or pursuant to any EH&S Law, and (b) oil or petroleum products, asbestos, and any asbestos containing materials, radon, polychlorinated biphenyls, urea formaldehyde insulation, lead paints and coatings, and all of those chemicals, substances, materials, controlled substances, objects, conditions, and waste, or any combination thereof, that now are, or after the Effective Date become listed, defined, or regulated by any EH&S Law.

19.1.2. **"EH&S Law"** means any and all applicable federal, state, regional, county, or local law, regulation, decision of the courts, ordinance, rule, code, order, directive, guideline, permit, or permit conditions, which, on or after the Effective Date relate in any way to worker or workplace safety, environmental conditions, environmental quality or policy, or health and safety issues or concerns (including product safety). EH&S Law includes the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation and Recovery Act, the Federal Water Pollution Control Act, the Safe Drinking Water Act, the Hazardous Materials Transportation Act, the Carpenter-Presley-Tanner Hazardous Substance Account Act, the Toxic Substance Control Act, the Safe Drinking Water and Toxic Enforcement Act, the California Hazardous Waste Control Law, the Occupational Safety and Health Act, the California Occupational Safety and Health Act, the Porter-Cologne Water Quality Control, and, in each case, applicable regulations or rules promulgated thereunder.

19.2. **Materials and Licenses.** Contractor shall ensure that (a) all materials and equipment to be supplied or used by Contractor in the performance of the Work, including vehicles, loading equipment, and containers, are in good condition and fit for the uses for which they are employed, (b) all licenses, permits, registrations, certificates, and other approvals required by any Applicable Law are procured and maintained for such materials and equipment through the later of the Term and the completion of all of Contractor's obligations hereunder, and (c) none of the materials or equipment used by Contractor with respect to this Agreement contains asbestos.

19.3. **Handling Hazardous Materials.** Contractor agrees as follows: (a) in accordance with all applicable EH&S Laws, Contractor shall promptly and properly manage, containerize, store, remove, transport, and dispose all Hazardous Materials used in connection with the Work, subject to the Section entitled "No Transportation of Company's Hazardous Materials"; (b) Contractor shall not cause or permit the spillage, discharge, emissions, or release of any Hazardous Materials in the course of performing Work and, if such spillage, discharge, emission, or release accidentally occurs, Contractor shall immediately notify Company and take such actions in accordance with the Section entitled "Releases of Hazardous Materials;" (c) Contractor shall not create, dispose of, recycle, treat, release, or handle any Hazardous Materials at, on, or within any Company Property, except as otherwise required as part of the Work, or (d) if Contractor encounters suspected asbestos containing material, Contractor will not undertake the management, removal, storage, transportation, or disposal of such asbestos containing material, but shall promptly notify Company.

19.4. **Storage.** Contractor agrees as follows: (a) Contractor shall not store any Hazardous Materials in a manner that violates any EH&S Laws or, for periods in excess of applicable site storage limitations imposed by EH&S Law, other Applicable Laws, the Contractor Safety Manual, or the Standard Practices, whichever is most restrictive; (b) Contractor shall take, at its expense, all actions necessary to protect third parties, including Company's employees, tenants, and agents, from any exposure to, and hazards of, Hazardous Materials that are associated in any manner with any Work, including site soils or groundwater contamination while they are, or should be, under Contractor's control, as well as any discharges, releases, and spills of such Hazardous Materials; and (c) Contractor shall not store any Hazardous Materials at, on, or within any Company Property without prior written authorization from Company, which authorization (if given) shall be limited solely to the minimum quantity of Hazardous Materials necessary to perform the Work. Upon request by Company, Contractor shall provide a list of Hazardous Materials stored and quantities thereof and where these Hazardous Materials are stored.

19.5. **Consultation.** Contractor shall comply with all applicable EH&S Laws and the requirements of governmental agencies; *provided* that Contractor shall exert all efforts to reach and consult with Company Representative before making any report to governmental agencies pursuant thereto and shall follow Company Representative's instructions so long as they are consistent with Contractor's legal obligations.

**19.6. Releases of Hazardous Materials.**

19.6.1. In the event of any release of a Hazardous Material, Contractor shall (a) take all reasonable steps necessary to stop and contain said release, (b) make any report of such release as required under EH&S Law, and (c) clean up such release as required by the applicable governmental agency.

19.6.2. As soon as possible but in no event later than thirty six (36) hours after the release of any Hazardous Material, Contractor shall submit to Company Representative a written report, in a format required by Company, describing in detail any event of any release of a Hazardous Material, which report will include, at a minimum, the following information: (a) name and address of Contractor and any Contractor Party involved; (b) name and address of Contractor's commercial and environmental liability insurance carrier; (c) name and address of any injured or deceased persons, if applicable; (d) name and address of any property damage, if applicable; (e) a detailed description of the release including the identification of the Hazardous Material, the date and time of the release, the volume released, and the nature of the any environmental contamination; (f) a determination of whether any of Company's personnel, equipment, tools or materials was involved; (g) a detailed description of all reports made to any governmental agency, and any communications from governmental agencies regarding the release or any licenses or permits necessary to perform the Work; and (h) a description of the actions taken to respond to the release.

19.7. **No Transportation of Company's Hazardous Material.** Contractor shall not (a) transport any Hazardous Material that Company generated for purposes of treatment, storage, recycling, or disposal, or (b) conduct any treatment, storage, recycling, or disposal of any Company-generated Hazardous Material, in each case unless authorized by Company to perform such activities in writing. If Contractor is authorized by Company to perform such activities, the following terms apply:

19.7.1. **Authorized Treatment Facility.** Before transporting Company-generated Hazardous Material, Contractor shall confirm that the treatment, storage, recycling, or disposal facility ("TSDF") has procured and maintained in effect all licenses, permits, registrations, certificates or other authorizations required by any EH&S Law to lawfully receive, handle, transport, store, treat, recycle, incinerate, dispose of, or otherwise manage or use such Hazardous Material. Contractor shall not transport any Company-generated Hazardous Material to any TSDF that is unable or fails to provide such confirmation, and Contractor shall immediately notify Company. Company reserves the right at any time, in Company's sole discretion, to cancel its authorization of any TSDF by Notice to Contractor.

19.7.2. **Hazardous Waste Manifest.** Company shall, when required by EH&S Law, provide Contractor with a complete and executed Hazardous Waste manifest or other shipping documentation for Company-generated Hazardous Material to be transported for treatment, storage, recycling or disposal. Contractor's transportation, recycling, treatment, storage, or disposal of any such Hazardous Material in accordance with this Agreement shall be documented by Contractor utilizing, among other things, the Hazardous Waste Manifest tracking system or other records as required by EH&S Law, copies of which shall be provided to Company no later than ten (10) days after shipment.

**20. Hazardous Substance Information.** Contractor shall provide the following to Company for the materials or equipment (including any part thereof) delivered under this Agreement: (a) reference to the applicable Material Safety Data Sheet for each material containing a "hazardous material," as defined by California Health and Safety Code Section 25501(n)(2)(A); and (b) a written statement for each material that is a "mixture or trade name product" that contains a "toxic chemical" subject to the reporting requirements of Section 313 of the Emergency Planning and Community Right-to-Know Act, including the name and associated Chemical Abstract Services Registry number of such toxic chemical, the specific concentration at which each such toxic chemical is present in each such mixture or trade name product, and the weight of each such toxic chemical in each such mixture or trade name product. Without limiting the generality of the foregoing, if Contractor is obligated to provide a warning to pursuant to California's Safe Drinking Water and Toxic Enforcement Act (Proposition 65) to exposed individuals with respect to the materials or equipment or as part of the performance of Contractor's obligations hereunder, Contractor shall provide such warning to such individuals, including, as applicable, members of the public, Company's employees, Contractor's employees, and all other Contractor Party employees.

**21. Use of Company Equipment.** Contractor acknowledges and agrees that if Company furnishes any tools or equipment to Contractor to perform the Work, (a) such tools or equipment will be provided by Company only as a convenience and only after Contractor executes Company's standard check-out agreement for such tools or equipment, (b) Contractor shall assume sole risk, responsibility, and liability for such loaned tools or equipment while in Contractor's control or possession, including any loss, damage, destruction, theft, maintenance, and repair of such tools or equipment, (c) Contractor shall inspect such tools or equipment before Contractor's use and be satisfied that such tools or equipment are in good repair and working condition, (c) Contractor shall adequately and properly train all personnel that will use any such tools or equipment in its correct, intended, and safe use, and (d) Contractor shall actively supervise, with trained personnel, all personnel using such tools or equipment to ensure that the use of the tool or equipment is correct, safe, in accordance with the intended use, and creates no risk of injury or damage to individuals or property.

**22. Offset.** Company may, upon providing Notice to Contractor, setoff any amount due from Contractor, whether or not under this Agreement, against any amount due Contractor or claimed to be due by Contractor under this Agreement. In addition, Company may withhold from Contractor any amount sufficient to reimburse Company for any Liability for Contractor's actual, alleged, or reasonably probable failure, based on factual evidence, to comply with the terms of this Agreement.

**23. Contractor Diversity.** Company's policy is to provide maximum opportunities for women, minority, and service disabled veteran business enterprises, lesbian, gay, bisexual or transgender (LGBT) business enterprises, and socially and economically disadvantaged small business concerns (collectively, "DBEs") to participate in the performance of contracts. Company expects, as satisfactory performance under this Agreement, Contractor to utilize DBE Contractor Parties when feasible and to use good faith efforts to set and attain goals in parity with Company goals when contracting for work with Company. Contractor shall submit on a timely basis any documentation required by Company to report Contractor's DBE expenditures in connection with this Agreement. Contractor shall submit all documentation required by Company to report such verified DBE expenditures in accordance with Schedule D.

**24. Assignment.** Contractor shall not permit this Agreement or any of Contractor's rights or obligations hereunder to be assigned or delegated voluntarily, involuntarily, by merger, consolidation, dissolution, operation of law, or any other manner, without Company's prior written consent, and any attempted assignment without such consent will be null and void; provided that (a) no such written consent by Company shall discharge Contractor from the performance of its obligations under this Agreement, and (b) Contractor shall remain jointly and severally liable with any permitted assignee or delegatee for any failure to comply fully with all obligations under this Agreement. Company may assign or delegate in whole or in part its rights and obligations under this Agreement without the consent of Contractor.

**25. Time.** Contractor agrees that the performance of the Services are essential to Company and, hence, TIME IS OF THE ESSENCE in performing all of Contractor's obligations hereunder.

**26. Survival.** The obligations imposed on Contractor pursuant to each Article, which by its terms contains or refer to subject matter which relates to time periods subsequent to the Term, including "Taxes," "No Publicity; Ex Parte Communications," and this Article, will survive termination of this Agreement and final payment to Contractor.

**27. Equal Employment Opportunity.** Company is an equal opportunity employer and federal contractor or subcontractor. Consequently, the Parties agree that, as applicable, they will abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a) and that these laws are incorporated herein by reference. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin. These regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. The Parties also agree that, as applicable, they will abide by the requirements of Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under federal labor laws.

**28. No Publicity; Ex Parte Communications.** Contractor shall not, without Company's or the applicable Utility Participant's prior written consent, engage in advertising, promotion, or publicity related to this Agreement or the Program except as permitted under this Agreement, or make public use of any Company or Utility Participant Identification in any circumstances related to this Agreement, the Program or otherwise. "Identification" means any corporate name, trade name, trademark, service mark, insignia, symbol, logo, or any other product, service, or organization designation, or any specification or drawing owned by Company or a Utility Participant or its affiliates or any representation thereof. Contractor acknowledges that Company and each Utility Participant is subject to ex parte communications rules, which apply to its communications with the regulatory bodies having jurisdiction over it, including the CPUC and FERC. Contractor shall not, in the course of, or with respect to any regulatory proceeding under which such rules apply, engage in any communication with a government official relating to Company, a Utility Participant or this Agreement without Company's or such Utility Participant's prior written approval.

**29. Excusable Delays.** Neither Party shall be in default for any delay or anticipated delay in such Party's performance of this Agreement due to any of the following events (each an event of "Force Majeure"): wars, riots, acts of God directly damaging the Work or affecting the supply of goods necessary for the Work (such as fires, floods, abnormally severe weather events, earthquakes, tornadoes, hurricanes, and typhoons), quarantine enforced by a governmental authority or agency having jurisdiction due to epidemic, acts of terrorism, or industry-wide labor strikes, embargoes, or work stoppages; provided that such event shall only constitute a Force Majeure if (a) such event is not reasonably foreseeable nor anticipated as of the Effective Date, (b) such event physically delays or prevents a Party's performance under this Agreement, (c) such event is not within the control of, or caused by the negligence or willful misconduct of such Party, and (d) such Party has been unable to overcome such delay or anticipated delay by the exercise of due diligence (including, in the case of Contractor, re-sequencing resources to other available Work); and provided further that such Party notifies the other Party in writing promptly after being made aware of such Force Majeure event. Notwithstanding the foregoing, the following events shall not constitute a Force Majeure: (i) absence of sufficient financial means to perform obligations, (ii) any labor disturbance, strike or dispute solely affecting one or more Contractor Parties, (iii) mechanical failures, unless caused by a separate event of Force Majeure, (iv) the unavailability or shortages of labor, equipment or materials, unless caused by a separate event of Force Majeure, (v) rain, wind, storms and other climatic or weather conditions other than severe weather conditions that are abnormal for the local area where the Work is performed and for the time of year during which the Work is performed; or (vi) delays or increased costs arising or resulting from the COVID-19 epidemic. A Party's notice of Force Majeure shall describe the particulars of the Force Majeure event, the anticipated length of the Force Majeure event, and the impact to the Party's performance. The Party claiming Force Majeure shall provide any and all documentation evidencing such claim of Force Majeure as reasonably requested by the other Party. Any extension to the date of performance for a period equal to the time lost by reason of the Force Majeure event. A Party shall not be eligible under any circumstances for additional compensation due to any such extension of time due to Force Majeure. Any extension of time pursuant to this Article shall be documented by a written amendment to this Agreement signed by the Parties. The Party claiming Force Majeure shall use reasonable and diligent efforts to mitigate any impact to its performance due to any Force Majeure event.

**30. Reports.** Contractor shall provide periodic status reports as requested by Company Representative. The status reports shall make periodic comparisons of the Services rendered to date against the scope of work, including any milestones and costs. Such reports shall include an explanation of any significant variations, an identification of any potential or known developments that may impact Company, any Utility Participant, Contractor or the Services and any corrective actions implemented.

**31. Contractor Parties.**

**31.1. Approval of Subcontractors.** If this Agreement contains a list of Contractor Parties approved by Company for the performance of some or all of the Work, Contractor must obtain Company's written consent before retaining any subcontractor, supplier, or agent other than the those approved in this Agreement, if any. "Contractor Parties" means any persons performing any work or services in connection with the Program or the Work, including Contractor's agents, representatives, suppliers, subcontractors, and other individuals or entities, whether such Contractor Parties are employed directly or indirectly by Contractor to perform the Work. To the extent any portion of the Work or the Program is performed by a person, contractor or entity in Contractor's trade ally or trade professional network or program, "Contractor Parties" shall include such person, contractor or entity.

**31.2. Disqualification.** Company reserves the right to disapprove of any Contractor Party, in its sole discretion, for the following reasons: (a) Company deems such Contractor Party unqualified to perform the Work; (b) such Contractor Party has a conflict of interest with Company, an employee of Company, Company's affiliates, or an agent, contractor or representative of Company; (c) Company determines that such Contractor Party has an unacceptable safety or quality history, record, or number of incidents, or fails to provide a drug-free workplace; or (d) such Contractor Party is unable or unwilling to follow Company's safety and security procedures. In the event Company disapproves a Contractor Party performing Work on Company Property, Contractor shall promptly remove such Contractor Party from the site and find an appropriate replacement Contractor Party to perform the Work. In addition, without limiting the generality of the Article entitled "Compliance with Applicable Laws and Company Documentation," each Contractor Party performing Work hereunder, either directly or indirectly, must not constitute or otherwise be considered an "independent contractor," as that term is used in California Assembly Bill 5, unless such Contractor Party is subject to an applicable exception therein.

**31.3. California Labor Code Section 2775.** Without limiting the Article entitled "Compliance with Applicable Laws and Company Documentation," Contractor shall, and shall ensure that each Contractor Party ensures, that any individual performing Work is not considered to be an "independent contractor," as such term is used in Section 2775 of the California Labor Code, unless such individual is subject to an applicable exception therein.

**31.4. Incorporation into Subcontracts.** This Agreement must be incorporated by reference in any contract executed by Contractor and its Contractor Parties, and Contractor shall cause each Contractor Party to comply with the terms of this Agreement. Contractor shall at all times be responsible for the acts and omissions of its Contractor Parties, and all obligations of this Agreement will apply to each Contractor Party, whether or not such obligations explicitly refer to Contractor Parties. Contractor shall at all times be responsible for performance of all of the Work, whether performed by Contractor or any Contractor Party. Company is not responsible for the performance of any Work by any such Contractor Party. This Agreement does not give rise to any contractual relationship between Company and any Contractor Party.

**32. Suspension of Work.** Without terminating this Agreement, Company may immediately suspend the Work, or any portion thereof, by providing Contractor with Notice. Company may suspend Work for any reason, including in the event of a safety violation by Contractor or any Contractor Party, or in order to prevent an incident that threatens the health or safety of persons or property. Contractor shall thereupon immediately discontinue and suspend the Work except such operations as may be necessary to prevent damage to property or to the performance already accomplished, including securing all equipment, securing and protecting all work materials, and preparing the area so that it meets safety, health, and environmental requirements. Contractor shall resume the Work if and when Company serves Contractor with Notice lifting the suspension.

**33. Validity.** The invalidity or unenforceability of any portion or provision of this Agreement will in no way affect the validity or enforceability of any other portion or provision hereof.

**34. No Waiver.** The failure of Company to insist upon or enforce, in any instance, strict performance by Contractor of any term of this Agreement, or to exercise any rights herein conferred will not be construed as a waiver to any extent of its right to assert, or rely upon any such terms or rights on any future occasion, and no waiver will be valid unless stated in a Notice.

**35. No Oral Modifications.** No modification or amendment of any provisions of this Agreement will be valid unless it is in writing and signed by authorized representatives of the Parties.

**36. Interpretation.** The term "includes" or "including" will not be deemed limited by the specific enumeration of items, but will be deemed without limitation. Unless the context requires, the term "or" is not exclusive. References to "Contractor Party" or "Contractor Parties" include Contractor Parties of any tier. References containing terms such as "hereof," "herein," "hereto," and other terms of like import are not limited in applicability to the specific provision within which such references are set forth but instead refer to this Agreement taken as a whole. Whenever this Agreement specifically refers to any law, tariff or government department or agency, the reference also refers to any successor to such law, tariff or organization.

**37. Counterparts.** This Agreement may be executed in counterparts which, taken together, constitutes a single instrument.

**38. Authority.** Each individual executing this Agreement represents that: (a) he or she is authorized to execute and deliver this Agreement on behalf of his or her Party, and that this Agreement is binding upon such Party in accordance with its terms; (b) each Party, and with respect to Contractor, each Contractor Party, is a validly existing business entity in good standing under the laws of the state in which it is organized (and in the state of California, if different), and has the full right, power and authority to conduct its business and execute and deliver this Agreement in accordance with its terms; and (c) the execution, delivery, and performance of this Agreement has been authorized by all requisite action of such Party, and constitutes the legal, valid, and binding obligation of such Party, enforceable against such Party in accordance with its terms.

**39. Negotiated Agreement.** The Parties have participated in negotiating and drafting this Agreement and, as such, the terms hereof will not be construed against a Party as the drafting Party.

**40. Several Liability.** In the event that more than one legal entity acquires goods or Services hereunder from Contractor and is a party to this Agreement, compensation payable or other obligations owed by each such entity with respect to any such goods or Services shall be exclusively the obligation of the entity that acquires such goods or Services. No such entity will have any liability whatsoever (whether by direct payment, offset or otherwise) in connection with such goods or Services acquired by any other such entity. Each such entity is severally and not jointly liable to Contractor hereunder, and each such entity disclaims any and all financial or other responsibility, except with respect to goods or Services that are furnished and invoiced to such entity. If Contractor is comprised of more than one entity, all such entities shall be jointly and severally liable for all obligations of Contractor under this Agreement.

**41. Utility Participants.** As used in this Agreement, a "Utility Participant" shall mean, collectively and individually as the context requires, Company and each other public or investor-owned utility company participating in the funding of the Program. Each Utility Participant shall be a third-party beneficiary under this Agreement and shall be entitled to enforce Contractor's obligations under this Agreement.

**42. Customer Complaint and Resolution Process.**

42.1. Contractor shall provide Company with a monthly status report on customer comments and status of customer complaints (on a cumulative basis) as described in this Article below.

42.2. Contractor shall be responsible, to the complete satisfaction of Company, for developing and implementing a process for the management of customer complaints. Contractor shall undertake activities to resolve customer complaints in an expedited manner including (a) ensuring adequate levels of professional customer service staff, (b) direct access of customer complaints to supervisory and/or management personnel, and (c) ensuring sufficient levels of delivery personnel expected during times of high volume.

42.3. For each Utility Participant, Contractor shall implement a Customer Comment Tracking System for recording customer inquiries, complaints, and positive feedback for such Utility Participant. The Customer Comment Tracking System shall include, but is not limited to, dates of customer complaints, information on the number, characterization, and resolution of customer complaints, date of each complaint resolution and tracking of the total number of telephone calls, duration of calls, number of calls placed on hold, duration of time calls are on hold, and number of cancelled calls (hang-ups).

**43. Incident Response and Breach Notification.** Contractor agrees that any breach or any other security incident, internal or external that has the potential to compromise multiple data sources must be reported to the Sempra Energy Security Operations Center ([SOC@sempra.com](mailto:SOC@sempra.com)) (858) 613-3278) within 24 hours of knowledge of the breach. A plan for remediation must be submitted within 72 hours of the breach. A final report of successful remediation must be submitted within 2 business weeks from the initial notification for completion of the investigation.

**44. Marketing; Customer Disclosure.**

44.1. Contractor shall not, and shall not permit any Contractor Party to, state, imply or in any way represent to third parties, customers or Program participants that Company has endorsed or approved Contractor or such Contractor Party or the work of either.

44.2. Contractor shall, and shall cause each Contractor Party to, disclose its source of funding for the Program by stating prominently on all advertising, promotion or marketing materials that the Program is funded by California ratepayers under the auspices of the California Public Utilities Commission.

44.3. As appropriate and directed by Company, Contractor shall, and shall cause each Contractor Party to, prominently disclose to prospective Program participants and customers, in writing, that customers are not obligated to purchase any service or product and that such energy efficiency programs are funded with funds collected from California utility ratepayers.

44.4. Contractor shall, and shall cause each Contractor Party to, include text as provided by Company consistent with the requirements of this Article, and where appropriate a translation of the text in Spanish and any other language as appropriate if the Program specifically targets other language-speaking customers, in all material provided to a prospective Program participant or customer. All such materials shall be subject to Company's and any Utility Participant's review and approval prior to being provided any prospective Program participant or customer.

**45. Double-Dipping.** Contractor shall ensure that neither it, nor any Contractor Party, nor Company or Utility Participant customer under the Program shall receive any incentives or rebates from another governmental, utility, public agency (including regional energy network) or Company program ("Other Program") for the same product, equipment or service provided under the Program if the energy savings being claimed by Contractor for such product, equipment or service under this Agreement could also be claimed (whether by Contractor, Contractor Party, Company or Utility Participant customer or otherwise) under such Other Program and if such Other Program's incentives or rebates are also being funded, in whole or in part, by Company ratepayers ("Double Dipping"). Contractor shall not, and shall cause each Contractor Party not to, apply for or take incentives or rebates that would result in Double-Dipping. Contractor shall be responsible for notifying each Contractor Party, as well as each Company or Utility Participant customer that actually or could potentially participate in the Program, regarding restrictions on Double-Dipping.

**46. Additional Standard & Modifiable Terms.** Pursuant to CPUC D.21-06-015, the Standard and Modifiable Contract Terms and Conditions set forth in Schedule A1 attached hereto shall be made a part of this Agreement and are incorporated herein by reference. The CPUC standard terms in Schedule A1 shall control and govern through the Agreement and the Schedules. In the event of any inconsistency or conflict between any term of this Schedule A and any term of Schedule A1, such term of Schedule A1 shall govern and control and shall supersede such inconsistent or conflicting term of this Schedule A.

[End of Schedule A]

**Attachment A**  
**Information Security Requirements**  
**to**  
**Schedule A - Additional Terms and Conditions**