



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

FREEDOM OF INFORMATION ACT/PRIVACY PROGRAM

January 30, 2014

In reply refer to: NN-1

Joseph Dunne
General Counsel Division
Oregon Department of Justice
1515 SW Fifth Ave, Suite 400
Portland, OR 97201

FOIA #BPA-2014-00409-F

Dear Mr. Dunne:

This is a final response to your request for records that you made to the Bonneville Power Administration (BPA), under the Freedom of Information Act (FOIA), 5 U.S.C. 552.

You have requested:

Copies of contracts between BPA and EWEB concerning weatherization projects (energy efficiency projects) in effect for the years 1983-1986 under the BPA Weatherization Pilot Program, Residential Weatherization Program and Long-Term Weatherization Program.

Response:

BPA is releasing the requested documents in their entirety on the enclosed CD.

Pursuant to Department of Energy FOIA regulations at 10 C.F.R. § 1004.8, you may administratively appeal this response in writing within 30 calendar days. If you choose to appeal, please include the following:

- (1) The nature of your appeal - denial of records, partial denial of records, lack of responsive records, or denial of fee waiver;
- (2) Any legal authorities relied upon to support the appeal; and
- (3) A copy of the determination letter.

Clearly mark both your letter and envelope with the words "FOIA Appeal," and direct it to the following address:

Director, Office of Hearings and Appeals:
Department of Energy
1000 Independence Avenue SW
Washington DC 20585-1615

I appreciate the opportunity to assist you. Please contact Kim Winn, Government Information Specialist (FOIA/Privacy Act), at 503-230-7305 with any questions about this letter.

Sincerely,

/s/Christina J. Munro
Christina J. Munro
Freedom of Information/Privacy Act Officer

Enclosure: CD

CONTRACT CLOSEOUT AGREEMENT
Eugene Water and Electric Board
Contract No. :DE-MS79-81BP90772 (Contract)

Conservation Programs: Commercial Conservation Program
Residential Weatherization Program
Shower Flow Restrictor Program
Street and Area Lighting Program
Water Heater Wrap Program

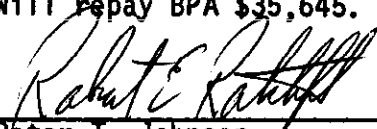
Under Section 2(f) of the Bonneville Project Act, the Administrator of the Bonneville Power Administration (BPA) has determined that the energy savings obtained from Eugene Water and Electric Board's (EWEB) implementation of the short-term conservation programs referenced above have been cost-effective. Therefore, any noncompliance with the technical specifications are not cause for financial adjustment and all payments will be considered final upon execution of this Contract Closeout Agreement and completion of the action items described herein. The amount payable to BPA shall be paid within 30 days of the date of execution of this agreement.


BPA :


- (1) Has completed an audit of EWEB's implementation of the subject contract and a net financial adjustment of \$35,645 was recommended by the Auditors. The BPA Contracting Officer's staff has reviewed the audit findings, met with representatives of EWEB and agrees with the adjustment recommended by the Auditors, as summarized in Attachment 1.

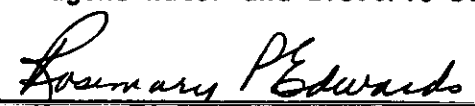
EWEB:

- (1) Will repay BPA \$35,645.

APPROVED: 
FOR Peter T. Johnson
Administrator
Bonneville Power Administration

APPROVED: 
Jean Keeder
Acting General Manager
Eugene Water and Electric Board

APPROVED: 
Steven G. Hickok
Contracting Officer
Bonneville Power Administration

ATTEST: 
Name, Title Assistant Secretary
DATE: April 9, 1985

CONTRACT CLOSEOUT AGREEMENT
Eugene Water and Electric Board
Contract No. : DE-MS79-81BP90772

<u>PROGRAM</u>	<u>RECOMMENDED ADJUSTMENT</u>	<u>FINAL ADJUSTMENT</u>
COMMERCIAL PROGRAM	\$0	\$0
RESIDENTIAL WEATHERIZATION		
Weatherization Measures	0	0
Administration	(800)	(800)
Training	0	0
Advertising	102	102
SHOWER FLOW RESTRICTOR	0	0
STREET AND AREA LIGHTING	38,679	38,679
WATER HEATER WRAP PROGRAM	(2,336)	(2,336)
NET AMOUNT DUE BPA		35,645

ACTION PLAN REQUIREMENTS
Eugene Water and Electric Board
Contract No.: DE-MS79-81BP90772

- I. Ceiling Installations : None.
- II. Water Heater Wrap Installations : None.
- III. House-tightening Measure Installations: None.

(1604K)

R E S O L U T I O N

WHEREAS, Bonneville Power Administration (BPA) has completed an audit of the Eugene Water & Electric Board's (EWEB) implementation of Contract No. DE-MS79-81BP90772; and

WHEREAS, BPA has submitted to EWEB a Contract Closeout Agreement for Contract No. DE-MS79-81BP90772; and

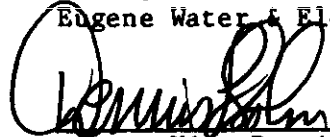
WHEREAS, EWEB agrees to repay BPA \$35,645 as a net financial adjustment to closeout of the contract; and

WHEREAS, this Contract Closeout Agreement has been reviewed by Special Counsel.

BE IT RESOLVED, that the Commissioners of the Eugene Water & Electric Board have found the Contract Closeout Agreement for Contract No. DE-MS79-81BP90772 to be satisfactory and hereby authorize the Acting General Manager to execute same.

Dated this 8th day of April, 1985.

THE CITY OF EUGENE, OREGON
Acting by and through the
Eugene Water & Electric Board



Vice President

I, ROSEMARY P. EDWARDS, the duly appointed, qualified and acting Assistant Secretary of the Eugene Water & Electric Board, do hereby certify that the above is a true and exact copy of the Resolution adopted by the Board at its April 8, 1985 Regular Board Meeting.



Assistant/Secretary

4/15/85

AMENDATORY

RESIDENTIAL WEATHERIZATION PROGRAM

CONSERVATION AGREEMENT

executed by the

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

acting by and through the

BONNEVILLE POWER ADMINISTRATION

and

CITY OF EUGENE, OREGON

acting by and through the

EUGENE WATER & ELECTRIC BOARD

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This AMENDATORY AGREEMENT, _____, 1985, by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (Bonneville), and the CITY OF EUGENE, OREGON, a municipal corporation of the State of Oregon, acting by and through the EUGENE WATER & ELECTRIC BOARD (Contractor),

W I T N E S S E T H :

WHEREAS the parties hereto, on _____, 1983, executed the Residential Weatherization Program Conservation Agreement (Contract No. DE-MS79-83BP91422, which as previously amended is hereinafter called "Primary Agreement"); and

WHEREAS Bonneville is required by the Regional Act to acquire actual or planned load reduction through cost-effective conservation and the implementation of conservation measures; and

WHEREAS such conservation measures may include but are not limited to loans and grants to consumers for insulation or weatherization; and

WHEREAS Bonneville, to the extent the implementation of conservation measures require direct arrangements with Consumers, is directed by the Regional Act to make maximum practicable use of its customers and local entities in administering and carrying out such arrangements; and

WHEREAS the parties, in accordance with sections 4 and 5 of Exhibit A to the Primary Agreement, desire to amend the Primary Agreement by revising the body of the Agreement and revising Exhibits B, C, D, E, and F to reflect changes contained herein;

NOW, THEREFORE, the parties hereto mutually agree as follows:

1. Definitions.

(a) "Building" means a structure containing one or more Residences and within which:

(1) all Residences are owned by one Homeowner; or

(2) if Residences are owned by separate Homeowners, each Homeowner agrees, individually or collectively through the rules governing actions of a Homeowners' association or like entity, prior to the Energy Analysis, to act as one Homeowner with regard to this Program. Condominiums and "O" lot line Residences with separate crawl spaces and attics shall be considered separate Buildings.

(b) "Duplex" means a Building that contains no more and no less than two Residences.

(c) "Energy Analysis" means an on-site inspection of a Building to estimate the potential electric energy savings from Measures and to estimate the cost of achieving such savings.

(d) "Fourplex" means a Building that contains no more and no less than four Residences.

(e) "Homeowner" means the fee owner, mortgagor, or the contract vendee of a Residence, including one used for rental purposes.

(f) "House Tightening Measures" means exterior wall cavity insulation, storm windows, replacement prime windows, vent conversions, sliding storm doors, sliding door replacement, french doors, caulking or weather stripping.

(g) "Initial Budget Year" means the period commencing as of 2400 hours on the later of September 30, 1983, or the last day of the month in which the Contractor executed the Primary Agreement, and ending on September 30, 1984.

(h) "Installer" means an individual, partnership, corporation, or other entity, other than the Contractor, which installs Measures and carries liability insurance and assurance bonding for all work performed. Except for nonprofit entities, all Installers must possess either a state contractor's or similar license.

(i) "Low Income Consumer" means a Consumer whose combined household income, determined in accordance with Item 10 of Exhibit F, is at or below 125 percent of the poverty level, adjusted for household size, determined in accordance with criteria established by the Director of the U.S. Office of Management and Budget.

(j) "Mobile Home" means a structure, built in one or more sections on a steel chassis, which is originally designed to allow for transporting on its own wheels to different sites, and is used with or without a permanent foundation.

(k) "Operating Area" means that portion of the Contractor's electrical service area which is located within the Region.

(l) "Residence" means that portion of a structure:

(1) which contains living facilities including provisions for sleeping, eating, and cooking, for one or more persons;

(2) which uses electric space heating permanently installed prior to April 15, 1983;

(3) which is within the Operating Area; and

(4) which is not a Mobile Home.

If a Residence is attached to any other Residence, the Building in which the Residences are located must be either of wood frame construction or no higher than three stories above grade.

(m) "Seasonal Residence" means any Residence determined by the Contractor to be occupied for less than 180 days of each year.

(n) "Workmanlike" means performance in accordance with the installation and material specifications as contained in Item 1 of Exhibit F or performance, with deviations from such specifications, which neither materially affects the energy savings expected from the installed Measures nor adversely affects health and safety.

2. Term of Agreement. Upon execution by the Contractor the effective date of this Agreement shall be 2400 hours on the earlier of the last day of _____, 1985 or August 31, 1985, and shall continue in effect until 2400 hours on September 30, 1990, unless terminated earlier as provided herein. All obligations arising from this Agreement shall be preserved until satisfied.

3. Exhibits. Exhibit A (General Conservation Contract Provisions), Exhibit B (Measures), Exhibit C (Payment Methods), Exhibit D (Contractor Costs), Exhibit E (Consumer Incentive), Exhibit F (Referenced Documents), Exhibit G (Allocated Budget Share), Exhibit H (Transition Payment), and Exhibit I (Retroactive Payment), are hereby made a part of this Agreement. Prior Exhibits B, D, E and F dated 10/1/84 and prior Exhibit C dated 7/1/83 are replaced by Exhibits B, C, D, E and F dated 4/1/85 attached hereto.

4. Program Overview. The purpose of this Agreement is reduction in the Bonneville load through the acquisition of conservation. Bonneville shall provide incentives to Consumers, Homeowners or the Homeowners' designee for the estimated energy savings resulting from the weatherization of a Residence. Bonneville shall pay the Contractor for services described herein in the administration of this Program.

5. Contractor Duties. The Contractor's duties shall be to substantially comply with the objectives and terms of this Agreement.

(a) For Residences not previously weatherized under a Bonneville program, the Contractor shall follow the procedures in (1) below. For those Residences previously weatherized under a Bonneville program, the Contractor has the option of following the procedures in (1) or (2).

(1) Upon request by the Consumer or Homeowner, the Contractor shall conduct an Energy Analysis of the Building in accordance with procedures contained in Item 6 of Exhibit F using the standard heat loss methodology contained in Item 2 of Exhibit F, or an alternate heat loss methodology indexed in accordance with the procedures contained in Item 4 of Exhibit F, in order to determine the estimated energy savings resulting from the weatherization of the Residence. The Energy Analysis shall be performed by a person certified in accordance with the energy analyst training procedures contained in Item 7 of Exhibit F. The Energy Analysis shall be performed by a person other than the Installer of Measures listed in sections 1 and 2 of Exhibit B or such Installer's subcontractor. At the time of the Energy Analysis of the Building, or at any time thereafter, and upon approval by the Consumer or Homeowner, the Contractor may provide for the Workmanlike installation of electric water heater wraps and appropriate water heater pipe insulation.

(2) Upon request by the Consumer or Homeowner the Contractor shall, using the conditions and measurement of the Residence as determined in the Energy Analysis performed at the time the Residence was first weatherized under a Bonneville program, and the standard heat loss methodology contained in Item 2 of Exhibit F to this Agreement or an alternate heat loss methodology indexed in accordance with the procedures contained in Item 4 of

Exhibit F, calculate the annual estimated kilowatthour savings for all Measures available under this Agreement. The Contractor shall then total the annual estimated kilowatthour savings for all Measures previously installed in the Residence under a Bonneville program and for all House Tightening Measures eligible for the Consumer Incentive under this Agreement. The Contractor shall use the above estimate of annual kilowatthour savings when performing the appropriate calculation in section 1 of Exhibit E to arrive at a dollar figure; the Contractor shall then take the above dollar figure and deduct the Consumer Incentive previously paid by Bonneville to the Consumer in order to arrive at the maximum amount of funds available for weatherizing the Residence with House Tightening Measures. The Contractor shall give to the Consumer or Homeowner a list of all House Tightening Measures eligible for the Consumer Incentive under this Agreement and an estimate of the annual kilowatthour savings that would be realized from the weatherization of the Residence with each of such House Tightening Measures.

(b) The Contractor shall inform the Consumer or Homeowner that kickbacks, rebates or other non-Program benefits from Installers are prohibited and may be subject to Federal law.

(c) Subsequent to the installation of Measures the Contractor shall complete an inspection using the inspection procedures contained in Item 6 of Exhibit F on each Residence for which a Consumer Incentive will be claimed. The inspection shall be performed by a person certified in accordance with the inspector training standards contained in Item 7 of Exhibit F. The inspection shall be performed by a person other than the Installer of such Measures or such Installer's subcontractor.

(d) The Contractor shall submit claims to Bonneville for Contractor costs and Consumer Incentives, determined in accordance with Exhibit D and E respectively, subsequent to the completion of a Bonneville approved inspection checklist and the Contractor's determination that each Residence has been weatherized or mitigation measures installed in a Workmanlike manner. The Contractor shall submit claims to Bonneville for training costs, determined in accordance with Exhibit D, subsequent to the determination specified in Item 7 of Exhibit F.

(e) The Contractor shall disburse Consumer Incentives on behalf of Bonneville directly to the Homeowner of the Residence for which the claim was made, or to the Homeowner's designee.

6. Amendment of Agreement. The documents referenced in Exhibit F shall be amended in accordance with section 4(b) of Exhibit A; however, each document may be amended no more frequently than twice in the Initial Budget Year and once in each Subsequent Budget Year without providing a detailed explanation of the reason the proposal is necessary.

7. Prior Amendments. The following amendments to the Primary Agreement are incorporated by reference into the body of this Agreement and Exhibit A as appropriate:

Amendments 3, 4, 5, 7, 10, 11, and 12.

8. Contractor Participation. Bonneville shall hold a contractor participation meeting, in accordance with section 5 of Exhibit A, no later than March 1 of the Initial Budget Year and no later than October 1 of each Subsequent Budget Year.

9. Allocated Budget Share. The Allocated Budget Share specified in Exhibit G shall be available to the Contractor in accordance with Exhibit A.

10. Additional Budget Submittal Requirements.

(a) For purposes of this Agreement, the initial budget request must be received by Bonneville no later than October 31, 1983, in order to be considered timely.

(b) For each Budget Year the Contractor's request shall be submitted on work plan and budget forms referenced in Item 9 of Exhibit F and shall contain all information requested that is applicable for such Budget Year.

(c) For each Budget Year the Contractor shall submit, in the work plan referenced in Item 9 of Exhibit F, one of the following cost control mechanisms to be used by the Contractor in the determination of the Consumer Incentive available for Low Income Consumers:

(1) three estimates from installers with work awarded to the entity submitting the lowest estimate or an estimate within 20 percent of the lowest estimate;

(2) a limit per Measure equal to 125 percent of the average installation cost of the Measure, in \$ per square/linear foot, based on a random sample of 50 installations of such Measure or 20 percent of the installations of such Measure in the electrical service area of the Contractor during the preceding 12 months; or

(3) a Contractor-designed cost control mechanism approved by Bonneville prior to the Energy Analysis.

11. Quality Control.

(a) Bonneville intends to review the Contractor's Program, typically quarterly, but no less frequently than annually, to determine substantial compliance with the terms of this Agreement. Such review may include, but is

not limited to, inspection of the Contractor's procedures, records or accounts and inspection of weatherized Residences. Results of the review will be conveyed, in writing, to the Contractor, in a timely manner, following completion of the review.

(b) If a Contractor's Program, though in substantial compliance with this Agreement, is found to contain operating deficiencies Bonneville may direct specific actions to correct such deficiencies on a prospective basis. If a review reveals repetition of previously identified deficiencies Bonneville may, in addition to any other reason for doing so under this Agreement, place the Contractor on the mandatory cost reimbursement method described in section 4 of Exhibit C. Repeated failure by the Contractor to correct operating deficiencies may result in a determination by Bonneville that the Contractor's Program is not in substantial compliance with this Agreement.

12. Payment Procedures.

(a) Subject to the provisions in section 11(b) above and subsection (c) below, the methods of payment available to the Contractor are limited to the methods set forth in Exhibit C. Payments shall be made in accordance with the payment method selected in writing by the Contractor and approved by Bonneville. The Contractor may request a change in the payment method by providing written notice to Bonneville. Bonneville shall timely notify the Contractor in writing whether or not such request is approved. Such payment shall be considered provisional until the Contractor's Program is determined to be in substantial compliance upon completion of the review in section 11(a), or until settlement has been reached under section 12(c).

(b) If Bonneville determines that the Contractor's Program is in substantial compliance with this Agreement, all payments made by Bonneville

shall be final and conclusive except as regards accounting errors, illegal acts, fraud, or gross mistakes as may amount to fraud.

(c) If a review determines that the Contractor's Program is not in substantial compliance with this Agreement Bonneville shall consult with the Contractor and may:

(1) place the Contractor on the mandatory cost reimbursement method described in section 4 of Exhibit C;

(2) suspend the Contractor's participation in the Program in accordance with section 13 of Exhibit A; or

(3) pursue corrective actions or financial adjustments.

13. Prior Performance Procedures

(a) Bonneville shall complete a review of the Contractor's Program completed during the period from October 1, 1983 through September 30, 1985. Subject to (b) below, the review shall determine substantial compliance with the terms of the agreement in effect at the time of performance.

(b) The review may include, but is not limited to, inspection of the Contractor's procedures, records or accounts, and inspection of weatherized Residences. Such inspection of Residences shall determine whether the weatherization was done in a Workmanlike manner. The procedures in 11(b), 12(b), and 12(c) are applicable in review of the Contractor's prior performance.

14. Retroactive Reimbursement.

(a) Notwithstanding section 7(b)(1)(C) of Exhibit A, Bonneville shall pay the Contractor the amount determined in accordance with Exhibit I for installed Measures listed in Exhibit B, which are inspected in accordance with section 5(c) of the body of this Agreement, which were accomplished under a Contractor program on or after December 5, 1980, and prior to October 1, 1983,

and which are otherwise eligible for retroactive reimbursement in accordance with section 7 of Exhibit A.

(b) If after the Effective Date a Measure is added to Exhibit B, the Contractor shall become eligible for retroactive reimbursement by Bonneville in accordance with Exhibit A for each similar measure completed or installed under a Contractor program between December 5, 1980, and the date the Measure is added.

(c) If section 4 of Exhibit B of the Primary Agreement, referred to in the recitals, is amended to allow payment by Bonneville for Measures not previously eligible for payment due to installation restrictions, the Contractor shall become eligible for payment for such measures upon Bonneville's determination of substantial compliance with section 7(b) and section 9 of Exhibit A:

(1) which were completed or installed by the Contractor on or after December 5, 1980, and prior to the date the Measures become eligible for payment by Bonneville;

(2) which include any mitigation set forth in the specifications applicable to such measures; and

(3) which substantially conform to or exceed specifications listed in Item 1 of Exhibit F when such measures were installed.

(d) During a Budget Year when a retroactive claim for measures under subsection (a), (b) or (c) above is determined to be complete, but funds are not available for full payment during such Budget Year, the Contractor may elect to have the Approved Budget for such Budget Year reduced by an amount up to the unpaid portion of such complete retroactive claim, and receive payment

of such amount in such Budget Year. Hydronic pipe insulation shall not be eligible for retroactive reimbursement.

15. Use of Bonneville Funds by Contractor.

(a) The Contractor shall use retroactive claim payments received from Bonneville in accordance with sections 14(a), (b), and (c) as follows:

(1) the Contractor shall pay or shall have paid an equal amount of funds directly to the Homeowner of the Residence in which the Measures were installed, or to the Homeowner's designee, or

(2) if the Contractor operates a residential conservation loan program, or has advanced funds to a Homeowner of a Residence in which the Measures were installed, or to the Homeowner's designee, the Contractor shall use the funds paid by Bonneville and the interest earned on those funds solely to offset the principal amount or the Contractor's or Homeowner's interest costs of those conservation loans or advances. Upon satisfaction of all such loans or advances the Contractor shall return to Bonneville any remaining balance of Bonneville funds including the interest earned on those funds. This subsection shall prevail over subsections 1(b)(5) and 2(b)(2) of Exhibit C.

(b) The Contractor shall use payments from Bonneville for administrative costs to reimburse the Homeowner of the Residence in which the Measures were installed to the extent the Homeowner has paid the Contractor for conducting an energy analysis.

16. Program Records.

(a) The Contractor shall maintain records in accordance with (b) below, and such records shall be subject to review by Bonneville, only until the earlier of

the completion of a Financial Audit or three years after the end of the Budget Year in which the record was created.

(b) The Contractor shall maintain a record of the following information regarding its transactions concerning the Measures listed in sections 1 or 2 of Exhibit B that are accomplished in a Building:

(1) date of performance and the results of the Energy Analysis, including Building measurements and sketches, data derived from the Building for energy-saving calculations and measure-cost estimates, and the list of Measures eligible for the Consumer Incentive;

(2) age of Building if 45 years of age or older;

(3) Consumer's name, address, and account number by Residence;

(4) documentation of eligibility for each Low Income Consumer;

(5) water heater tank location (heated or unheated space);

(6) the Electric Power consumption during the 12-month period preceding the Energy Analysis for each Residence;

(7) Electric Power consumption for the 12-month period following inspection of the Residence;

(8) date of inspection, inspection checklist, and a list of Measures accomplished in the weatherization of a Residence;

(9) the disbursement of the funds expended by the Contractor in accordance with sections 5 and 13;

(10) total cost of weatherization of the Residence including the Consumer Incentive;

(11) Consumer or Homeowner's written acknowledgment of receipt of the indoor air quality brochures, including the Consumer or Homeowner's written decision for dealing with radon monitoring and mitigation, if applicable;

(12) supporting documents and records necessary for Financial Audit and verification of costs billed to Bonneville; and

(13) supporting documents and records necessary to verify that the requirements of sections 5 and 13 have been satisfied.

(c) When a Contractor operates a residential loan program under this Agreement, the records on each loan shall be retained for 3 years after the satisfaction of the loan.

17. Program Reports. The Contractor shall submit completed monthly reporting and program forms, referenced in Item 8 of Exhibit F, for each calendar month of this Agreement to be received no later than the 15th day of the month following the calendar month for which reporting is being submitted. However, monthly reporting forms for September must be received by October 10.

18. Notices and Other Communications. Written communication between the parties shall be delivered in person or mailed to the address and to the attention of the person specified below:

If to Bonneville: Bonneville Power Administration

Attn: _____
(Name and/or Title) (Phone Number)

If to the Contractor:

Attn: _____
(Name and/or Title) (Phone Number)

19. Program Evaluation.

(a) The Contractor shall provide to Bonneville Program records on a random sample of Residences selected. The information submitted shall include:

(1) the number of Residences from which the sample was selected; and

(2) the billing records for a comparable period of time for a sample of Program nonparticipants.

(b) The Contractor shall, upon 60 days' notice by Bonneville but no more frequently than once in any 12-month period, at the discretion of Bonneville either transmit the data collected to Bonneville or permit access to such data by Bonneville or its designee for purposes of Program evaluation.

IN WITNESS WHEREOF, Bonneville issues this Amendatory Agreement.
UNITED STATES OF AMERICA
Department of Energy

By _____
Assistant Administrator for Conservation

Date _____

CITY OF EUGENE, OREGON
acting by and through the
EUGENE WATER & ELECTRIC BOARD

By _____

Title _____

Date _____

ATTEST:

By _____

Title _____

Date _____

(WP-PKL-2435c)

Measures

1. Energy Savings Measures

(a) Measures eligible for the weatherization of a Residence:

- (1) ceiling insulation, exterior roof insulation, and ventilation, when required;
- (2) floor insulation or perimeter insulation with associated vapor impermeable ground cover, pipe wrap and appropriate ventilation;
- (3) wall insulation such as: exterior wall cavity insulation; and unfinished wall insulation;
- (4) duct insulation;
- (5) hydronic pipe insulation;
- (6) window treatments, such as: storm windows; sash mounted storm windows; replacement multi-glazing; replacement prime windows; and vent conversions; or
- (7) doors, such as: sliding storm doors; multi-glazed inserts; sliding door replacements; and french doors.

(b) If the weatherization of a Residence includes a Measure listed in (a) above the following Measures may be selected by the Homeowner or Consumer.

- (1) clock thermostat(s);
- (2) caulking; or
- (3) weatherstripping.

(c) Dehumidifiers may be part of the weatherization of a Residence upon determination by the Contractor.

2. Mitigation Measure(s)

If necessary for the mitigation of possible indoor air quality effects pursuant to the procedures contained in Item 12 of Exhibit F, the following Measure(s) is eligible for the Consumer Incentive.

Air-to-Air Heat Exchanger(s).

(WP-PKL-2435c)

Payment Methods

1. Letter of Credit Method

- (a) Summary. This is a method whereby Bonneville provides operating funds to the Contractor to fund its Conservation activities. Funds are provided in advance of actual expenditures by the Contractor and provide the Contractor with control over its daily financial operations. This method is available if Bonneville has, or expects to have, a contractual relationship under this Agreement with the Contractor which will last one year and involve annual advances aggregating at least \$120,000. The Contractor may utilize the Revolving Working Capital Advance Method of payment until the Letter of Credit Method is fully operational for the Contractor.
- (b) Duties of the Contractor.
- (1) The Contractor shall submit monthly to Bonneville a completed Form BPA-1418F Monthly Financial Summary, with applicable support forms.
 - (2) The Contractor shall notify Bonneville of the name and address of the commercial bank (Bank) which has agreed to receive payment vouchers (TFS 5401) and shall request an amount computed in accordance with Bonneville issued instructions.
 - (3) The Contractor shall submit properly completed signature card (SF 1194) to Bonneville. The Contractor shall also submit properly completed payment vouchers to the Bank for the amount of the advance desired. Such payment vouchers shall be submitted to the Bank as close as is administratively possible to the issuance of checks for program disbursements.
 - (4) The Contractor shall make timely reports of cash disbursements, interest income earned, and balances to Bonneville.
 - (5) Interest income earned by the Contractor on funds advanced shall be credited or refunded to Bonneville.
 - (6) The Contractor shall provide for effective control over the accountability for all Federal funds.
 - (7) The Contractor shall establish internal operating procedures including but NOT limited to:

- (A) the correct preparation and distribution of prescribed forms;
 - (B) monitoring of drawdowns and reviewing of other financial practices to insure against excessive withdrawals of Federal funds; and
 - (C) remedial measures to correct excessive withdrawals of cash.
- (8) Subsections (1) through (6) above shall apply to any agent of the Contractor authorized to use such letter of credit.
- (c) Duties of Bonneville.
- (1) Bonneville shall establish the amount of the letter of credit (SF 1193) and record an obligation, if appropriate, in its accounts equal to such amount.
 - (2) Bonneville shall transmit a certified letter of credit and signature card (SF 1194) to the U.S. Department of Treasury. The U.S. Department of Treasury shall then transmit a letter of credit and signature card to the appropriate Federal Reserve Bank.
 - (3) Bonneville shall designate one of its own officials as a liaison officer with the U.S. Department of Treasury.
 - (4) Bonneville shall furnish instructions to the Contractor which provide the procedures for the letter of credit method of payment.
 - (5) Bonneville shall revoke any unobligated portion of the letter of credit upon determination that the Contractor has failed to comply with the instructions referenced in subsection (c)(4) above. A timely reconciliation of expenditures and advances shall be made and disbursement made to the appropriate party.

Payment Methods

2. Revolving Working Capital Advance Method

- (a) Summary. This is a method whereby Bonneville advances funds to the Contractor in an amount equal to the estimated amount due to the Contractor from Bonneville for Conservation activities completed during the first month of the Program. Thereafter, but not less frequently than monthly, Bonneville shall replenish the advance fund based on estimated current Program needs upon receipt of monthly certification of actual expenditures.
- (b) Duties of the Contractor.
- (1) The Contractor shall request an amount by submitting to Bonneville a completed Form BPA-1418-F, Monthly Financial Summary.
 - (2) Interest income earned by the Contractor on funds advanced shall be credited or refunded to Bonneville.
 - (3) The Contractor shall certify expenditures, indicate interest income earned, and request replenishment of the advance on a monthly basis.
 - (4) If the Program terminates, the Contractor shall submit a reconciliation of advances and expenditures in a timely manner. Any difference shall be disbursed to the appropriate party within a reasonable time.
 - (5) Payments in excess of \$25,000 will be made through direct transfer of funds from the U.S. Treasury to the Contractor's bank account. The Contractor shall notify Bonneville of the name and address of the bank, the Contractor's bank account number and the American Bankers Association 9-digit routing number.
- (c) Duties of Bonneville.
- (1) Bonneville shall review the Contractor's request for an advance and approve it providing such advance is advantageous to Bonneville.
 - (2) Bonneville retains the right to adjust the working capital fund as necessary in accordance with information furnished in accordance with subsection (b)(3) of this payment method.
 - (3) Bonneville shall revoke this advance funding method upon determination that the Contractor has failed to comply with the procedures referenced in subsection (b) of this payment method. A timely reconciliation of expenditures and advances shall be made and disbursement made to the appropriate party.

Payment Methods

3. Voluntary Cost Reimbursement Method

- (a) Payment shall be computed based upon levels of reimbursement specified in this Agreement.
- (b) The Contractor shall submit monthly to Bonneville a completed Form BPA-1418-F, Monthly Financial Summary, with applicable schedules.
- (c) Within 30 days of receipt of the Monthly Financial Summary Bonneville shall reimburse the Contractor.
- (d) Payments in excess of \$25,000 will be made through direct transfer of funds from the U.S. Treasury to the Contractor's bank account. The Contractor shall notify Bonneville of the name and address of the bank, the Contractor's bank account number and the American Bankers Association 9-digit routing number.

Payment Methods

4. Mandatory Cost Reimbursement Method

- (a) Payment shall be computed based upon levels of reimbursement specified in this Agreement.
- (b) The Contractor shall submit monthly to Bonneville a completed Form BPA-1418-F, Monthly Financial Summary, with applicable schedules.
- (c) Bonneville shall schedule an 11(a) review of the Contractor's Program within 30 days of the receipt of a completed Form BPA-1418-F.
- (d) Bonneville shall reimburse the Contractor within 30 days after Bonneville (1) determines that the Contractor's Program is in substantial compliance with this Agreement; or (2) reaches a settlement with the Contractor in accordance with section 12(c) of the body of this Agreement.
- (e) Payments in excess of \$25,000 will be made through direct transfer of funds from the U.S. Treasury to the Contractor's bank account. The Contractor shall notify Bonneville of the name and address of the bank, the Contractor's bank account number and the American Bankers Association 9-digit routing number.

(WP-PKL-2435c)

Contractor Costs

1. Administrative Costs shall be calculated as follows:

- (a) Upon the inclusion of an Exhibit B1(a) measure as part of the weatherization of a Residence not previously weatherized under a Bonneville program or a Residence weatherized under a Bonneville program using a standard heat loss methodology dated prior to July 1983:
 - (1) \$200 for the first Residence in a Building;
 - (2) \$25 per Residence for the second, third, and fourth Residences in a Building;
 - (3) \$10 for each additional Residence in a Building; and
 - (4) an additional \$100 per Building for the first 100 Buildings for which claim for payment is made during a Budget year;
- (b) Upon the inclusion of a House Tightening Measure, exclusive of caulking or weatherstripping, as part of the weatherization of a Residence previously weatherized under a Bonneville program using a standard heat loss methodology dated July 1983, or April 1984:
 - (1) \$40 for the first Residence in a Building;
 - (2) \$25 per Residence for the second, third, and fourth Residences in a Building; and
 - (3) \$10 for each additional Residence in a Building.
- (c) An additional \$10 per Residence upon the Contractor's certification that any Residence qualifying for an administrative cost payment under (a) or (b) above is the Residence of a Low Income Consumer.
- (d) At the fixed rate of \$25 per electric water heater for installed electric water heater wraps with appropriate water heater pipe insulation. Only one payment per electric water heater shall be allowed.
- (e) Only one administrative cost payment as provided in (a) or (b) shall be made for each Residence.

2. Reimbursable monitoring and mitigation costs shall be calculated as follows:
 - (a) \$20 upon the Contractor's certification that the Consumer or Homeowner has been provided the results from the evaluation of the radon monitoring of the Residence.
 - (b) \$30 upon the Contractor's payment of a Consumer Incentive for mitigation Measures.
3. Reimbursable training costs shall be calculated as follows:
 - (a) The actual Contractor training costs, not to exceed \$100 per day and not to exceed a total of \$1000, for each analyst or inspector trained under this subsection in accordance with procedures contained in Item 7 of Exhibit F, upon certification to Bonneville that the energy analyst or inspector has successfully completed the appropriate requirements specified in procedures contained in Item 7 of Exhibit F. Except as provided in subsections (b) and (c) below, Bonneville shall not pay for the training of an energy analyst or inspector who has successfully completed training substantially similar to the training provided in accordance with this Agreement.
 - (b) The actual Contractor training costs, not to exceed \$100 per day and not to exceed a total of \$200 in any Budget Year for each analyst or inspector who receives recertification training after July 1, 1983, in accordance with training procedures contained in Item 7 of Exhibit F.
 - (c) The actual Contractor training costs, not to exceed \$100 per day and not to exceed a total of \$200 in any Budget Year for each analyst or inspector, certified or recertified under this Program, who receives any special training in accordance with training procedures contained in Item 7 of Exhibit F.
 - (d) Bonneville shall not pay for any energy analyst's or inspector's salary, travel, meals, or lodging during training.

(WP-PKL-2435c)

Consumer Incentive Computation

1. Consumer Incentive computation:

- (a) The Consumer Incentive shall be no more than 85 percent of the actual cost of the weatherization of the Residence not to exceed \$0.320 per estimated annual kilowatthour saved by such weatherization; or
- (b) When all Measures eligible for 100 percent Bonneville payment in accordance with (1) below are included in the weatherization of a Building in which, at the time of the Energy Analysis, not less than 66 percent of the Residences are occupied by Low Income Consumers, or in a Duplex or a Fourplex in which, at the time of the Energy Analysis, not less than 50 percent of the Residences are occupied by a Low Income Consumer, the Consumer Incentive shall be:
 - (1) up to the actual costs of the weatherization of the Residence, not to exceed \$0.378 per estimated annual kilowatthour saved by such weatherization; and
 - (2) for Homeowner occupied Low Income Consumer Residences up to \$150 for the work required to prepare a Residence for the Exhibit B section 1(a) Measures, not to exceed the amount resulting from subtracting the Consumer Incentive payment determined in subsection (b)(1) above from the kilowatthour saving limitation computed for such subsection. Such payment shall be used for work accomplished on the Residence to protect the life of the Measures or the energy savings of such Measures over their useful life.

However, eligibility for the payment level under (1) or (2) above shall not be affected by the Low Income Consumer or Homeowner's election not to weatherize the Residence with House Tightening Measures.
- (c) The Consumer Incentive shall be the actual cost of the Measure not to exceed \$240 for each dehumidifier.

- (d) If necessary for the mitigation of possible indoor air quality effects and pursuant to the procedures contained in Item 12 of Exhibit F the Consumer Incentive for mitigation Measures shall be no more than:
 - (1) 85 percent of the actual cost of the mitigation Measure not to exceed \$850 per Residence; or
 - (2) 100 percent of the actual cost of the mitigation Measure in a Homeowner occupied Low Income Consumer Residence not to exceed \$1000 per Residence.
- 2. The Consumer Incentive shall not include any amount for the labor of any entity other than an Installer.
- 3. In determining the Consumer Incentive for a Seasonal Residence, the total annual kilowatthours saved shall be reduced by 50 percent.

(WP-PKL-2435c)

Referenced Documents

The following Bonneville documents are hereby incorporated by reference into this Agreement and shall be subject to the terms hereof:

1. Weatherization Specifications of October 1984
2. Standard Heat Loss Methodology of October 1984
3. Standardized Weather Data of April 1984
4. Procedures for Indexing Alternate Heat Loss Methodologies of July 1983
5. Software Certification Procedures of April 1984
6. Energy Analysis/Inspection Procedures of April 1985
7. Training Procedures of October 1984
8. Monthly Reporting and Program Forms of October 1984
9. Work Plan and Budget Forms of October 1984
10. Income Criteria of October 1984
11. Privacy Act Notice to Consumer of April 1984
12. Indoor Air Quality Procedures of October 1984

(WP-PKL-2435c)