

EXHIBIT C
FOOD PRODUCTION INVESTMENT PROGRAM (FPIP) STANDARD
GRANT TERMS AND CONDITIONS

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ATTACHMENT 1: CONFIDENTIAL PRODUCTS

(Attachment 1 will be included in this Agreement only if applicable)

EXHIBIT C

TERMS AND CONDITIONS

1. **Introduction**

This grant agreement (Agreement) between the California Energy Commission (Energy Commission, or Commission) and the Recipient is funded by the California Climate Investments and is subject to the laws enacted for the administration of auction proceeds deposited into the Greenhouse Gas Reduction Fund, including without limitation: AB 109 (Chapter 249, Statutes of 2017); Health and Safety Code section 39710 et. seq.; and Government Code sections 16428.8 – 16428.95, including any amendments to these sections.

This Agreement includes: (1) the Agreement signature page (**form CEC-146**); (2) the scope of work (**Exhibit A**); (3) the budget (**Exhibit B**); (4) these terms and conditions (**Exhibit C**); (5) any special terms and conditions that address the unique circumstances of the funded project (**Exhibit D**); (6) a contacts list (**Exhibit E**); (7) all attachments; and (8) all documents incorporated by reference.

All work and expenditure of funds (Commission-reimbursed and/or match share) must occur within the Agreement term specified on the CEC-146 form.

2. **Documents Incorporated by Reference**

The documents below are incorporated by reference into this Agreement. These terms and conditions will govern in the event of a conflict with the documents below, with the exception of the “General Laws” referenced below. Where this Agreement or California laws and regulations are silent or do not apply, the Energy Commission will use the federal cost principles and acquisition regulations listed below as guidance in determining whether reimbursement of claimed costs is allowable. Documents incorporated by reference include:

Energy Commission Guidelines

- a. Food Production Investment Program Guidelines,
<http://www.energy.ca.gov/research/fpip/documents/>

Solicitation Documents (if this agreement was awarded through a solicitation)

- b. The funding solicitation for the project supported by this Agreement
- c. The Recipient’s proposal submitted in response to the solicitation

California Air Resources Board Documents

- d. California Air Resources Board, Funding Guidelines for Agencies that Administer California Climate Investments, www.arb.ca.gov/cci-fundingguidelines

Federal Cost Principles (applicable to state and local governments, Indian tribes, institutions of higher education, and nonprofit organizations)

- e. 2 Code of Federal Regulations (CFR) Part 200, Subpart E (Sections 200.400 et seq.)

Federal Acquisition Regulations (applicable to commercial organizations)

- f. 48 CFR, Ch.1, Subchapter E, Part 31, Subpart 31.2: Contracts with Commercial Organizations (supplemented by 48 CFR, Ch. 9, Subchapter E, Part 931, Subpart 931.2 for Department of Energy grants)

Nondiscrimination

- g. 2 California Code of Regulations, Section 8101 et seq.: Contractor Nondiscrimination and Compliance

General Laws

- h. Any federal, state, or local laws or regulations applicable to the project that are not expressly listed in this Agreement

3. Standard of Performance

In performing work under the Agreement, the Recipient, its subcontractors, and their employees are responsible for exercising the degree of skill and care required by customarily accepted good professional practices and procedures for the type of work performed. In addition to any other rights and remedies the Commission may have, any costs for failure to meet the foregoing standard or to correct otherwise defective work that requires re-performance of the work, as directed by CAM, shall be borne in total by Recipient and not the Energy Commission.

4. Due Diligence

The Recipient must take timely actions that, taken collectively, move this project to completion. The Commission Agreement Manager (CAM) will periodically evaluate the project schedule for completion of Scope of Work tasks. If the CAM determines that: (1) the Recipient is not diligently completing the tasks in the Scope of Work; or (2) the time remaining in this Agreement is insufficient to complete all project tasks by the Agreement end date, the CAM may recommend that this Agreement be terminated, and the Commission may terminate this Agreement without prejudice to any of its other remedies.

5. Products

- a. **“Products”** are any tangible item specified for delivery to the Energy Commission in the Scope of Work, such as reports and summaries.
 - The Recipient will submit all products identified in the Scope of Work to the CAM, in the manner and form specified in the Scope of Work.
 - The Recipient will also submit all products prepared during the invoicing period to the Accounting Office along with the invoice, as specified in subsection (c) of Section 8 (Payment of Funds).

If the CAM determines that a product is substandard given its description and intended use as described in this Agreement, the CAM may, in addition to any of the Commission’s other remedies, refuse to authorize payment for the product and any subsequent products that rely on or are based upon the product under this Agreement. This is in addition to any other rights and remedies the Commission may have.

- b. Confidential Products

Please see Section 19 (Confidentiality) for instructions regarding confidential products.

- c. Rights in Products

See Section 20, Intellectual Property, in this Exhibit C.

d. Failure to Submit Products

Failure to submit a product required in the Scope of Work may be considered material noncompliance with the Agreement terms. Without prejudice to any of the Commission's other remedies, noncompliance may result in actions such as the withholding of future payments or awards, or the suspension or termination of the Agreement.

e. Final Report and Payment

The Recipient may only submit a request for the final payment (including any retention) after the final report is completed and the CAM has verified satisfactory completion of work.

f. Legal Statements on Products

- 1) All documents that result from work funded by this Agreement and are released to the public must include the following statements to ensure no Commission endorsement of documents:

LEGAL NOTICE

This document was prepared as a result of work sponsored by the California Energy Commission. It does not necessarily represent the views of the Energy Commission, its employees, or the State of California. Neither the Commission, the State of California, nor the Commission's employees, contractors, or subcontractors makes any warranty, express or implied, or assumes any legal liability for the information in this document; nor does any party represent that the use of this information will not infringe upon privately owned rights. This document has not been approved or disapproved by the Commission, nor has the Commission passed upon the accuracy of the information in this document.

- 2) The Recipient will apply copyright notices to all documents prepared for this Agreement that are released to the public (including reports, articles submitted for publication, and all reprints) using the following form or any other form that may be reasonably specified by the Energy Commission.

“©[Year of first publication of product] [the Copyright Holder's name]. All Rights Reserved.”

g. Acknowledgement of Climate Change Investments

Recipients shall acknowledge Climate Change Investments and Food Production Investment Program as the source of project funds, in any publications, websites, signage, invitations, and other media-related and public-outreach products. The standard funding language is:

The Food Production Investment Program is part of California Climate Investments, a statewide program that puts billions of Cap-and-Trade dollars to work reducing GHG emissions, strengthening the economy, and improving public health and the environment – particularly in Priority populations. The Cap-and-Trade program also creates a financial incentive for industries to invest in clean technologies and develop innovative ways to reduce pollution. California Climate Investments projects include affordable housing, renewable energy, public transportation, zero-emission vehicles, environmental restoration, more sustainable agriculture, recycling, and much more. At least 35 percent of these investments are located within and benefiting priority populations across California. For more information, visit the California Climate Investments website at: www.caclimateinvestments.ca.gov.

The Recipient is encouraged to display the California Climate Investment logo on equipment and signage to acknowledge the funding source.

Guidance on California Climate Investment logo usage, signage guidelines, and high resolution files are contained in a style guide available at: <http://www.caclimateinvestments.ca.gov/logo-graphics-request/> .

6. Amendments

a. Procedure for Requesting Changes

The Recipient must submit a written request to the CAM for any change to the Agreement. The request must include:

- A brief summary of the proposed change;
- A brief summary of the reason(s) for the change; and
- The revised section(s) of the Agreement, with changes made in underline/ strikethrough format.

b. Approval of Changes

No amendment or variation of this Agreement shall be valid unless made in writing and signed by both of the parties except for the Commission's unilateral termination rights in Section 16 of these terms. Changes to the Agreement must be approved at a Commission business meeting or by the Executive Director (or his/her designee).

The CAM or Commission Agreement Officer (CAO) will provide the Recipient with guidance regarding the level of Commission approval required for a proposed change.

c. Personnel or Subcontractor Changes

All changes below require advance written approval by the CAM, in addition to the appropriate level of Commission approval as described in subsection (b).

- 1) Replacement of Key Personnel, Subcontractors, and Vendors
The CAM must provide advance written approval of the replacement of personnel, subcontractors, and vendors who are identified in the Agreement and are critical to the outcome of the project, such as the Project Manager.
- 2) Assignment of New Personnel to an Existing Job Classification (Applies to major subcontractor only)
If the subcontractor seeks to assign new personnel to a job classification identified in Exhibit B, the subcontractor must submit the individual's resume and proposed job classification and rate to the CAM for approval. The proposed rate may not exceed the maximum rate identified for the job classification.

If the individual performs any work prior to the effective date of the amendment documenting the change, the subcontractor will bear the expense of the work.
- 3) Promotion of Existing Personnel (Applies to major subcontractor only)
Promotion of existing subcontractor personnel to rates higher than those listed for their current classification in Exhibit B will not be approved.
- 4) Addition of Subcontractors
In order to add subcontractors to Exhibit B, the CAM must submit a "Subcontractor Addition" form to the CAO. The form identifies the new subcontractor, bidding method used (competitive or non-competitive), and the tasks the new subcontractor will perform.
- 5) Addition of Job Classifications and Changes in Hours
- 6) Increased Expenses that Exceed those Identified in Exhibit B

7. Contracting and Procurement Procedures

This section provides general requirements for agreements entered into between the Recipient and subcontractors for the performance of this Agreement.

a. Contractor's Obligations to Subcontractors

- 1) The Recipient is responsible for handling all contractual and administrative issues arising out of or related to any subcontracts it enters into for the performance of this Agreement.
- 2) Nothing contained in this Agreement or otherwise creates any contractual relation between the Commission and any subcontractors, and no subcontract may relieve the Recipient of its responsibilities under this Agreement. The Recipient agrees to be as fully responsible to the Commission for the acts and omissions of its subcontractors or persons directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Recipient.
- 3) The Recipient's obligation to pay its subcontractors is an independent obligation from the Commission's obligation to make payments to the Recipient. As a result, the Commission has no obligation to pay or enforce the payment of any funds to any subcontractor.
- 4) The Recipient is responsible for establishing and maintaining contractual agreements with and reimbursing each subcontractor for work performed in accordance with the terms of this Agreement.

b. Flow-Down Provisions

Subcontracts funded in whole or in part by this Agreement must include language conforming to the provisions below.

- Standard of Performance (Section 3)
- Legal Statements on Products (included in Section 5, “Products”)
- Travel and Per Diem (Section 9)
- Prevailing Wage (Section 10)
- Recordkeeping, Cost Accounting, and Auditing (Section 11)
- Equipment (Section 14)
- Indemnification (Section 18)
- Confidentiality (Section 19)
- Intellectual Property (Section 20)
- Access to Sites and Records (included in Section 21, “General Provisions”)
- Nondiscrimination (included in Section 22, “Certifications and Compliance”)
- Survival of the following sections:
 - Equipment (Section 14)
 - Recordkeeping, Cost Accounting, and Auditing (Section 11)
 - Intellectual Property (Section 20)
 - Access to Sites and Records (included in Section 21, “General Provisions”)

Subcontracts funded in whole or in part by this Agreement must also include the following:

- A clear and accurate description of the material, products, or services to be procured.
- A detailed budget and timeline.
- Provisions that allow for administrative, contractual, or legal remedies in instances where subcontractors breach contract terms, in addition to sanctions and penalties as may be appropriate.
- Provisions for termination by the Recipient, including termination procedures and the basis for settlement.
- A statement that further assignments will not be made to any third or subsequent tier subcontractor without additional advance written consent of the Commission.

c. Audits

All subcontracts entered into for the performance of this Agreement are subject to examination and audit by the Energy Commission and/or Bureau of State Audits for a period of three (3) years after payment of the Recipient’s final invoice under this Agreement.

d. Copies of Subcontracts

The Recipient must provide a copy of its subcontracts upon request by the Energy Commission.

e. Conflicting Subcontract Terms

Prior to the execution of this Agreement, the Recipient will notify the CAM of any known or reasonably foreseeable conflicts between this Agreement and its agreements with any subcontractors (e.g., conflicting intellectual property or payment terms). If the Recipient discovers any such conflicts after the execution of this Agreement, it will notify the CAM of the conflict within fifteen (15) days of discovery. The Energy Commission may, in addition to any of its other remedies, terminate this Agreement if any conflict impairs or diminishes its value.

f. Penalties for Noncompliance

Without limiting the Commission's other remedies, failure to comply with the above requirements may result in the termination of this Agreement.

8. Payment of Funds

a. Definitions

For purposes of this Section 8, the following terms have the following meaning:

- "Incurred Cost" means an expense for which the Recipient has become liable (legally obligated) to pay. Here are examples of incurred costs:

- .

- The Recipient has purchased a piece of equipment **and** received an invoice, bill, or receipt. The Recipient has not yet paid the invoice. The invoice shows the amount to be paid and confirmation of the sale. This is an Incurred Costs.

Incurred costs for equipment DO NOT include purchase orders unless accompanied by an invoice, bill, or receipt that shows the payment amount due to the seller for the equipment.

- "Paid Cost" means an expense for which the Recipient has already made payment.

b. Advance Payments

No monies shall be advanced to the Recipient for any goods or services related to this project.

c. Reimbursable Cost Requirements

In addition to any other requirements in this Agreement, the Energy Commission is only obligated to reimburse the Recipient for Incurred and Paid Costs that are (1) incurred during the Agreement Term; (2) invoiced within the required timeframes of this Agreement; (3) made in accordance with the Agreement's Budget; and (4) actual and allowable expenses under this Agreement.

ALL of the items in the Budget, including individually listed cost category items are caps (i.e., maximums), and the Recipient can only bill its ACTUAL amount up to capped amounts listed in the Budget. For example, if the Budget identifies equipment cost is \$500,000, but the actual equipment cost is only \$475,000, the Recipient can only bill \$475,000. Under the same example, if the actual equipment cost is \$700,000 but the Budget only lists \$500,000, the Recipient can only bill for \$500,000.

d. Recipient's 14-Day Payment Requirement for Incurred Costs

The Recipient shall pay ALL Incurred Costs for which it has invoiced the Energy Commission within 14 calendar days of receiving payment under this Agreement for the Incurred Costs. For example, if the Recipient invoices and then receives payment from the Commission on September 15 for an Incurred Cost of \$10,000, the Recipient shall pay the entire \$10,000 by September 29. This requirement is needed to prevent Recipients from creating long lead times for Incurred Costs (e.g., invoicing and receiving payment from the Commission but not paying for the Incurred Costs for weeks or months).

The Recipient shall only invoice the Commission for Incurred Expenses the Recipient shall pay with 14 calendar days of receiving payment from the Commission. For example, assume the Recipient has an Incurred Cost for a piece of equipment that costs \$300,000 and will pay in three installments of \$100,000 each over three months. The Recipient shall only invoice the Commission for \$100,000 each month. The Recipient shall not invoice for the entire \$300,000 and retain the balance over the three months.

For any Incurred Costs for which the Recipient has received funds from the Energy Commission and does not pay within 14 calendar days, the Recipient shall on the very next business day after the 14 calendar days submit repayment of the unpaid amount back to the Energy Commission. Repaid funds will be placed back into the agreement and will be available to reimburse allowable costs in accordance with this agreement. When making a repayment under this provision, the Recipient shall specify "Repayment of Unspent Funds under Agreement [REDACTED]." Recipient shall remit the repayment to:

California Energy Commission
Accounting Office
1516 Ninth Street, MS-2
Sacramento, CA 95814

This repayment requirement of the Recipient is in addition to any other rights the Energy Commission can enforce relative to this Agreement. Recipient agrees and acknowledges that time is of the essence in paying Incurred Costs and submitting repayments and the Energy Commission can treat the Recipient's breach of either requirement as a material breach. Recipient can contact the CAM for any questions about the logistics of making repayments.

e. Payment Requests

The Recipient may request payment from the Energy Commission at any time during the term of this Agreement but no more frequently than monthly. The final payment request, including retention, MUST be received by the Energy Commission no later than the agreement end date.

Recipient agrees and acknowledges that time is of the essence in submitting the final payment request. The Commission has a limited period of time, set by law, in which it can reimburse funds under this Agreement. Without prejudice to the Commission's other rights, the Recipient risks not receiving any funds, and relieves the Commission of any duty and liability whatsoever to pay, for any payment requests received after the end of the Agreement.

No reimbursement for food or beverages shall be made other than allowable per diem charges.

All Recipient expenditures, reimbursable and match, must occur within the approved term of this Agreement.

f. Invoice Approval and Disputes:

Each request for payment is subject to the CAM's approval. Payments will be made to the Recipient for undisputed invoices. An undisputed invoice is an invoice submitted by the Recipient for work performed, for which project expenditures and products meet all Agreement conditions, and for which additional evidence is not required to determine its validity.

The invoice will be disputed if all products due for the billing period have not been received and approved, if the invoice is inaccurate, or if it does not comply with the terms of this Agreement. If the invoice is disputed, the Recipient will be notified via a Dispute Notification Form within fifteen (15) working days of receipt of the CAM's invoice.

g. Recipient's headquarters:

For purposes of payment, the Recipient's headquarters is the location of the Recipient's office where the majority of its employees' assigned responsibilities for this Agreement are permanently assigned.

h. Multiple Non-Energy Commission Funding Sources:

No payment will be made for costs identified in Recipient invoices that have been or will be reimbursed by another source, including but not limited to an agreement with another government entity.

"Government Entity" means: (1) a state governmental agency; (2) a state college or university; (3) a local government entity or agency, including those created as a Joint Powers Authority; (4) an auxiliary organization of the California State University or a California community college; (5) the federal government; (6) a foundation organized to support the Board of Governors of the California Community Colleges; and (7) an auxiliary organization of the Student Aid Commission established under California Education Code Section 69522.

i. Reduced funding:

If the Energy Commission does not receive sufficient funds under the Budget Act to fully fund the work identified in Exhibit A (Scope of Work), the following will occur:

- a) If the Energy Commission has received a reduced amount of funds for the work, it may: (1) offer an Agreement amendment to the Recipient to reflect the reduced amount; or (2) cancel this Agreement (with no liability occurring to the State).
- b) If the Energy Commission has received no funds for the work identified in Exhibit A: (1) this Agreement will be of no force and effect; (2) the State will have no obligation to pay any funds to the Recipient; and (3) the Recipient will have no obligation to perform any work under this Agreement.

j. Allowability of Costs

a) Allowable Costs

The costs for which the Recipient will be reimbursed under this Agreement for Tier 1 projects include equipment and measurement and verification (M&V). For Tier 2 projects, the costs for which the Recipient will be reimbursed include equipment, engineering design and M&V. M&V and engineering design costs for either tier will only be reimbursed when independent third parties subcontractors are used. Use of in-house staff is not reimbursable.

The costs must be incurred in the performance of the work identified in the Scope of Work. Costs must be incurred within the Agreement term. Factors to be considered in determining whether an individual item of cost is allowable include: (i) reasonableness of the item, including necessity of the item for the work; (ii) applicable federal cost principles or acquisition regulations incorporated by reference in Section 2 of this Agreement; and (iii) the terms and conditions of this Agreement.

b) Unallowable Costs

Below are examples of unallowable costs. Details concerning the allowability of costs are available from the Energy Commission's Accounting Office.

- a) Profit of the Recipient or fees (this restriction does not apply to subcontractors);
- b) Contingency costs;
- c) Imputed costs (e.g., cost of money);
- d) Fines and penalties;
- e) Losses;
- f) Excess profit taxes; and
- g) Increased rates and fees for this Agreement above Exhibit B.
- h) Physical items that do not meet the definition of equipment.

- c) Except as provided for in this Agreement or applicable California law or regulations, the Recipient will use the federal cost principles and/or acquisition regulations incorporated by reference in Section 2 of this Agreement when determining allowable and unallowable costs. In the event of a conflict, this Agreement takes precedence over the federal cost principles and/or acquisition regulations.

k. Payment Request Format

Each request for payment will consist of, but not be limited to, the following:

- 1) An invoice that includes a list of Incurred and Paid Costs. Backup documentation is required at the time of invoice submittal, such as vendor invoices showing incurred and actual paid costs for equipment and subcontractors. Unless otherwise specified in Exhibit B or the invoice template, the invoice must include the following:
 - a) Agreement number;
 - b) Date prepared;
 - c) Recipient's Federal tax ID number;
 - d) Billing period;
 - e) Recipient's actual cost category expenditures;

- f) Itemized operating expenses for equipment and subcontractor(s);
 - g) By budget line item (cost component) category, the budgeted amount, amount billed to date, currently billed amount, and balance of funds;
 - h) Match fund expenditures;
 - i) Receipts for equipment ; and
 - j) Subcontractor invoices that include costs for direct labor, fringe benefits, travel, miscellaneous, subcontractors and indirect and profit, as appropriate, for correspondence with the budget (e.g., if the budget lists hourly labor rates, the subcontractor's invoice should include hourly labor rates).
- 2) A progress report that documents evidence of progress, as described in the Scope of Work.
 - 3) Products prepared by the Recipient during the invoicing period, as described in the Scope of Work.

The Commission will accept computer-generated or electronically transmitted invoices without backup documentation provided that the Recipient mails a hard copy the same day.

The Recipient must submit all invoices to the following address:

California Energy Commission
Accounting Office
1516 Ninth Street, MS-2
Sacramento, CA 95814

I. Certification

The following certification will be included on each payment request form and signed by the Recipient's authorized officer:

The documents included in this request for payment are true and correct to the best of my knowledge and I, as an agent of [Company Name] have authority to submit this request. I certify that reimbursement for these costs has not and will not be received from any other sources, including but not limited to a government entity contract, subcontract, or other procurement method. For projects considered to be a public work, prevailing wages were paid to eligible workers who provided labor for the work covered by this invoice; the Recipient and all subcontractors have complied with prevailing wage laws.

- m. Fringe Benefit, Indirect Overhead, General and Administrative (G&A), and Facilities and Administration (F&A) Rates (for Subcontractors Only)

Indirect cost rates must be developed in accordance with generally accepted accounting principles and the applicable federal cost principles or acquisition regulations (see the provisions incorporated by reference in Section 2). If the subcontractor has an approved fringe benefits or indirect cost rate (indirect overhead, G&A, or F&A) from its cognizant federal agency, the subcontractor may bill at the federal rate up to the budget rate caps if the following conditions are met:

- Subcontractors may bill at the federal provisional rate but must adjust annually to reflect its actual final rates for the year in accordance with the Labor, Fringe, and Indirect Invoicing Instructions contained in the budget (Exhibit B).

- The cost pools used to develop the federal rates must be allocable to the Agreement, and the rates must be representative of the portion of costs benefiting the Agreement.
- The federal rate must be adjusted to exclude any costs that are specifically prohibited in the Agreement.
- Subcontractors may only bill up to the Agreement budget rate caps, unless and until an amendment to the budget is approved.

n. Retention

The Energy Commission shall retain 10 percent of any payment request or 10 percent of the total Energy Commission award at the end of the project. The Energy Commission has the sole discretion to decide which of these methods of retention will be used in this Agreement. The Recipient must submit a completed payment request requesting release of the retention within the required timeframe (see part d “Payment Requests” above in this term). The CAM will review the project file and, when satisfied that the terms of this Agreement have been fulfilled, will authorize release of the retention.

When the Commission withholds 10% retention from each invoice, the Recipient can choose to flow down the retention requirement to its subcontractors subject to the following restrictions and any other requirements in this Agreement:

- The Recipient shall not flow down retention requirements to U.S. Department of Energy national laboratory subcontractors.
- The retention flowed down to subcontractors can only be up to a total of 10% of the amount of Commission funds the subcontractor is to receive. The Recipient is responsible for carrying the retention for its funded portion of the entire Agreement and cannot pass its share of retention to subcontractors. Here are three examples:
 - i. A subcontractor submits an invoice for \$100,000 to the Recipient, and the Recipient in turn submits it to the Commission. The Commission will only pay \$90,000 of the invoice and the Recipient can elect to pay only \$90,000 to the subcontractor.
 - ii. The Recipient’s submits an invoice for its own staff in the amount of \$20,000. The Commission will only pay \$18,000 to the Recipient, and the Recipient cannot withhold the \$2,000 difference from subcontractor reimbursements.

These requirements apply to all levels of subcontractors (e.g., a subcontractor to a subcontractor).

9. Travel and Per Diem

- a. Only applicable to subcontractors.
- b. Travel not listed in the budget requires prior written authorization from the CAM.
- c. No reimbursement for food or beverages will be made other than for allowable per diem charges.
- d. The subcontractor will be reimbursed for authorized travel and per diem up to, but not to exceed, the rates allowed nonrepresented state employees. Current allowable travel reimbursement rates can be obtained from the Commission’s web site at http://www.energy.ca.gov/contracts/TRAVEL_PER_DIEM.PDF.
- e. Travel expense claims must detail expenses using the allowable rates, and the

Recipient must sign and date each travel expense claim before submitting it to the Commission for payment. Expenses must be listed by trip, including dates and times of departure and return. Travel expense claims supporting receipts and expense documentation must be attached to the subcontractor's Payment Request. Questions regarding allowable travel expenses or per diem should be addressed to the CAM.

10. **Prevailing Wage**

a. Requirement

Projects funded by the Energy Commission often involve construction, alteration, demolition, installation, repair, or maintenance work over \$1,000. Such projects might be considered "public works" under the California Labor Code (See California Labor Code Section 1720 et seq. and Title 8 California Code of Regulations, Section 16000 et seq.). Public works projects require the payment of prevailing wages. Prevailing wage rates can be significantly higher than non-prevailing wage rates.

b. Determination of Project's Status

Only the California Department of Industrial Relations (DIR) and courts of competent jurisdiction may issue legally binding determinations that a particular project is or is not a public work. If the Recipient is unsure whether the project funded by the Agreement is a "public work" as defined in the California Labor Code, it may wish to seek a timely determination from DIR or an appropriate court. As such processes can be time consuming, it may not be possible to obtain a timely determination before the date for performance of the Agreement.

By accepting this grant, the Recipient is fully responsible for complying with all California public works requirements, including but not limited to payment of prevailing wage. As a material term of this grant, the Recipient must either:

- 1) Timely obtain a legally binding determination from DIR or a court of competent jurisdiction before work begins on the project that the proposed project is not a public work; or
- 2) Assume that the project is a public work and ensure that:
 - Prevailing wages are paid unless and until DIR or a court of competent jurisdiction determines that the project is not a public work;
 - The project budget for labor reflects these prevailing wage requirements; and
 - The project complies with all other requirements of prevailing wage law, including but not limited to keeping accurate payroll records and complying with all working hour requirements and apprenticeship obligations.

California Prevailing Wage law provides for substantial damages and financial penalties for failure to pay prevailing wages when such payment is required.

c. Subcontractors and Flow-down Requirements

The Recipient will ensure that its subcontractors also comply with the public works/prevaling wage requirements above. The Recipient will ensure that all agreements with its subcontractors to perform work related to this Project contain the above terms regarding payment of prevailing wages on public works projects. The Recipient is responsible for any failure of its subcontractors to comply with California prevailing wage and public works laws.

d. Indemnification and Breach

Any failure of the Recipient or its subcontractors to comply with the above requirements will constitute breach of this Agreement which excuses the Commission's performance of this Agreement at the Commission's option, and will be at the Recipient's sole risk. In such a case, the Commission will refuse payment to the Recipient of any amount under this award and the Commission will be released, at its option, from any further performance of this Agreement or any portion thereof. The Recipient will indemnify the Energy Commission and hold it harmless for any and all financial consequences arising out of or resulting from the failure of the Recipient and/or any of its subcontractors to pay prevailing wages or to otherwise comply with the requirements of prevailing wage law.

e. Budget

The Recipient's budget on public works projects must indicate which job classifications are subject to prevailing wage. For detailed information about prevailing wage and the process to determine if the proposed project is a public work, the Recipient may wish to contact DIR or a qualified labor attorney for guidance.

f. Covered Trades

For public works projects, the Recipient may contact DIR for a list of covered trades and the applicable prevailing wage.

g. Questions

If the Recipient has any questions about this contractual requirement or the wage, record keeping, apprenticeship, or other significant requirements of California prevailing wage law, the Recipient should consult DIR and/or a qualified labor attorney before entering into this Agreement.

h. Certification

The Recipient will certify to the Energy Commission on each payment request form either that: (a) prevailing wages were paid to eligible workers who provided labor for work covered by the payment request and the Recipient and all contractors and subcontractors otherwise complied with all California prevailing wage laws; or (b) the project is not a public work requiring the payment of prevailing wages. In the latter case, the Recipient will provide competent proof of a DIR or court determination that the project is not a public work requiring the payment of prevailing wages.

Prior to the release of any retained funds under this Agreement, the Recipient will submit to the Energy Commission the above-described certificate signed by the Recipient and all contractors and subcontractors performing public works activities on the project. Absent this certificate, the Recipient will have no right to any funds under this Agreement, and Commission will be relieved of any obligation to pay any funds.

11. Recordkeeping, Cost Accounting, and Auditing

a. Cost Accounting

The Recipient will keep separate, complete, and correct accounting of the costs involved in completing the project and any match-funded portion of the project. The Commission or its agent will have the right to examine the Recipient's books of accounts at all reasonable times, to the extent necessary to verify the accuracy of the Recipient's reports.

b. Accounting Procedures

The Recipient's costs will be determined on the basis of its accounting system procedures and practices employed as of the effective date of this Agreement, provided that the Recipient uses generally accepted accounting principles and cost reimbursement practices. The Recipient's cost accounting practices used in accumulating and reporting costs during the performance of this Agreement will be consistent with the practices used in estimating costs for any proposal to which this Agreement relates; provided that such practices are consistent with the other terms of this Agreement and that such costs may be accumulated and reported in greater detail during performance of this Agreement.

The Recipient's accounting system will distinguish between direct and indirect costs. All costs incurred for the same purpose, in like circumstances, are either direct costs only or indirect costs only with respect to costs incurred under this Agreement.

c. Audit Rights

The Recipient will maintain books, records, documents, and other evidence, based on the procedures set forth above, sufficient to reflect properly all costs claimed to have been incurred in the performance of this Agreement for a period of three years from date of final payment. The Energy Commission, another state agency, and/or a third-party auditor designated by the Energy Commission may audit the Recipient's accounting records at all reasonable times, with prior notice by the Energy Commission.

It is the intent of the parties that the audits will ordinarily be performed not more frequently than once every twelve (12) months during the performance of the work and once at any time within three (3) years after payment by the Energy Commission of the Recipient's final invoice. However, performance of any such interim audits by the Energy Commission does not preclude further audit. The Energy Commission may audit books, records, documents, and other evidence relevant to the project funded by this Agreement for a period of three years after payment of the Recipient's final invoice.

The Recipient will allow the auditor(s) to access such records during normal business hours, and will allow interviews of any employees who might reasonably have information related to such records. The Recipient will include a similar right of the state to audit records and interview staff in any subcontract related to the performance of this Agreement.

d. Refund to the Energy Commission

If the Energy Commission determines that any invoiced and paid amounts exceed the actual allowable incurred costs, the Recipient will repay the amounts to the Energy Commission within thirty (30) days of request or as otherwise agreed by the Energy Commission and the Recipient. If the Energy Commission does not receive such repayments, it will be entitled to take actions such as withholding further payments to the Recipient and seeking repayment from the Recipient.

e. Audit Cost

The Recipient will bear its cost of participating in any audit (e.g., mailing or travel expenses). The Energy Commission will bear the cost of conducting the audit unless the audit reveals an error detrimental to the Energy Commission that exceeds more than ten percent (10%) or \$5,000 (whichever is greater) of the amount audited. The Recipient will pay the refund as specified in subsection (d), and will reimburse the Energy Commission for reasonable costs and expenses incurred by the Commission in conducting the audit.

f. Match or Cost Share

If the budget includes a match share requirement, the Recipient's commitment of resources, as described in this Agreement, is a required expenditure for receipt of Energy Commission funds. The funds will be released only if the required match percentages are expended. The Recipient must maintain accounting records detailing the expenditure of the match (actual cash and in-kind, non-cash services), and report on match share expenditures on its request for payment.

12. Workers' Compensation Insurance

- a. The Recipient warrants that it carries Worker's Compensation Insurance for all of its employees who will be engaged in the performance of this Agreement, and agrees to furnish to the CAM satisfactory evidence of this insurance upon the CAM's request.
- b. If the Recipient is self-insured for worker's compensation, it warrants that the self-insurance is permissible under the laws of the State of California and agrees to furnish to the CAM satisfactory evidence of the insurance upon the CAM's request.

13. Permits and Clearances

The Recipient is responsible for ensuring that all necessary permits and environmental documents are prepared and that clearances are obtained from the appropriate agencies.

14. Equipment

Title to equipment acquired by the Recipient with grant funds will vest in the Recipient. The Recipient may use the equipment in the project or program for which it was acquired as long as needed, regardless of whether the project or program continues to be supported by grant funds. However, the Recipient may not sell, lease, or encumber the property (i.e., place a legal burden on the property such as a lien) during the Agreement term without the CAM's prior written approval.

The Recipient may refer to the applicable federal regulations incorporated by reference in this Agreement for guidance regarding additional equipment requirements.

15. Stop Work

The Energy Commission may, at any time by written notice to the Recipient, require the Recipient to stop all or any part of the work tasks in this Agreement. Stop work orders may be issued for reasons such as a project exceeding budget, noncompliance with the standard of performance, out of scope work, project delays, and misrepresentations.

- a. Compliance. Upon receipt of a stop work order, the Recipient must immediately take all necessary steps to comply with the order and to stop the incurrence of costs allocable to the Energy Commission. The Recipient may continue to spend match funds at its own risk during a stop work order with approval from the CAM.
- b. Canceling a Stop Work Order. The Recipient may resume the work only upon receipt of written instructions from the Energy Commission.

16. Termination

a. Purpose

Because the Energy Commission is a state entity, it must be able to terminate the Agreement upon the default of the Recipient and to proceed with the work required under the Agreement in any manner it deems proper. The Recipient agrees that upon any of the events triggering the termination of the Agreement by the Energy Commission, the Energy Commission has the right to terminate the Agreement, and it would constitute bad faith of the Recipient to interfere with the immediate termination of the Agreement by the Energy Commission.

b. With Cause

The Energy Commission may, for cause, terminate this Agreement upon giving five (5) calendar days advance written notice to the Recipient. In this event, the Recipient will use all reasonable efforts to mitigate its expenses and obligations. The Recipient will relinquish possession of equipment purchased for this Agreement with Energy Commission funds to the Commission.

The term “for cause” includes but is not limited to the following:

- Partial or complete loss of match funds;
- Reorganization to a business entity unsatisfactory to the Energy Commission;
- Retention or hiring of subcontractors, or replacement or addition of personnel, that fail to perform to the standards and requirements of this Agreement;
- The Recipient’s inability to pay its debts as they become due and/or the Recipient’s default of an obligation that impacts its ability to perform under this Agreement; or
- Significant change in state or Energy Commission policy such that the work or product being funded would not be supported by the Commission.

c. Without Cause

The Energy Commission may terminate this Agreement without cause upon giving thirty (30) days advance written notice to the Recipient. In this event, the Recipient will use all reasonable efforts to mitigate its expenses and obligations.

17. Enforcement

a. Recovery of Overpayment or Misuse of Funds

The Energy Commission may direct the Energy Commission's Office of Chief Counsel to commence formal legal action against any applicant or Recipient to recover any portion of a payment under the Agreement that the Executive Director determines the applicant or Recipient was not otherwise entitled to receive.

b. Fraud and Misrepresentation

The Executive Director may initiate an investigation of any applicant or Recipient that the Executive Director has reason to believe may have misstated, falsified, or misrepresented information in submitting an application, payment claim, or reporting any information required by the Agreement. Based on the results of the investigation, the Executive Director may take any action deemed appropriate, including, but not limited to, termination of the Agreement, recovery of any overpayment, and, with the concurrence of the Energy Commission, recommending the Attorney General initiate an investigation and prosecution under Government Code Section 12650, et seq., or other provisions of law.

c. Noncompliance with Agreement

The Energy Commission may seek remedies for noncompliance with Agreement Terms and Conditions, Scope or Work, project milestones, or estimated GHG reductions including without limitation stop work, termination, recovery of funds, or any other administrative or civil action.

18. Indemnification

To the extent allowed under California law, the Recipient will indemnify, defend, and hold harmless the state (including the Energy Commission) and state officers, agents, and employees from any and all claims and losses in connection with the performance of this Agreement.

19. Confidentiality

a. Identification of Confidential Information

- 1) Prior to the effective date of this Agreement, the Recipient will identify all products (or information contained within products) that it considers to be confidential, in addition to the legal basis for confidentiality, in Attachment 1 to this Exhibit. If the Energy Commission agrees that the information is confidential, it will not disclose it except as provided in subsection (b).
- 2) During the Agreement, if the Recipient develops additional products (or information contained within products) not originally anticipated as confidential, it will follow the procedures for a request for designation of confidential information specified in Title 20 California Code of Regulations (CCR) Section 2505.

The Energy Commission's Executive Director will make the confidentiality determination. Such subsequent determinations may be added to the list of confidential deliverables in the Attachment 1 to this Exhibit. The Energy Commission will not disclose information subject to an application for confidential designation except as provided in subsection (b).

- 3) When submitting products containing confidential information, the Recipient will mark each page of any document containing confidential information as “confidential”, and present it in a sealed package to the Contracts, Grants, and Loans Office.

The CAM may require the Recipient to submit a non-confidential version of the product, if it is feasible to separate the confidential information from the non-confidential information. The Recipient is not required to submit such products in a sealed package.

b. Disclosure of Confidential Information

The Energy Commission will only disclose confidential information under the circumstances specified in Title 20 CCR Sections 2506, 2507, and 2508. All confidential information that is legally disclosed by the Recipient or any other entity will become a public record and will no longer be subject to the Energy Commission’s confidentiality designation.

c. Waiver of Consequential Damages

In no event will the Energy Commission or the state of California be liable for any special, incidental, or consequential damages based on breach of warranty, breach of contract, negligence, strict tort, or any other legal theory for the disclosure of the Recipient’s confidential information, even if the Commission has been advised of the possibility of such damages.

Damages that the Energy Commission, and the state of California will not be responsible for include but are not limited to: lost profit; lost savings or revenue; lost goodwill; lost use of the product or any associated equipment; cost of capital; cost of any substitute equipment, facilities, or services; downtime; the claims of third parties including customers; and injury to property.

d. Limitations on the Recipient's Disclosure of Products

- 1) During the Agreement, the Recipient must receive approval from the CAM prior to disclosing the contents of any draft product to a third party. However, if the Energy Commission makes a public statement about the content of any product provided by the Recipient and the Recipient believes the statement is incorrect, the Recipient may state publicly what it believes is correct.
- 2) Except as provided in Title 20 CCR Sections 2506, 2507, and 2508, the Recipient may not disclose any information provided to it by the Energy Commission for the performance of this Agreement if the information has been designated as confidential or is the subject of a pending application for confidential designation. At the election of the CAM, the Recipient, its employees, and its subcontractors must execute a confidentiality agreement provided by the CAM.
- 3) The Recipient will ensure that each of its officers, employees, and subcontractors who are involved in the performance of this Agreement are informed about these disclosure limitations and will abide by them.

20. **Intellectual Property**

The Energy Commission makes no claim to intellectual property developed under this Agreement that is not specified for delivery, except as expressly provided herein.

a. **Ownership of Intellectual Property**

- 1) As between the Energy Commission and the Recipient, the Recipient owns all intellectual property developed under this Agreement, subject to the license described below.

“Intellectual property” means: (a) inventions, technologies, designs, drawings, data, software, formulas, compositions, processes, techniques, works of authorship, trademarks, service marks, and logos that are created, conceived, discovered, made, developed, altered, or reduced to practice with Agreement or match funds during or after the Agreement term; (b) any associated proprietary rights to these items, such as patent and copyright; and (c) any upgrades or revisions to these items.

“Works of authorship” does not include written products created for Agreement reporting and management purposes, such as reports, summaries, lists, letters, agendas, schedules, and invoices.

- 2) The Energy Commission owns all products identified in the Scope of Work, with the exception of products that fall within the definition of “intellectual property.”

“Product” means any tangible item specified for delivery to the Energy Commission in the Scope of Work.

b. **License to Intellectual Property**

The Energy Commission has a no-cost, non-exclusive, transferable, irrevocable, royalty-free, worldwide, perpetual license to use, publish, translate, modify, and reproduce intellectual property for governmental purposes.

The Recipient has a non-exclusive, non-transferable, irrevocable, worldwide, perpetual license to use, publish, translate, modify, and reproduce final, CAM-approved products that do not fall within the definition of “intellectual property.”

21. **General Provisions**

a. Governing Law

This Agreement is governed by the laws of the State of California as to interpretation and performance.

b. Independent Capacity

In the performance of this Agreement, the Recipient and its agents, subcontractors, and employees will act in an independent capacity and not as officers, employees, or agents of the State of California.

c. Assignment

This Agreement is not assignable or transferable by the Recipient either in whole or in part without the consent of the Energy Commission in the form of an amendment.

d. Timeliness

Time is of the essence in this Agreement.

e. Severability

If any provision of this Agreement is unenforceable or held to be unenforceable, all other provisions of this Agreement will remain in full force and effect.

f. Waiver

No waiver of any breach of this Agreement constitutes waiver of any other breach. All remedies in this Agreement will be taken and construed as cumulative, meaning in addition to every other remedy provided in the Agreement or by law.

g. Assurances

The Commission reserves the right to seek further written assurances from the Recipient and its team that the work under this Agreement will be performed in accordance with the terms of the Agreement.

h. Change in Business

1) The Recipient will promptly notify the Energy Commission of the occurrence of any of the following:

- a) A change of address.
- b) A change in business name or ownership.
- c) The existence of any litigation or other legal proceeding affecting the project or Agreement.
- d) The occurrence of any casualty or other loss to project personnel, equipment, or third parties.
- e) Receipt of notice of any claim or potential claim against the Recipient for patent, copyright, trademark, service mark, and/or trade secret infringement that could affect the Energy Commission's rights.

2) The Recipient must provide the CAM with written notice of a planned change or reorganization of the type of business entity under which it does business. A change of business entity or name change requires an amendment assigning or novating the Agreement to the changed entity. If the Energy Commission does not seek to amend this Agreement or enter into a new agreement with the changed or new entity for any reason (including that the Commission is not satisfied that the new entity can perform in the same manner as the Recipient), it may terminate this Agreement as provided in the "Termination" section.

i. Access to Sites and Records

Energy Commission staff and representatives will have reasonable access to all project sites and to all records related to this Agreement.

j. Prior Dealings, Custom, or Trade Usage

These terms and conditions may not be modified or supplemented by prior dealings, custom, or trade usage.

k. Survival of Terms

Certain provisions will survive the completion or termination date of this Agreement for any reason. The provisions include but are not limited to:

- Legal Statements on Products (included in Section 5, “Products”)
- Payment of Funds (Section 8)
- Recordkeeping, Cost Accounting, and Auditing (Section 11)
- Equipment (Section 14)
- Termination (Section 16)
- Enforcement (Section 17)
- Indemnification (Section 18)
- Intellectual Property (Section 20)
- Change in Business (see this section)
- Access to Sites and Records (see this section)

22. *Certifications and Compliance*

a. Federal, State, and Local Laws

The Recipient must obtain any required permits and shall comply with all applicable federal, state and local laws, rules, codes, and regulations for work performed under the Agreement.

b. Nondiscrimination Statement of Compliance

During the performance of this Agreement, the Recipient and its subcontractors will not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition, age, marital status, or denial of family care leave. The Recipient and its subcontractors will ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.

The Recipient and its subcontractors will comply with the provisions of the Fair Employment and Housing Act (Government Code Sections 12990 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part of it as if set forth in full. The Recipient and its subcontractors will give written notice of their obligations under this section to labor organizations with which they have a collective bargaining or other Agreement.

The Recipient will include the nondiscrimination and compliance provisions of this section in all subcontracts to perform work under this Agreement.

c. Drug-Free Workplace Certification

By signing this Agreement, the Recipient certifies under penalty of perjury under the laws of the State of California that it will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

- 1) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited, and specifying actions to be taken against employees for violations as required by Government Code Section 8355(a).
- 2) Establish a Drug-Free Awareness Program as required by Government Code Section 8355(b) to inform employees about all of the following:
 - The dangers of drug abuse in the workplace;
 - The person's or organization's policy of maintaining a drug-free workplace;
 - Any available counseling, rehabilitation, and employee assistance programs; and
 - Penalties that may be imposed upon employees for drug abuse violations.
- 3) Provide, as required by Government Code Section 8355(c), that every employee who works on the proposed project:
 - Will receive a copy of the company's drug-free policy statement; and
 - Will agree to abide by the terms of the company's statement as a condition of employment on the project.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both, and the Recipient may be ineligible for any future state awards if the Commission determines that any of the following has occurred: (1) the Recipient has made false certification, or (2) violates the certification by failing to carry out the requirements as noted above.

d. National Labor Relations Board Certification (Not applicable to public entities)

The Recipient, by signing this Agreement, swears under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against the Recipient within the immediately preceding two year period because of the Recipient's failure to comply with an order of a federal court that orders the Recipient to comply with an order of the National Labor Relations Board.

e. Child Support Compliance Act (Applicable to California Employers)

For any agreement in excess of \$100,000, the Recipient acknowledges that:

- 1) It recognizes the importance of child and family support obligations and will fully comply with all applicable state and federal laws relating to child and family support enforcement, including but not limited to disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

- 2) To the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

f. Air or Water Pollution Violation

Under state laws, the Recipient will not be:

- 1) In violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district;
- 2) Subject to a cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or
- 3) Finally determined to be in violation of provisions of federal law relating to air or water pollution.

g. Americans With Disabilities Act

By signing this Agreement, the Recipient assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990 (42 U.S.C. Section 12101, et seq.), which prohibits discrimination on the basis of disability, as well as applicable regulations and guidelines issued pursuant to the ADA.

23. Definitions

- **Agreement Term** means the length of this Agreement, as specified on the Agreement signature page (form CEC-146).
- **California Climate Investments** is a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy and improving public health and the environment—particularly in disadvantaged communities, low-income communities, and low-income households.
- **Confidential Information** means information that the Recipient has satisfactorily identified as confidential in Attachment 1 to this Exhibit and that the Energy Commission has agreed to designate as confidential under Title 20 California Code of Regulations Section 2505.
- **Data** means any recorded information that relates to the project funded by the Agreement, whether created or collected before or after the Agreement's effective date.
- **Effective Date** means the date on which this Agreement is signed by the last party required to sign, provided that signature occurs after the Agreement has been approved by the Energy Commission at a business meeting or by the Executive Director or his/her designee.
- **Equipment** means products, objects, machinery, apparatus or implements that are purchased with Energy Commission funds and installed within the system(s) included in the project, and that have a useful shelf life of at least one year. There is no minimum price of equipment. Energy Commission funds are not intended to pay for items that remain unattached to the systems, such as tools.

For the purposes of this definition, system(s) means food production upgrades/replacements or additions.

- **Intellectual Property** means: (a) inventions, technologies, designs, drawings, data, software, formulas, compositions, processes, techniques, works of authorship, trademarks, service marks, and logos that are created, conceived, discovered, made, developed, altered, or reduced to practice with Agreement or match funds during or after the Agreement term; (b) any associated proprietary rights to these items, such as patent and copyright; and (c) any upgrades or revisions to these items.

“Works of authorship” does not include written products created for Agreement reporting and management purposes, such as reports, summaries, lists, letters, agendas, schedules, and invoices.
- **Match Funds** means cash or in-kind (i.e., non-cash) contributions provided by the Recipient or a third party for a project funded by the Energy Commission. If this Agreement resulted from a solicitation, refer to the solicitation’s discussion of match funding for guidelines specific to the project.
- **Ownership** means exclusive possession of all rights to property, including the right to use and transfer property.
- **Priority Populations** include residents of: (1) census tracts identified as disadvantaged by California Environmental Protection Agency per SB 535; (2) census tracts identified as low-income per AB 1550; or (3) a low-income household per AB 1550.
- **Product** means any tangible item specified for delivery to the Energy Commission in the Scope of Work.
- **Project** means the entire effort undertaken and planned by the Recipient and consisting of the work funded by the Energy Commission. The project may coincide with or extend beyond the Agreement term.
- **State** means the state of California and all California state agencies within it, including but not limited to commissions, boards, offices, and departments.

24. Greenhouse Gas Reduction Fund Requirements

- a. This Agreement is funded by the Greenhouse Gas Reduction Fund created pursuant to Government Code section 16428.8. This Agreement is subject to and Recipient shall comply with the provisions of the laws enacted for spending of auction proceeds deposited into the Greenhouse Gas Reduction Fund, including without limitation: Health and Safety Code Section 39710 et. seq.; Government Code section 16428.8 – 16428.95, including any amendments to these sections.
- b. Measurement and Verification
To be provided by CARB.
- c. Reporting
Recipients of GGRF funds must submit reports on expenditures, investment benefits, and project outcomes, per CARB guidance. Recipient shall provide quarterly reports on all projects – during the term of this Agreement and for a period specified by CARB to meet project outcome reporting requirements.

Reporting shall follow the format provided by the Energy Commission, consistent with the project-type specific reporting requirements in CARB guidance. Information to be reported includes, but is not limited to:

1. Greenhouse Gas Reductions

- Recipient Name
- Project description
- Project location
- Census tract
- Dates: Project Selected; Completed; operational; GHG reductions began
- GGRF dollars allocated
- Leveraged and/or match funds
- Estimated /actual total project GHG emission reductions
- Estimated /actual energy saved (kWh, therms or other fuels) for energy efficiency projects
- Estimated /actual energy generated (kWh or therm equivalents) for renewable energy projects
- Other benefits or results

2. Priority Populations (If Applicable)

If Recipient received preference points for providing benefits to priority populations, the Recipient shall provide quarterly reports to the Energy Commission on a schedule and in a format using the data methodology provided by the CAM consistent with the detailed information in the CARB guidance which is posted at www.arb.ca.gov/cqi-quantification.

3. Co-Benefits

Qualitative values associated with each project's co-benefits should be reported if available.

4. Job Creation Benefits

Data related to the number of job-years provided, average wages and benefits, the number of people who completed job training or received industry-recognized certifications and residence location of job/training recipients.