



EQUITABLE BUILDING DECARBONIZATION PROGRAM CENTRAL CALIFORNIA

California Energy Commission Equitable Building Decarbonization Direct Install Program - Central Region

Participation Agreement for Single-Family, Manufactured, and Mobile Homes

PROGRAM OVERVIEW

The California Energy Commission **Equitable Building Decarbonization Direct Install Program** ("EBD Program" or "Program") in the Central Region is funded by California Energy Commission ("CEC") and administered by Center for Sustainable Energy ("CSE") and Franklin Energy Services, LLC ("Franklin Energy") and its approved Installation Contractor(s) on behalf of the EBD Program. The Program provides eligible EBD property owners, property owners with tenant(s), or Tenant(s) (individually and collectively), ("Resident") of Single-family, Manufactured, and Mobile Homes ("Residences") with direct installation of approved energy efficiency and electrification upgrades ("Measures"). Direct installation refers to a start-to-finish process where Measures are installed at no cost to the Resident, based on income eligibility and program guidelines.

The EBD Program offers site assessments and upgrades at no cost to Residents who meet the Household/Property Eligibility Requirements (See Single Family, Manufactured, and Mobile Home Assessment Terms and Conditions). To receive direct installation of Measures as outlined in the Installation Scope of Work (See Exhibit D), Residents must sign this Equitable Building Decarbonization (EBD) Direct Install Program Participation Agreement ("Program Participation Agreement") and agree to work with the designated Installation Contractor to schedule the installation. Any capitalized term not otherwise defined herein shall have the meaning set forth in the Definitions section below.

EXHIBITS

- A. EBD Program Terms and Conditions
- B. Resident Communication, Support, and Research Participation Agreement
- C. Tenant Protection Provisions
- D. Installation Scope of Work

DEFINITIONS

When a term listed below is used in the EBD Program, it shall have the meaning defined below. While these term definitions are intended to mirror those contained in the Home Assessment Terms and Conditions, to the extent the terms defined below are inconsistent with those contained in the Home Assessment Terms and Conditions, the terms in this document shall supersede those contained in the Home Assessment Terms and Conditions.

Applicant: A Property Owner or Tenant who submits an Application to participate in EBD.

Application: The form submitted by an Applicant through the Application Portal to apply for EBD Program funding.

Application Portal: The link on the EBD Program Website providing access to the Application.

Area Median Income (AMI): Median household income based on household size of a geographic area of the state, as annually updated by the California HCD.

Authority Having Jurisdiction (AHJ): The entity, such as a local building department or inspector, responsible for enforcing building codes, issuing permits, and approving installations within a specific jurisdiction.

California Department of Housing and Community Development (California HCD): a department within the California Business, Consumer Services and Housing Agency (BCSH) that sets and updates the state's AMI figures, which serve as the basis for determining the EBD Program's income limits and Applicant eligibility.

California Energy Commission (CEC): California's primary energy policy and planning agency responsible for activities that include forecasting future energy needs, promoting energy efficiency through appliance and building standards, and supporting renewable energy technologies.

Center for Sustainable Energy (CSE): The nonprofit organization, third party contracted Regional Administrator for the Central Region of the EBD Program.

Direct Install Program: A type of program that provides and installs energy-efficient appliances, energy efficiency measures, and related upgrades directly to consumers. Participants are not responsible for any costs associated with installation.

Community Focus Area: A designated geographic region selected based on criteria that identify communities most in need and most likely to benefit from EBD. These criteria include high potential for energy savings, vulnerability to climate and bad air quality and higher-than-average energy burdens.

Disadvantaged Community (DAC): An area identified as disadvantaged by the California Environmental Protection Agency per Senate Bill 535 (Chapter 830, Statutes of 2012) based on geographic, socioeconomic, public health, and environmental hazard criteria. A map of disadvantaged communities is available at <https://calepa.ca.gov/EnvJustice/GHGInvest/>.

Equitable Building Decarbonization Direct Install Program (EBD Program): A California state-wide program providing building decarbonization upgrades for low-income households in single-family, multifamily, and manufactured homes in select under-resourced communities.

EBD Program Team: Includes Center for Sustainable Energy, Franklin Energy Services, LLC, Earth Advantage Inc., Self-Help Enterprises, Central California Asthma Collaborative, Binational of California, Richard Heath & Associates, Inc., and Policy Consultants, Inc.

EBD Program Terms and Conditions: The EBD Program rules and guidelines outline how the EBD Program operates, including eligibility requirements, Resident responsibilities, and the rights and obligations of all parties involved.

Energy Advisor: A Franklin Energy employee who is a trained professional responsible for conducting the Home Assessment, reviewing assessment results, recommending eligible measures, coordinating next steps with the Installation Contractor, and conducting Site Verification as related to the quality assessment and/or quality control process.

Franklin Energy Services LLC (Franklin Energy): An EBD Program subcontractor responsible for income verification, conducting home assessments, and managing Energy Advisors and Installation Contractors.

Grant Agreement: CEC Grant Agreement No. EBD-24-002.

Greenhouse gas (GHG): Gases that trap heat in the atmosphere, such as carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O).

Heat Pump: An appliance that uses the same technology as a very efficient refrigerator to simply move thermal energy from one place to another, rather than creating heat or cooling from electricity (e.g., with an electric space heater or electric resistance heat) or gas (e.g., with a gas furnace or boiler) in the home. This is the most energy efficient way to heat and cool buildings or to heat water in use today.

Home Assessment: An evaluation of a Residence to determine its eligibility for upgraded Measures provided for in the EBD Program.

Installation Scope of Work: A report generated after the Home Assessment outlining recommended Measures for installation, reviewed by both the Applicant and the Installation Contractor before being finalized and incorporated herein as Exhibit D.

Installation Contractor: A person or business entity licensed in accordance with rules and regulations adopted by the State of California Contractors State Licensing Board, and contracted, trained, and managed by Franklin Energy.

Low-income Household: A household earning eighty percent (80%) or less of the AMI. Low-income thresholds by county and household size are available from the California HDC at hcd.ca.gov/grants-and-funding/income-limits/state-and-federal-income-rent-and-loan-value-limits.

Manufactured Home: a structure that was constructed on or after June 15, 1976, is transportable in one or more sections, is eight (8) body feet or more in width, or 40 body feet or more in length, in the traveling mode, or, when erected on site, is 320 or more square feet, is built on a permanent chassis and designed to be used as a single-family dwelling with or without a foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained therein.

Mobile Home: a structure that was constructed prior to June 15, 1976, is transportable in one or more sections, is eight (8) body feet or more in width, or 40 body feet or more in length, in the traveling mode, or, when erected onsite, is 320 or more square feet, is built on a permanent chassis and designed to be used as a single-family dwelling with or without a foundation system when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained therein.

Multifamily Building: A multifamily residential property is eligible if it consists of at least five (5) or more housing units. If a building consists of two (2) to four (4) units and contains central or shared water heating or HVAC systems or common areas, then it will be considered a multifamily building.

Measures: An energy-saving device or upgrade that is provided and installed to improve home efficiency and comfort.

Program Participation Agreement: A contract between the EBD Program and Property Owner and if applicable, Tenant, outlining terms for receiving no-cost energy upgrades and ensuring compliance with program requirements.

Property Owner: An individual or entity that legally owns the home or building receiving upgrades and is responsible for authorizing participation in the EBD Program and approving the installation of eligible Measures.

Regional Administrator: The entity designated to oversee and manage program implementation within an assigned geographic region under the Equitable Building Decarbonization Program.

Residence: Residential real property owned by the Property Owner and either owner-occupied or leased to a Tenant.

Resident: Any individual living in a program-eligible dwelling. A Property Owner or a Tenant can be a Resident.

Single-Family Home: A property with one (1) dwelling unit or four (4) or less side-by-side units that do not contain stacked units, do not share central water heating or HVAC systems, and do not include common areas. Eligibility will be determined on a unit-by-unit basis. Eligible buildings may be either owner-occupied or rented. For buildings with rooftop heating or cooling units, only one-story buildings are permitted to participate in the Program.

Site Verification: A post-installation process in which program staff or authorized inspectors confirm that all measures were installed correctly, meet program requirements, and deliver the expected benefits.

Tenant: An individual or household that occupies a Residence owned by the Property Owner pursuant to a lease agreement.

Underresourced Community: refers to geographic areas that meet one or more of the following criteria: disadvantaged communities designated by the California Environmental Protection Agency pursuant to Senate Bill 535; census tracts with median household incomes at or below 80% of the statewide median income; or census tracts with median household incomes at or below the low-income threshold established by the California Department of Housing and Community Development.

United States Department of Energy (DOE): An executive department of the U.S. federal government that oversees U.S. national energy policy and energy production.

RESIDENT ACKNOWLEDGEMENTS

1. I have read and agree to the EBD Program Terms and Conditions (Exhibit A), including all documents incorporated therein.
2. I attest that I meet all Household/Property Eligibility Requirements (Single Family, Manufactured, and Mobile Home Assessment Terms and Conditions), including the Household Income Eligibility Requirements.
3. I understand that certain Measures may be provided to me at no cost based on meeting the Household Income Eligibility Requirements outlined in Single Family, Manufactured, and Mobile Home Assessment Terms and Conditions. I further understand that if at any time the EBD Program determines that I, or my Tenant, do not meet the Household Income Eligibility Requirements at the time of installation due to non/mis-disclosure at the time of Application, I shall be responsible for repaying the full cost of installing Measures within thirty (30) days' written notice.
4. I agree to the Installation Scope of Work (Exhibit D), which includes replacing at least one gas-fired space heating or water heating equipment with electric heat pump system(s). I understand that at least two (2) of the following Measures: space heating; water heating; cooking; or clothes drying, must be electric upon project completion, and that installed Measures become the property of the Property Owner once installed.
5. I certify that I understand that funding from other programs may be available as set forth in Section 10 of the EBD Program Terms and Conditions (Exhibit A).
6. I have read and agree to the provisions regarding construction schedules, post-project surveys, resident support access, and voluntary participation in public interest research set forth in the Resident Communication, Support, and Research Participation Agreement (Exhibit B).
7. I have read and agree to the Tenant Protection Provisions (Exhibit C), including eviction and displacement protections, rent increase limitations, and long-term affordability commitments.
8. I understand that I may be required to execute a separate Lease Addendum to effectuate said Tenant Protection Provisions.
9. I understand that energy savings achieved by installed Measures is dependent upon the Resident's efficient use of such Measures. Participation in the EBD Program does not guarantee a reduction in energy costs.

PROPERTY OWNER INFORMATION	
First and Last Name, or Entity Name (such as LLC or Trust):	
Property Address (Street, Unit, City, State, Zip Code):	
Email:	Phone:
PROPERTY OWNER ACKNOWLEDGEMENT	
<i>Under penalties of perjury, I have read and understood and agree to the Program Participation Agreement, including the EBD Program Terms and Conditions, Household/Property Eligibility Requirements, Installation Scope of Work, Resident Communication, Support, Research Participation Agreement, and Tenant Protection Provisions, and certify that the information I have provided is true and correct.</i>	
Name (printed):	
Signature:	Date:
If Applicable, TENANT INFORMATION	
First and Last Name:	
Email:	Phone:
TENANT ACKNOWLEDGEMENT (IF APPLICABLE)	
<i>Under penalties of perjury, I have read and understood and agree to the Program Participation Agreement, including the EBD Program Terms and Conditions, Household/Property Eligibility Requirements, Installation Scope of Work, Resident Communication, Support, Research Participation Agreement, and Tenant Protection Provisions, and certify that the information I have provided is true and correct.</i>	
Name (printed):	
Signature:	Date:

Exhibit A - Program Terms and Conditions

1. **ELIGIBILITY:** This offer is valid for Property Owners and Tenants residing in Single-Family, Manufactured, and Mobile homes or 2–4 unit buildings (not classified as multifamily) located in Community Focus Areas, including, but not limited to: Bakersfield, Fresno, Los Banos, and Modesto, and are within a designated Underresourced Community census tracts in the Central Region of California. Eligible homes must have been built prior to 2020 and be served by an active utility account. Residents understand and attest that they meet all Household/Property Eligibility requirements, set forth in Single Family, Manufactured, and Mobile Home Assessment Terms and Conditions, including income verification at or below 80% of the Area Median Income (AMI) as defined by the California HCD at the time of enrollment. Qualified participants receive installation of approved Measures at no-cost. If it is later determined that the Resident did not meet eligibility requirements due to misrepresentation or non-disclosure of household income sources, the EBD Program reserves the right to revoke participation and pursue appropriate remedies in accordance with the Program Participation Agreement and applicable law.
2. **AGREEMENT TO THE PROGRAM PARTICIPATION AGREEMENT REQUIRED FOR ELIGIBILITY:** Resident's agreement to the Program Participation Agreement, including any provisions incorporated by reference, as may be amended from time to time in the sole and absolute discretion of CSE, is required for eligibility for participation in the EBD Program and is a condition precedent to participation in the EBD Program.
3. **GRANT AGREEMENT:** Unless otherwise specified, all requirements imposed on CSE (the Regional Administrator) by the flow-down clauses of the Grant Agreement shall also apply to the EBD Program Team, Property Owner, Resident, and Tenant. Flow-down clauses specified in the Grant Agreement include, but are not necessarily limited to, the clauses specified in [Exhibit C, Exhibit C-1, and Exhibit C-2](#) of the Grant Agreement, including all Special Terms and Conditions.

In case of conflict between or among the terms of these EBD Program Terms and Conditions and the document(s) incorporated by reference, the provisions of the following documents shall take precedence in the following order: (1) Grant Agreement, as amended; and (2) EBD Program Terms and Conditions, as may be amended from time to time.

4. **SITE ACCESS:** Resident authorizes CEC, CSE (the Regional Administrator), Franklin Energy, its Installation Contractors, AHJ, and DOE to access the Residence, with prior notice at a mutually agreed upon time, for the purpose of installing the Measure(s) agreed to and outlined in this Program Participation Agreement. This access also includes conducting inspections of installed Measures, evaluating their performance, and conducting other Program-related activities. Additionally, Resident authorizes Franklin Energy, its Installation Contractors, and AHJ to enter the Residence as needed to evaluate the performance of Measures and to conduct quality assurance and quality control inspections as needed. Inspections may include photographing upgrades and completed work.
5. **TEMPORARY DISPLACEMENT DISCLAIMER:** The EBD Program does not cover or reimburse any costs associated with temporary or permanent displacement of residents due to installation activities. This includes housing, meals, transportation, or other related expenses. While displacement is expected to be exceedingly rare, it may occur in both Tenant- and owner-occupied homes. In such cases, the Property Owner shall bear all associated costs. These costs are not

considered remediation and are not eligible for EBD Program incentives. Residents retain the right to return to their unit following installation.

6. **COMPLIANCE WITH LAWS:** Franklin Energy and its Installation Contractor(s) shall comply with all federal, state, and municipal laws, ordinances, rules, orders, and regulations which apply to its actions at the Residence and installation of Measures.
7. **WORK AUTHORIZATION AND PROJECT WORK PLAN:** Franklin Energy Advisors will engage with the Resident to review individual property objectives, provide information on eligible upgrade options, discuss program processes, recommend qualifying Measures for installation, and develop a scope of work and installation schedule. Installation Contractors will coordinate and monitor the installation of approved Measures, ensuring compliance with Program standards, permitting requirements, and quality assurance protocols.
8. **INSTALLATION SCOPE OF WORK:** Resident agrees to the Installation Scope of Work, attached hereto as Exhibit D and incorporated by reference, which defines Measures eligible for installation by Franklin Energy, or its Installation Contractor(s), based on the on-site Home Assessment. The EBD Program is not responsible for any equipment, installations, warranties, or services not defined in the Installation Scope of Work. In the event of a change in the Scope of Work, Installation Contractor(s) will confirm changes with Franklin Energy and installation can be completed upon review and approval. Resident will work directly with the Installation Contractor through this process. In the event of a change to the Installation Scope of Work, an updated Installation Scope of Work shall be attached to this Agreement as a mutually agreed upon amendment.
9. **FUNDING AMOUNT:** The home energy upgrades reimbursement to the Installation Contractor may not exceed the total installed cost of the equipment and remediations performed. The EBD Program funds are limited and are available on a first-come, first-served basis. Funding amounts are subject to change at any time, and the EBD Program can be terminated at any time by the CEC.

Resident should not incur any costs for the equipment or installation of the equipment, as part of participating in the EBD Program. Resident is not required to enter into a separate contract with Installation Contractor to participate in the EBD Program. If Resident incurs any costs associated with the installation of any equipment and remediations, they should promptly notify CSE and Franklin Energy.

10. **ADDITIONAL ENERGY SAVINGS:** To ensure efficient use of Program funding, by signing this Agreement, Resident consents to being enrolled in other third-party incentive programs at the discretion of the EBD Program, CSE (the Regional Administrator), and its implementation partner, Franklin Energy. These programs may include, but are not limited to: California Energy Smart Homes, Golden State Rebates, and other Equitable Building Decarbonization initiatives. Resident agrees to support CSE (the Regional Administrator), Franklin Energy, and its Installation Contractor(s) in enrolling their residence in these programs, including providing documentation, signing related agreements, and assisting with incentive applications. Additionally, this ensures no double-dipping conflicts.

- 10. STANDARD WARRANTY:** All installations include standard one (1) year parts and labor warranty with the Installation Contractor(s). All manufacturer equipment warranties shall be transferred to the Property Owner upon installation and a copy of the warranty shall be provided to the Resident and Property Owner, if applicable. The EBD Program Team and Installation Contractors shall not be responsible for any warranty remedies which are the responsibility of manufacturers.
- 11. MAINTENANCE:** Neither the EBD Program Team nor the Installation Contractors are responsible for any maintenance services. Resident is responsible for maintaining the installed Measure(s) in good condition and repair for the useful life of the Measure. Resident is responsible for incidental maintenance of all Measures, including routine cleaning and care as needed per manufacturer's recommendations to maintain proper function and validity of any warranty. Resident is responsible for costs incurred from failure to properly maintain Measures and costs associated with damage caused by Resident or Resident's agents, tenants, or invitees.

EBD Program Team will also Inform building owners and occupants about the proper operation of their new equipment and any recommended maintenance (for example, the changing or cleaning of filters, setback temperatures, warm-up periods, and programming of equipment). Operation, maintenance, and warranty information shall be provided in writing in English and any other predominant language spoken in the community, if needed

- 12. TAX LIABILITY and CREDITS:** Property Owner agrees that they will be solely responsible for any additional taxes or similar liabilities that are imposed based on the installation of the Measures. Neither the EBD Program, CSE, the Regional Administrator, Franklin Energy, nor its Subcontractor are responsible for any taxes which may be imposed on the Resident as a result of the Measures installed under this Program.
- 13. OWNERSHIP OF INFORMATION:** CSE (the Regional Administrator) or Franklin Energy may provide the Resident with information about its findings regarding this Residence, but the EBD Program shall have all ownership rights, including exclusive copyright ownership, of all information produced and collected during the term of this Agreement.
- 14. RESIDENT INFORMATION:** Resident agrees that the EBD Program may review the Residence's historic energy usage for the twelve (12) months prior to application submission and future energy usage for the twelve (12) months following installation. This information may be used to evaluate, measure, and verify actual energy savings. By signing this Agreement, Resident consents to the EBD Program providing Resident's information including Resident's name, utility account numbers (gas and electric), electric and gas data, and Measure's installation details to a third party(ies) to claim third party incentives per Section 10 of this Agreement. By signing this Agreement, the Resident consents to the Program using Resident-specific information including names, addresses, installed measures, and savings projections to fulfill reporting requirements to CEC or DOE and to communicate program activity or permitting needs to the local government jurisdiction in which the project is located when requested.

Project information may be presented in aggregate level with other projects in the Program for the purpose of promoting awareness and adoption of energy efficiency strategies, practices, and technologies, as part of a list of projects, or with Resident's written consent in a project-specific case study. To the extent additional consent is required for release of this information the Program will obtain such consent in writing.

RETENTION OF DOCUMENTS: Resident authorizes the EBD Program to retain a copy of all materials or reports completed as part of participation in the Program. The EBD Program is subject to the California Public Records Act ("CPRA"). The EBD Program cannot guarantee the confidentiality of any information submitted, and the decision to release these materials pursuant to the CPRA or similar laws is within the sole discretion of the EBD Program.

15. **ADVERTISING:** Resident may choose to participate in testimonials or interviews, provide visual materials (photos, videos, etc.), allow a photo of equipment to be taken, and contribute to other marketing and promotional activities related to the EBD Program. The EBD Program agrees not to use the names or identifying characteristics of the Resident's Residence for published Project reports, advertising, sales promotion, or other publicity without the Resident's written approval.
16. **EBD PROGRAM DATES:** The EBD Program will expire upon the earliest to occur of: (i) **November 13, 2029**; (ii) when funds are depleted; or (iii) when the EBD Program is terminated. All installations must be completed and processed by **August 31, 2029**, unless otherwise notified.
17. **EBD PROGRAM CHANGES:** The EBD Program reserves the right to change, modify, or terminate the EBD Program at any time without any liability except as expressly stated herein. Installation Contractor(s) will honor all written commitments made in the signed Installation Scope of Work provided to Resident prior to the date of any change, modification, or termination of the EBD Program.
18. **DISPUTES:** Except where otherwise limited by law, EBD Program Team reserves the right, in its sole discretion, to make the final determination regarding any disputes related to the EBD Program. Resident understands and acknowledges that CSE is the nonprofit third-party contract administrator for the Central Region of the EBD Program on behalf of the CEC, a California state agency. If the only basis for a Resident's objection to CSE's decision is a disagreement with the policies set forth in the Grant Agreement or these EBD Program Terms and Conditions, or the application thereof, CSE's original decision will be final and unappealable, and there shall be no right to appeal of any kind, administrative, judicial, arbitration, mediation or otherwise.
19. **DISCLAIMER:** Beyond the Standard Warranty set forth in Section 11 hereinabove, the EBD Program makes no representations or warranties, express or implied, regarding design, construction, installation, reliability, performance, operation, maintenance or any use of the Measures discussed, selected, rejected, purchased or otherwise considered by Resident and does not guarantee that implementation or use of the Measures purchased or installed pursuant to this EBD Program will result in energy cost savings. Any decisions regarding the use and operation of any Measures shall be at the sole discretion of Resident and are Resident's sole responsibility. In no event shall the EBD Program be liable for failure of the Measures to achieve energy savings. Resident waives any and all claims against the EBD Program arising out of his/her participation in the EBD Program.
20. **RELEASE OF CLAIMS AGAINST, AND HOLD HARMLESS:** Resident discharges and releases the EBD Program Team, Installation contractor and each of their commissioners, directors, officers, employers, employees, and agents from and against any and all claims, demands, liabilities, obligations, damages or chose in action, legal or equitable, of whatever kind or nature, including negligence by the EBD Program Team, Installation Contractor, in which Resident, and Resident's

successors in interest, heirs, estates or personal representatives, or family members, now may have or assert, or may have had in the past or may have in the future, against the EBD Program Team or Installation Contractor as the result of, based upon, arising out of, or connected with the EBD Program Team's or Installation Contractor's involvement with the Project.

- 21. WAIVER PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1542.** Resident hereby acknowledges and agrees to the following waiver of claims, which is intended to be a full and final release of all claims, known and unknown, arising out of or related to the EBD Program. In accordance with California Civil Code § 1542, the Resident expressly waives any and all rights or benefits conferred by the provisions of Cal. Civ. Code § 1542 which states:

“A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.”

By executing this Program Participation Agreement, Resident acknowledges that they have been informed of the statutory language of Cal. Civ. Code § 1542 and understands that this waiver is intended to include all claims, whether or not Resident is aware of such claims at the time of signing this release.

- 22. INDEMNIFICATION AND LIMITATIONS OF LIABILITY:** Resident agrees, to the maximum extent permitted by applicable law, to indemnify and hold harmless the EBD Program Team, Installation Contractor and each of their commissioners, directors, officers, agents, and employees, only from claims arising from Resident's own acts or omissions, from any and all claims, actions, suits, procedures, costs, expenses, damages, and liabilities, including attorney's fees and costs, brought as a result of the EBD Program Team's or Installation Contractor's involvement with the project, and to reimburse the EBD Program Team and Installation Contractor for any such expenses incurred.

Nothing in this provision shall be construed to waive or limit any statutory rights or remedies available to Resident under applicable law. Resident's obligation to reimburse costs and expenses shall be limited to those legally recoverable under applicable law.

In no event shall any party be liable to any other party for indirect, special or consequential damages. In no event shall any party's liability for direct damages related to this program participation agreement exceed the amount of the value of measures installed at the residence. These limitations of liability apply regardless of the form of action, whether in contract, tort, or otherwise, even if notified of the possibility or likelihood of such damages.

Notwithstanding the foregoing, nothing in this Program Participation Agreement shall limit or exclude liability for fraud, willful misconduct, or gross negligence, or limit any rights or remedies that may not be waived under applicable law.

- 23. INSTALLATION ACCESS COMPLIANCE CLAUSE:** Resident must provide reasonable access to the Residence to allow installation work and inspection(s) to be completed under the EBD Program. To ensure the safety of pets and personnel, all animals must be secured or removed from the work area prior to service. An adult 18 years or older must be present during all site visits and

installation activities. If access is not provided, the installation may be delayed or canceled, and program participation may be discontinued. If all required measure installation starts and is not completed due to access issues, Property Owner may be responsible for costs.

24. **ACKNOWLEDGEMENT:** This material is based upon work supported by the DOE's Office of State and Community Energy Programs ("SCEP") under the IRA Home Energy Rebates Award Number SE-0000108.
25. **DISCLAIMER:** The views expressed herein do not necessarily represent the views of the DOE or the United States Government.
26. **MANUFACTURED HOMES:** The Residence must be registered with California Department of Housing and Community Development (HCD), and the Resident must disclose this registration at the time of Application.
27. **SEVERABILITY:** If any provision of these EBD Program Terms and Conditions, including all documents incorporated by reference, is held invalid or unenforceable by any court of competent jurisdiction, such provision shall be deemed severed from the EBD Program Terms and Conditions to the extent of such invalidity or unenforceability, and the remainder hereof will not be affected thereby, each of the provisions hereof being severable in any such instance.
28. **ENTIRE AGREEMENT:** These EBD Program Terms and Conditions and all other documents incorporated by reference, represents the entire agreement between EBD Program Team and Resident pertaining to the subject matter herein, and shall supersede all prior oral and/or written agreements, communications, negotiations, and discussions between EBD Program Team and the Resident.
29. **GOVERNING LAW:** These EBD Program Terms and Conditions and all incorporated and related documents and all matters arising out of or relating to the EBD Program, whether sounding in contract, tort, or statute are governed by, construed in accordance with the laws of the State of California, United States of America (including its statutes of limitations), without giving effect to the conflict of laws provision thereof to the extent such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the State of California. Any legal suit, action or proceeding arising out of or relating to these EBD Program Terms and Conditions shall be instituted in the courts of the State of California in each case located in the County of San Diego, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding.

Exhibit B– Resident Communication, Support, and Research Participation Agreement

1. CONSTRUCTION SCHEDULE STATEMENT:

- a.** Construction and installation activities under the EBD Program will generally occur during normal business hours, defined as Monday through Friday, 8:00 AM to 6:00 PM PST, excluding holidays.
- b.** In certain cases, exceptions may be made to accommodate project-specific needs, address unforeseen issues, or ensure timely completion of work. Any deviations from standard hours will be communicated to the Resident.

2. POST-PROJECT SURVEY TIMING: A follow-up survey will be distributed to participating Residents after project completion, in accordance with the EBD Consumer Protection Plan. The survey will assess satisfaction, installation quality, and identify opportunities for EBD Program improvement.

3. RESIDENT SUPPORT CONTACT: Residents can contact the designated EBD Program Support Line regarding any concerns related to a project funded by the EBD Program, including issues related to Tenant protections, installation quality, or program participation.

- a.** Program Support Line: (855) 210-5240
- b.** Hours of Operation: Monday through Friday, 7:00 AM to 5:00 PM PST (excluding holidays)

4. PUBLIC INTEREST RESEARCH PARTICIPATION: Resident acknowledges that their home may be selected to participate in a public interest research activity conducted by or on behalf of CEC. Resident may consent to participation in such research activities pursuant to a subsequent agreement. These activities may include, but are not limited to:

- a.** Monitoring indoor air quality before and after installation of Measures.
- b.** Testing decarbonization equipment installed through the EBD Program.
- c.** Collecting performance data to evaluate program effectiveness and inform future improvements.
- d.** Participation in such research is voluntary and will be conducted in accordance with applicable privacy and data protection standards. Residents will be notified in advance and may be asked to provide consent for specific monitoring or testing activities.

Exhibit C - Tenant Protection Provisions

To ensure that Tenants are protected throughout their participation in the EBD Program, the following provisions shall apply:

1. RENT INCREASES.

- a. For 1-4 unit properties, Property Owner commits to not increase rent for units served by the Program by more than three percent (3%) each year for the five (5) years following the execution date of this agreement, and Property Owner acknowledges and agrees that rent increases up to three percent (3%) per year must be due to a documented increase in property taxes, operations and maintenance costs, or amortization of improvements unrelated to a project funded by this Program.
- b. For eligible deed-restricted affordable housing and affordable housing with a rent regulatory agreement, the deed recording or rent regulatory agreement must be in place for at least ten (10) years post-project, or Property Owner agrees to extend the deed restriction or rent regulatory agreement if it would otherwise expire before this time.

2. EVICTION. Property Owner agrees not to terminate a tenancy and/or evict a Tenant from an improved unit before, during, or after the project without just cause as defined in Cal. Civ. Code § 1946.2. Property Owner agrees that the building retrofits conducted pursuant to this agreement, or any other activity related to this Program, shall not be the basis for just cause for eviction.

3. DISPLACEMENT. Retrofit projects will be designed to minimize disruption to Tenant(s), avoid the need for temporary displacement if possible, and reduce the duration of displacement if it is necessary. If displacement is needed, Property Owner agrees that Tenant(s) shall have the right to return to the same unit once construction is complete and state and local laws governing tenant displacement shall apply.

4. PROVIDING INFORMATION. Property Owner agrees to provide Tenant(s) with written information about the project including notice of Measures to be installed, construction timelines, hours, and any required displacement.

5. TENANT TURNOVER. If a low-income Tenant residing in a unit served by the Program moves out within two (2) years after the project, Property Owner agrees to rent the unit to another low-income Tenant.

6. PROPERTY SALE. Property Owner agrees that if the property is sold within two (2) years of receipt of the rebates, the aforementioned conditions of tenant protection apply to the new owner and must be a part of the purchase agreement.

7. Property Owner shall abide by applicable state and local laws regarding rent increases, eviction, tenant displacement, and other tenant protections. Where state or local laws require more tenant protection than described in these tenant protection provisions, the more stringent requirements shall apply.

8. In the event Property Owner does not comply with the tenant protection provisions described herein, Property Owner must refund the full cost of the retrofit and may be subject to additional penalties defined in the California Civil Code.
9. Property Owner agrees to provide each tenant with a copy of these tenant protection provisions, including any subsequent amendments.
10. **LEASE ADDENDUM.** Property Owner agrees to execute a Lease Addendum with each Tenant that incorporates these tenant protection provisions into the Tenant's lease agreement. In the case of deed-restricted affordable housing and affordable housing with a rent regulatory agreement, a lease addendum may not be required if tenant-enforceable protections already in place for the property are deemed by the Regional Administrator to include all the tenant protection provisions in this exhibit.

11. LEASE ADDENDUM TEMPLATE

The following terms and conditions are hereby incorporated in and made a part of the residential lease dated _____ (the "Lease Agreement"), on property known as _____ (the "Property") in which _____ is referred to as "Tenant" and _____ is referred to as "Landlord." This Lease Addendum incorporates the tenant protection provisions required under the California Energy Commission Equitable Building Decarbonization Direct Install Program ("CEC EBD Program"), and shall be effective as of the last date written below ("Effective Date").

1. **Rent Increases.** For a period of five (5) years following the Effective Date of this Lease Addendum, Landlord shall not increase the rent by more than three percent (3%) per year. Any rent increase during this period must be substantiated by a documented increase in property taxes, operations and maintenance costs, or amortization of improvements not funded by or related to the CEC EBD Program.

Rent may not be increased due to improvements or cost changes associated with the CEC EBD Program.

2. **Eviction Protections.** Landlord shall not terminate the tenancy or evict Tenant from the Property before, during, or after completion of any CEC EBD Program project(s) except for just cause as defined in California Civil Code Section 1946.2. Building retrofits or any activity related to the CEC EBD Program shall not be the basis for just cause for eviction or termination of tenancy.
3. **Displacement Protections.** CEC EBD Program retrofit project(s) will be designed to: minimize disruption to Tenant, avoid temporary displacement if possible, and limit the duration of any displacement if necessary. If displacement is required, Tenant retains the right to reoccupy the Property upon completion of the project, at the same rental rate and terms as before displacement, subject to applicable law.
4. **Project Notifications and Communication.** Landlord shall provide Tenant with written notice about the project, containing: a description of the planned retrofit measures, anticipated

construction timelines and working hours; and information regarding any required temporary displacement, including expected duration and conditions.

Notice must be provided in accordance with California law and any applicable local ordinances.

5. **Compliance with Laws.** Landlord shall comply with all applicable state and local laws regarding rent increases, eviction, displacement, and other tenant protections. Where state or local laws require more tenant protections than described herein, the more protective requirements shall apply.
6. **Noncompliance.** If Landlord fails to comply with the tenant protection provisions described in this Lease Addendum, Landlord must refund the full cost of the CEC EBD Program project and may be subject to additional penalties as defined under California law.
7. **Notice to Tenant(s).** Landlord shall provide each Tenant residing at the Property with a copy of this Lease Addendum.
8. **Execution.** Landlord and Tenant shall execute this Addendum, and it shall be incorporated into the residential Lease Agreement. Landlord shall provide a copy of each fully executed Lease Addendum to the CEC EBD Program Administrator upon request or as required by program rules.

The foregoing terms and conditions are hereby agreed to, and the undersigned acknowledge receipt of a copy of this document.

Date: _____

Date: _____

Tenant: _____

Landlord: _____

Signature: _____

Signature: _____

Exhibit D– Installation Scope of Work