



2025 Residential Standard Offer Program

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1. Background

Provisions in Senate Bill 7, enacted in the 1999 Texas Legislature, mandated that at least 10% of an investor-owned utility's (IOU) annual growth in electricity demand be met through energy efficiency programs each year. Due to the success of the programs, goals for energy efficiency were increased through House Bill 3693 during the 2007 legislative session. The latest energy efficiency legislation, Senate Bill 1125, was passed in 2011. This bill will stabilize energy efficiency goals in future years by changing the goal metric from a percentage of load growth to a percentage of total peak load.

The [Public Utility Commission of Texas \(PUC\) Substantive Rule 25.181](#) (Energy Efficiency Rule) establishes procedures for meeting this legislative mandate. Effective January 1, 2013, the latest Energy Efficiency Rule switches the goal metric from a percentage of load growth to a percentage of peak demand.

Utilities are required to administer incentive programs to meet the mandated energy efficiency goals. Programs are implemented through retail electric providers and energy efficiency service providers and are designed to reduce system peak demand, energy consumption, or energy costs. Utilities must achieve their energy efficiency goals through either *standard offer programs (SOPs)* or *market transformation programs (MTPs)*. Programs are made available to all customers, in all customer classes. This gives each customer a choice of a variety of energy efficiency alternatives.

CNP is offering three standard offer programs: Commercial Standard Offer Program, the Residential Standard Offer Program, and the Hard-to-Reach Standard Offer Program.

The Residential Standard Offer Program (Residential SOP) is open to a wide range of contractors, service companies, community agencies and other organizations. The PUCT has issued a wide range of rules and requirements for the Standard Offer Programs. The purpose of this manual is to identify and explain these program requirements, and act as a reference for project sponsors.

2. Program Design

2.1 Program Description

The Residential SOP was developed by CNP to provide incentives to suppliers of energy services. The primary objective of this program is to achieve cost-effective reduction in our summer peak demand, winter peak demand, and annual energy consumption.

In a standard offer program (SOP), Project Sponsors propose to deliver certain levels of peak demand savings (measured in kilowatts, or kW) and annual energy savings (measured in kilowatt-hours or kWh). CNP pays a fixed ("standard offer") price for each kW and kWh of savings. All payments to Project Sponsors are based solely on kW and kWh savings. **CNP pays all incentives directly to the Project Sponsors, not to customers.** Sponsors are not required to provide any direct incentives to customers but are required to execute a contract with customers which indicates that the Project Sponsor is participating in a CNP program and is receiving

incentives for participating.

CenterPoint Energy has designed the Residential SOP to encourage electric energy efficiency improvements that go above and beyond the efficiency gains typically achieved in replacement-on-burnout projects. Consequently, energy savings credits for such measures will be based only on energy savings that exceed current federal minimum efficiency standards if such standards apply. In cases where standards do not exist, and on early replacement or retrofit of existing equipment, demand and energy savings will be based on efficiency improvements relative to typical efficiencies in like circumstances (subject to other limitations as specified herein).

Example:

For a Project Sponsor installing a new central air conditioner, the savings (and incentives) are based on the difference between a high-efficiency unit, e.g., 15 SEER2, and a “baseline” unit with a 14.3 SEER, even though the fifteen-year-old unit being replaced has a SEER of 8. In this example, the baseline is the current federal standard, not the efficiency of the existing unit. The customer’s actual energy savings will likely be substantially higher than the “deemed savings” estimate.

2.2 Project Sponsor Requirements

A Project Sponsor is any organization, group, or individual who contracts with CNP to provide energy savings under the Residential SOP. The following types of organizations are eligible to participate as Project Sponsors:

- CenterPoint Energy customers owning or operating multifamily residential facilities that do not exceed 250 kW aggregate demand or exceed 100 kW at any one facility.
- Energy service companies (ESCOs).
- Local contractors.
- National or local companies that provide energy-related products (e.g., lighting or HVAC).
- Retailers are also eligible if they install the particular energy-efficient products sold as part of this program.

Project Sponsors in the Residential SOP must meet eligibility criteria, comply with all Residential SOP rules and procedures, submit Project Application forms and supplemental documentation describing their projects, and execute CNP’s Residential SOP Agreement. CenterPoint Energy requires Sponsors to demonstrate their qualifications as part of the application process to help ensure that the proposed projects will be successful in delivering the estimated energy savings.

Project Sponsors must provide specific information on their qualifications in the areas of insulation installation and duct sealing if these measures are to be included in the proposed project. Sponsors proposing to utilize a subcontractor to provide these services are required to identify their subcontractor and provide information on their qualifications. This requirement is described in further detail [in Section 5](#). CenterPoint Energy requires Sponsors and their subcontractors to carry all insurance required by law, and all insurance as described in the Standard Offer Program Agreement.

One of the features of the Residential SOP is that CNP will rely upon the marketing capabilities of Sponsors to sell projects to CNP's residential customers. CenterPoint Energy will not directly market any energy efficiency-related product or service to its customers. **Entering into an agreement with CNP as a project sponsor does not imply CNP's endorsement or approval of any company, product, or service.**

2.3 Participant Eligibility

Residential electric distribution customers of CenterPoint Energy are eligible to have measures installed at their homes or facilities as part of this program. **All CenterPoint Energy ESIDs begin with 100890.**

For individually metered multifamily properties, each dwelling unit is considered as a separate residential account, and the common areas are considered as either small or large commercial accounts, depending upon their aggregate demand.

2.4 Eligible Energy Efficiency Projects

Residential electric distribution customers of CenterPoint Energy are eligible to have measures installed at their homes or facilities as part of this program. **All CenterPoint Energy ESI IDs begin with 100890.**

For individually metered multifamily properties, each dwelling unit is considered as a separate residential account, and the common areas are considered as either small or large commercial accounts, depending upon their aggregate demand.

2.4.1 Single Family Home Eligibility

Homes built after January 2003, or which previously received the ENERGY STAR® certification are not eligible for envelope measures.

2.4.2 Multifamily Property Eligibility

Each individually metered multifamily residence is considered a separate residential account. Master-metered multifamily residences may be treated as residential accounts. Common areas are classified as commercial accounts and are not eligible under this program. These facilities may be eligible to participate in one of CNP's Commercial and Industrial Standard Offer Program.

For multifamily properties of four or more dwelling units, the project sponsor must submit the proposed project to CNP prior to the installation of any measures for approval. CenterPoint Energy reserves the right to conduct a pre-installation inspection of the property, and to approve the proposed project prior to the installation of any measures. CenterPoint Energy has ten business days from the date of submission to approve or disapprove of the project.

2.5 Eligible Energy Efficiency Measures

Any Commission-approved measure included in the most recent statewide Texas Reference Manual ([TRM](#)), or any measure assigned a deemed savings value by the Commission is eligible under CNP's SOP. To be eligible for incentives, measures must be installed in homes or buildings with central electric A/C. Table 1 provides examples of eligible measures. Table 2 provides examples of ineligible measures.

Table 1	Table 2
Eligible Measures	Ineligible Measures
<p><u>Envelope Measures</u></p> <ul style="list-style-type: none"> • Insulation: ceiling, wall and floor • ENERGY STAR® windows • Air infiltration control • Duct efficiency <p><u>Heating, Cooling and Ventilation Measures</u></p> <ul style="list-style-type: none"> • 14.3 SEER2+ HVAC changeouts • Air conditioning tune ups • Ground source heat pumps • Window air conditioners • Duct sealing <p><u>Water Heating Measures</u></p> <ul style="list-style-type: none"> • High efficiency electric water heater • High efficiency heat pump water heaters • High efficiency gas water heater replacing electric resistance water heaters • Faucet Aerators • Low flow showerheads • Pipe Insulation Wrap <p><u>Appliances</u></p> <ul style="list-style-type: none"> • Energy-efficient refrigerators • Energy-efficient dishwashers • Energy-efficient washer • Energy-efficient dryers 	<ul style="list-style-type: none"> • Measures that do not raise efficiency above current standards • Radiant Barrier • Cogeneration and self-generation projects • Load shifting/load management measures • Load reductions caused by building vacancies • Measures that rely solely on customer behavior or require no capital investment • Measures for which incentives were received under another CNP program • Repair and maintenance projects • Energy-efficient gas measures when replacing non-electric technologies • Measures that result in negative environmental or health effects • Envelope measures on homes that have received the ENERGY STAR® label or were built after January 2003. These measures include: <ul style="list-style-type: none"> • Duct efficiency • Air infiltration • ENERGY STAR® windows

<ul style="list-style-type: none"> • LED Lighting 	<ul style="list-style-type: none"> • Ceiling insulation
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Project sponsors may propose innovative or non-traditional energy efficiency measures. Equipment in all ends uses (e.g., lighting, refrigeration, cooling, and heating) is eligible for the SOP. Proposed energy efficiency measures must meet the following requirements:

- Measure must produce a measurable and verifiable reduction in either purchased electric energy, measured in kWh, or peak demand, measured in kW, or both.
- Measure must produce savings through an increase in energy efficiency or a substitution of another energy source for electricity (provided the substitution results in overall lower energy costs, lower energy consumption, and the installation of high efficiency equipment).
- Renewable energy measures meeting the requirements of the Commission's Energy Efficiency Rule (Substantive Rule 25.181) may qualify for an incentive.
- Measure must have a minimum useful life of 10 years.
- Measure must meet or exceed minimum federal or other efficiency standards as provided in the program manual.
- On single-family detached residences, the duct efficiency and air infiltration measures must be applied to the whole home. Multiple-story homes cannot be treated on a per-story basis.
- Homes must be occupied, and the HVAC equipment must be operational in order for any measure to be eligible for incentives.
- Homes heated through the use of electric space heaters, window unit air conditioners, or any plug-in or portable heating devices will not qualify as an electric heated home. The heating type for these homes should be designated as "no heat".
- Leakage to outside testing is the only acceptable testing method for Duct Sealing measure.
- As of May 1, 2013, CenterPoint Energy allowed a new repair program requirement: Within a home at which air infiltration measures will be installed, the project sponsor may make any structural repairs prior to performing the pre-installation blower door test. These repairs may include, but are not limited to, sheetrock repair and repairs to cracked windows. The total cost of repairs must not exceed the amount of \$100 and must meet a minimum useful life of 10 years. Costs of repairs will not be reimbursed by CenterPoint Energy.

As a general rule, measures involving “plug loads” (equipment or appliances that are plugged into standard electrical outlets) are not permitted. This restriction may be waived by the utility if the project sponsor provides the utility with reasonable assurance that the energy and/or demand savings associated with such measures are likely to persist over a 10-year period of time and that quantifiable energy and/or demand reduction meeting the requirements of the Commission’s Energy Efficiency Rule can indeed be achieved through the proposed measure(s).

If any of the baseline equipment at a project site has been removed prior to the execution of the SOP Agreement, or if any of the proposed energy-efficient measures has been installed prior to the execution of the SOP Agreement, the project, or the affected portions thereof, will be disallowed.

CenterPoint Energy will be the final authority on whether any particular measure is eligible for incentives.

2.5.1 Standard HVAC Tune Up

For all HVAC tune-ups the following checklist below must be performed:

- Tighten all electrical connections and measure voltage and current on motors.
- Lubricate all moving parts, including motor and fan bearings.
- Inspect and clean the condensate drain.
- Inspect controls of the system to ensure proper and safe operation. Check the startup/shutdown cycle of the equipment to assure the system starts, operates, and shuts off properly.
- Clean evaporator and condenser coils; clean indoor blower fan components.
- Inspect and clean or change air filters; replacement preferred best practice.
- Measure airflow via static pressure across the cooling coil and adjust to manufacturers specifications.
- Check refrigerant level and adjust to manufacturer specifications.
- Check capacitor functionality and capacitance and compare to OEM specifications.

2.5.2 Carbon Monoxide and Blower Door Testing

Prior to the installation of any air infiltration control, duct sealing, or wall insulation measure, a pre-installation blower door test is required, and a carbon monoxide (CO) test shall also be conducted for each residence with combustion (e.g., natural gas or propane) equipment or appliances. All Project Sponsors that are installing air infiltration or duct efficiency measures are required to have a certified HERS rater on staff and on site for all pre-installation and post-installation testing.

Every housing unit that has combustion equipment shall be tested prior to the installation of air infiltration control measures, duct sealing, or wall insulation. When conducting CO testing, the furnace must be operating. If more than 9 ppm CO is detected, these measures shall not be installed until the CO problem has been corrected. Host customer should always be informed of the existence of high levels of CO and advised to take precautions until abatement can be performed.

No energy efficiency measure which could result in a decreased ventilation rate for that housing unit shall be installed if the installation of such measure would or could result in ambient air CO levels exceeding 9 ppm within the housing unit. The Project Sponsor shall use the pre- and post-installation blower door air infiltration tests results to verify that the final air exchange rate of a household treated with air infiltration control, wall insulation, and/or duct sealing measures shall not be less than the standards set forth in the following table:

Minimum Final Air Exchange Rate*

Shielding	Single Story	Two Story	Three + Stories
Well Shielded	1.18	0.95	0.83
Normal	0.99	0.79	0.69
Exposed	0.89	0.71	0.62

* Measured in cubic feet per minute at 50 Pascal per square foot of conditioned area.

Well Shielded is defined as urban areas with high buildings or sheltered areas, and building surrounded by trees, bermed earth, or higher terrain.

Normal is defined as buildings in a residential neighborhood or subdivision setting, with yard space between buildings. Eighty to ninety percent of houses fall into this category.

Exposed is defined as buildings in an open setting with few buildings or trees around and buildings on top of a hill or ocean front, exposed to winds.

As an example, the minimum post-installation air exchange rate for an 1800 square foot, one-story home with normal shielding is 1782 CFM50 (1800×0.99). In order to qualify for the air infiltration control deemed savings, there must be a minimum 10% reduction between the pre- and post-installation ventilation rate. Therefore, the pre-installation ventilation rate must be at least 1960 CFM50 ($1782 \times 110\%$) in order to be considered for air infiltration control measures.

If the results of the pre-installation carbon monoxide or air infiltration tests indicate that the installation of air infiltration control measures, duct sealing, or wall insulation could possibly result in post-installation CO or CFM levels not meeting program standards, the Project Sponsor should exclude these measures from the list of those to be evaluated for installation.

2.6 Energy and Demand Savings Measurement

All payments to Project Sponsors are based on the project's peak demand (kW) and annual energy (kWh) savings. Sponsors must utilize deemed savings for estimating the demand and energy savings of the measures they install.

Deemed savings use pre-determined average kW and kWh savings for each measure. The Sponsor is not required to perform any measurement or verification of energy savings. 100% of incentive payment is paid as soon as installation inspections are completed, normally within 45 days of submitting an implementation report and invoice. The [TRM](#) has a listing of all the deemed savings values.

3. Program Incentives

3.1 Incentive and Project Funding Limits

CenterPoint Energy has budgeted a total of \$300,000 in incentives for the Residential SOP for 2025. The incentives will be allocated amongst accepted Sponsors in the SOP program at the discretion of the Program Manager according to budgetary restrictions.

A project sponsor may submit multiple applications, and participate in multiple projects, subject to the limits as outlined above. The project sponsor incentive limit may be increased if CNP determines that the installed measures assist CNP in achieving its energy efficiency goal.

3.2 Incentive Rates

Measure	Demand (kW)	Energy (kWh)
Standard (all other measures)	\$225	\$0.087
Ceiling Insulation	\$450	\$0.18
Heat Pump Replacements	\$325	\$0.15
Central A/C Replacements	\$400	\$0.17
Window A/C Replacement	\$175	\$0.13
LED Lighting	\$200	\$0.07
A/C Tune Up	\$190 per tune-up	

All window units in the home must be replaced with ENERGY STAR® units.

The kW payment is based on Peak Demand Savings. The kWh payment is based on the first-year kWh savings.

Example:

A local insulation contractor installs attic insulation in 30 homes. The total area of the attics is 28,000 square feet, and the existing R-values range from R-0 to R-11. Using the deemed savings table in the Texas Technical Reference Manual for ceiling insulation and adding up the deemed kW and kWh savings for each of the attic areas insulated, the total kW savings is 8.3, and the kWh savings is 21,000. The incentive payment is calculated as follows:

$$(8.3 \times \$450) + (21,000 \times \$0.18) = \$7,515$$

3.2.1 Incentive Rates Available Within Specified Zip Codes

The following rates will be applied to projects within specified zip codes, refer to Appendix C (zip codes and map).

Measure	Demand (kW)	Energy (kWh)
Standard (all other measures)	\$275	\$0.09
Ceiling Insulation	\$585	\$0.23
Heat Pump Replacements	\$425	\$0.26
Central A/C Replacements	\$495	\$0.30
Window A/C Replacement	\$200	\$0.15
LED Lighting	\$215	\$0.12
A/C Tune Up	\$190 per tune-up	

3.3 Adjustments to Incentive Payments

Incentive payments may be adjusted in any of the following instances:

- A project sponsor's incentive payments may be adjusted based on the results of CNP's site inspections as described elsewhere in this document and in the SOP Agreement.
- Changes in the [TRM](#).
- CenterPoint reserves the right to modify program guidelines during the program year to help achieve program objectives. Guidelines that are subject to change include, but are not limited to, the program budgets, incentive levels, and project sponsor limits.

4. Program Processes and Timeline

4.1 Application Process

Project Sponsors may apply to the Residential Standard Offer Program on CNP's program database: <https://cnpres.customerapplication.com/>. Please refer to [Section 5](#) for Application process and requirements.

4.2 Timeline and Monthly Invoice Process

During the implementation period, the project sponsor will be performing marketing activities, implementation activities, and reporting progress on a regular basis to CNP. This allows CNP to monitor each project sponsor's progress in a timely manner and allows CNP the ability to reallocate program funding, if necessary, in order to achieve its overall energy savings goals.

The 2025 program year will run from January 13, 2025 through November 14, 2025. Applications must be submitted by the 1st of the following month (or first business day of the following month) for processing. All measures must be submitted within 30 days of the installation.

4.2.1 Work Hours

Work hours are Monday – Friday, 8-4pm. No weekend scheduling is allowed. Inspection appointments must be completed by 3:30 pm. All inspection appointments must be scheduled in the daily work schedule provided by the database by midnight.

In the case of cancelled appointments, Sponsors may “fill-in” appointments at the discretion of the Program Manager and Inspector. “Fill-in” appointments must be scheduled at least one hour in advance of work being done.

4.2.2 Holidays

Sponsors may not schedule work for the following CenterPoint holidays:

MLK Jr. Day	Monday	Jan. 20, 2025
Memorial Day	Monday	May 26, 2025
Independence Day	Friday	July 4, 2025
Labor Day	Monday	Sept. 1, 2025
Thanksgiving Day	Thursday	Nov. 27, 2025
Day after Thanksgiving	Friday	Nov. 28, 2025

4.3 Project Milestones

CenterPoint Energy reserves the right to withdraw some or all the Sponsor’s budget allocation for failure to achieve the below milestones:

- 25% of budget spent by March 31st
- 50% of budget spent by June 30th
- 75% of budget spent by September 30th

4.4 Payment Procedures

The project sponsor will receive incentive payments within 45 days after submitting a complete monthly project, subject to a CNP inspection. Any administrative errors will be given a five (5) day correction period. Errors not corrected will result in customer exclusion and will not be eligible for resubmittal.

4.5 Required Forms for Every Site

The Sponsor must include the following forms for every Site (customer) for CNP to approve the measures:

1. **Host Customer Agreement (HCA):** Sponsors may download the pre-approved HCA from the website. This is a standard agreement executed by the Sponsor and customer, which includes all the customer protection provisions and disclosures required by the PUCT.
2. **Residential Customer/Multifamily Property Manager Acknowledgement:** This form signifies that the customer acknowledges that the measures installed by the Sponsor have been installed to their satisfaction, and that CNP may inspect these measures either during or after installation. A copy of this may be downloaded from the website

The Host Customer Agreement and Customer Acknowledgement has been combined and is referred as Customer Agreement form.

4.6 Project Review Procedures & Inspections

Once the Project has been submitted to CenterPoint through the database, the Project will be reviewed for accuracy. The Project Sponsor will have five (5) days after notification to correct any discrepancies or issues found in CenterPoint's administrative review.

During the review process, CNP will take a random sample of customer sites and make field inspections to determine if each measure has been installed properly and is capable of performing its intended function. All measures installed in the Residential SOP must conform to or exceed the standards listed in the [TRM](#). If measures installed do not meet these standards, they will not be eligible for incentives. The CNP or its designee report on the customer site is final. There will be no "do-overs" or "re-testing" by CNP or its designees.

Three (3) or more failures of the same measure type will result in the rejection of the Project and suspension of the Sponsor until further notice by CNP. This includes all applicable subcontractors.

4.6.1 Additional Reporting Procedures for Ceiling Insulation

The deemed savings associated with a base R-value of zero will only be utilized for installations where there is no existing insulation of any kind. **All Sites that are claiming existing insulation of anything below R-5 must include photos with a ruler of pre- and post-insulation levels (must include pictures of the entire attic with a ruler as well).** Project sponsors will also be required to check a box to affirm that an insulation installation certificate was permanently affixed near the attic opening. These certificates must comply with the Federal Trade Commission's Home Insulation Rule 460 (16 CFR 460).

CenterPoint Energy may adjust the incentive payment based on findings from field inspections.

4.6.2 Additional Reporting Procedures for HVAC

For Sponsors proposing to install HVAC unit replacements, the following information is required:

- AHRI Reference Number
- Condenser Model Number
- Condenser Serial Number
- Coil Model Number
- Customer Invoice

For Early Retirement claims, the following must also be provided:

- Name plate photo of unit being retired.
- Age of the retired unit.
- Amp Meter photographs showing operational unit.
- Homeowner acknowledgement that the system was operational at the time of replacement.

5. Application Procedures

5.1 Application Process

CenterPoint Energy has determined that the fairest and least-cost application procedure is to accept applications only via the Internet. The application forms, instructions, frequently-asked questions, and helper applications are accessible on the program's database, (<https://cnpres.customerapplication.com/>).

All applications must be completed and submitted via the database.

5.1.1 Sponsor Information

The information listed below is required of all project sponsors:

- Sponsor name.
- Federal tax identification number of Sponsor.
- Completed W9 Tax Form.
- Parent company (if any) and affiliated firms (if any).
- Certificate of Insurance (Refer to [Appendix B](#) for amounts necessary).
- Contact name, address, phone number, fax number, e-mail address.
- Names, addresses, etc., of subcontractor.

- Participants shall be responsible for conducting criminal background checks on all personnel who will be working in the home or on the property of any CenterPoint Energy customer who is participating in the Program. Any records matching any assigned personnel to the Texas Department of Public Safety criminal history file, sex offender registration or other name-based files shall be reported immediately to CenterPoint Energy. Prior to engaging in any work on the Program, Participants shall provide a copy of all assigned personnel's Texas Driver's License or other government issued photo identification.
- HERS rater certificate if you are doing duct efficiency and infiltration measures

5.1.2 Project Sponsor's Qualifications

CenterPoint Energy requires project sponsors to demonstrate their qualifications and experience as part of the application process to help ensure that the proposed projects will be successful in delivering the estimated energy savings. CenterPoint Energy will also consider a Project's Sponsor's performance in past or current CenterPoint Energy efficiency programs. A poor performance in the 2025 Residential Standard Offer Program. The project sponsor's application should include the following:

- A statement of the Sponsor's capabilities, experience, and intentions.
- Description of previous participation in other Texas Utility Standard Offer programs, including the Utility name, dollar amount, and program contact. If a Sponsor does not have this information, three (3) customer references for projects similar in nature to the proposed projects may be accepted.
- Disclosure of any legal judgements pending or entered into in the past two (2) years against the Sponsor or subcontractor, as well as any pending litigation involving the Sponsor or subcontractor.
- For Sponsors proposing to install duct efficiency or air infiltration measures, the name(s) of employee(s) with current HERS certifications must be listed; these employee(s) must be on site at all times during these measures.
- Participating Sponsor must submit all applicable licenses, photo identification for any subcontractor used.

5.1.3 Additional Requirements for Project Sponsors Proposing to Perform Duct Sealing

For project sponsors proposing to include duct sealing as part of their projects, the following additional information is required. Project sponsors who do not provide this information will not be allowed to include duct sealing as part of their projects.

- Sponsors will be permitted to schedule two (2) homes for duct efficiency per day.

- The project sponsor should indicate whether duct sealing will be performed by direct employees of the project sponsor, or by a subcontractor. If the project sponsor intends to utilize a subcontractor for any part of the implementation of this measure, then the subcontractor must be identified, and the information provided in this section should pertain to the subcontractor. Project sponsors who do not identify their proposed subcontractor as part of this application process will not be allowed to use subcontractors for this measure.
- Sponsor must provide a description of previous experience in providing this service, including other Texas Utility projects completed.
- Provide a listing of certifications/licenses held by certified HERS raters who will be on site during installation.
- Provide description of the equipment and techniques to be utilized when measuring duct leakage.

5.2 Estimated Impacts

Sponsors must submit an estimate of average kW and kWh savings per installation Site, as well as total proposed kW and kWh savings over the program year. Sponsors will use this information to determine the total amount of incentive dollars to request for the Program. Sponsors may refer to the [TRM](#) for guidelines on how to calculate estimated impacts.

5.3 Customer Affidavits

If a Sponsor anticipates requesting more than \$15,000 in incentives for measures installed at any single customer site, an affidavit of participation signed by the customer must be submitted with each Project.

5.4 Application Review Procedures

CenterPoint Energy will review every Application and notify Sponsors within ten (10) business days of submittal. If a project application is found incomplete or insufficient, CNP will allow five (5) business days to correct the Application. CNP reserves the right to limit or disqualify Sponsors who have performed poorly in previous Standard Offer Programs.

CenterPoint Energy may also reject a project application if:

- Application is received after the Program is fully subscribed.
- Sponsor fails to meet eligibility requirements.
- Sponsor is unresponsive to requests for additional information.
- Sponsor has made material misrepresentations in the Application.
- Sponsor fails to comply with applicable federal, state and/or local laws or regulations.
- Changes occur in laws or regulations concerning the Residential Standard Offer Program.
- CenterPoint Program Manager determines that the Sponsor is incapable of fulfilling the terms and conditions of the RSOP Agreement.

Any Sponsor who is denied entry into the Residential SOP program may apply again later in the year. CenterPoint will only allow two Applications per Sponsor per program year.

If CenterPoint approves the Application, the Sponsor will be expected to sign and return the RSOP Participant Agreement as soon as possible after notification of approval. Sponsors who have previously participated in a CenterPoint SOP may not need to sign an additional agreement.

After approval, CenterPoint will assign an initial allocation of incentive dollars to each Sponsor. Sponsors may receive an increase or a decrease in incentive allocation according to performance over the Program year (See Section 4.3 for Project Milestones). **Sponsors may not spend more than their assigned incentive allocation without CNP approval.**

5.5 Other Important Program Information

CenterPoint Energy will not reimburse any project sponsor for any costs incurred by participating in the SOP, including costs of preparing the Project Application, reviewing, or executing the SOP Agreement, or preparing and submitting implementation or performance reports.

CenterPoint Energy's SOP is subject to oversight by the PUCT, which may request a copy of any SOP materials that CNP receives. Sensitive information submitted by the project sponsor to CNP will be treated confidentially to the fullest extent possible and will not be provided directly to outside parties other than the PUCT. CenterPoint Energy will have no liability to any project sponsor or other party as a result of public disclosure of any submittals.

CenterPoint Energy may change the SOP at any time for any reason.

Appendix A - Measure Eligibility and Installation Standards

Measure	Material	Minimum Criteria for Installation
Infiltration -Measure must include the following: <ul style="list-style-type: none"> • Weather strip all outside doors • Seal all cracks and other flaws • Foam gaskets on all outside walls • Seal attic access • Carbon Monoxide Testing 	<ul style="list-style-type: none"> ➤ Acrylic latex plus silicone sealing compounds ➤ Polyurethane foam ➤ Elastomeric Sealant (including polysulfide, polyurethane, and silicone) caulk 	<ul style="list-style-type: none"> ✓ Conforms to ASTM C834-65 with silicone ✓ Conforms to ASTM C920-98 ✓ Conforms to ASTM C920-98 ✓ Minimum 10-year life expectancy for ALL materials used ✓ Test all housing units that have combustion equipment ✓ Ambient CO levels must not exceed 9 parts per million
Air Infiltration	<ul style="list-style-type: none"> ➤ Blower Door Testing 	<ul style="list-style-type: none"> ✓ Final air exchange rate of a household treated with infiltration measures will not be less than the table in section 2.5.2
Weather Stripping	<ul style="list-style-type: none"> ➤ Rigid Gaskets 	<ul style="list-style-type: none"> ✓ Must be adjustable and permanently attached to an aluminum carrier ✓ Minimum 10-year life expectancy for ALL materials used

Ceiling Insulation -Measure must include the following: <ul style="list-style-type: none"> • Total # of inches pre-retrofit • Type of insulation pre-retrofit • Condition of insulation pre-retrofit 	<ul style="list-style-type: none"> ➤ Mineral Fiber Blanket ➤ Mineral Fiber Loose Fill ➤ Cellulose ➤ Vermiculite (loose fill) ➤ Perlite (loose fill) 	<ul style="list-style-type: none"> ✓ Conforms to relevant ASTM standard (in order: C665-98, C764-98, C739-97 & C1149-97, C516-80, C549-81) ✓ Existing insulation levels of R-22 and above are in compliance ✓ Existing ceiling insulation below R-22 must be installed to R-30 for compliance with deemed savings standards
Other Insulation	<ul style="list-style-type: none"> ➤ Walls ➤ Knee Wall ➤ Floor (Pier & Beam) 	<ul style="list-style-type: none"> ✓ Install to R-13 ✓ Install to R-19 ✓ Install to R-15
Duct Sealing: Leakage to Outside Testing Methods A return located in conditioned space cannot be sealed to achieve duct efficiency improvements. Return air in conditioned space may be sealed to achieve air infiltration improvement, but all duct leakage testing must be conducted after treating the return air.	<ul style="list-style-type: none"> ➤ Fiber Backed Mastic Compound ➤ Replacement Duct 	<ul style="list-style-type: none"> ✓ Apply to duct joint ✓ Replace with R-4 insulated duct ✓ Minimum 10-year life expectancy for ALL materials used ✓ If return air is found sealed, the duct installation will not be ineligible for incentive ✓ Certified HERS rater must be present during all pre- and post-testing ✓ Failure to complete the prescriptive requirements will result in a total measure failure regardless if the CFM leakage reading meets the requirement

Air Flow Requirements for Duct Efficiency AC Tonnage: <ul style="list-style-type: none"> • 1.5 • 2.0 • 2.5 • 3.0 • 3.5 • 4.0 • 5.0 	Minimum Pre-Leakage Rate (CFM) <ul style="list-style-type: none"> ➤ 120 ➤ 160 ➤ 200 ➤ 240 ➤ 280 ➤ 360 ➤ 400 	Maximum Post-Installation Leakage Rate (CFM) <ul style="list-style-type: none"> ✓ 60 ✓ 80 ✓ 100 ✓ 120 ✓ 140 ✓ 160 ✓ 200
Water Savers	<ul style="list-style-type: none"> ➤ Kitchen Aerators ➤ Bath Aerators ➤ Showerheads 	<ul style="list-style-type: none"> ✓ 1.5 gallons per minute maximum ✓ 1.5 gallons per minute maximum ✓ 2.0 gallons per minute maximum ✓ Proposed Showerheads and aerator replacement models must be submitted for approval
Refrigerators	<ul style="list-style-type: none"> ➤ Two Door/High Efficiency 	<ul style="list-style-type: none"> ✓ 14, 16, 18 cubic feet offered ✓ Maximum size is 18 cubic feet ✓ Proposed Refrigerators must be submitted for approval
Heating, Ventilation, and Air Conditioning (HVAC)	<ul style="list-style-type: none"> ➤ Window Unit ➤ Packaged Unit ➤ Split System 	<ul style="list-style-type: none"> ✓ Must comply with deemed savings values and installation standards in the Texas TRM

Appendix B - Insurance Requirements

Worker's Compensation and Employer's Liability -Project Sponsor and subcontractors of any tier retained by and through Project Sponsor shall purchase Workers Compensation insurance and shall comply with all requirements of Workers Compensation laws of the state in which such work is being performed. Project Sponsor shall in addition carry Employer's Liability Insurance covering all operations and work hereunder in any amount not less than \$500,000 per person. (Likewise, coverage for U.S. Longshoreman's and Harbor Worker's Act, and the Jones Act shall be included with appropriate limits where required.)

General Liability and Automobile Insurance - Project Sponsor agrees to carry at its sole expense, General Liability Insurance, including Broad Form Contractual Liability, Products/Completed Operations, Broad Form Property Damage covering all operations and work hereunder for all liability arising out of injury to or death of one or more persons and injury to or destruction of property in amounts not less than:

General Aggregate	\$2,000,000
Products - Comp/Ops Aggregate	\$1,000,000
Personal & Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Fire Damage (any one fire)	\$ 50,000
Medical Expense (any one person)	\$ 5,000

(An "aggregate" is the most the policy will pay out regardless of the number of claims; "each occurrence" is the maximum the policy will pay on each individual claim.)

SUCH INSURANCE SHALL SPECIFICALLY REFER TO THIS CONTRACT AND SHALL SPECIFICALLY COVER THE LIABILITY ASSUMED BY PROJECT SPONSOR AS STATED WITHIN THE INDEMNITY PROVISIONS OF THE CONTRACT.

Project Sponsor agrees to carry, at its sole expense, Automobile Liability Insurance on all automobiles owned and hired, as well as automobile non-ownership liability insurance in the amounts of not less than \$1,000,000 for all liability arising out of injury to or death of one or more persons in any one occurrence, and not less than \$1,000,000 for all liability arising out of injury or destruction of property in any one occurrence.

The insurance required above shall include CenterPoint Energy as an Additional Insured with respect to all operations and work hereunder and shall provide that such insurance applies separately to each insured against whom claim is made or suit is brought. This insurance afforded to Additional Insured is to be primary of any other valid and collectible insurance. **The insurance required by the above paragraphs shall include a Waiver of Subrogation in favor of CenterPoint Energy.**

Prior to commencing the Work, Sponsor shall furnish CenterPoint Energy certificates of the insurance required in the above sections, which shall be in companies and in form satisfactory to CenterPoint Energy. Such certificates shall provide that thirty (30) days written notice shall be given to CenterPoint Energy prior to cancellation of or material change in the coverage. Subject certificates shall reflect a Waiver of Subrogation in favor of CenterPoint Energy, and CenterPoint Energy as an Additional Insured, as appropriate. In addition, Project Sponsor shall obtain Insurance Certificates from any and all subs at every tier, and insure that subcontractor's coverages meet the requirements of this Contract, prior to the subcontractors beginning Work. Copies of first tier subcontractors' insurance certificates shall subsequently be furnished to CenterPoint Energy by Project Sponsor.

All such insurance required above shall provide insurance for occurrences during the performance of services by Sponsor and all subcontractors pursuant to this contract and for a period of two (2) years after completion of the contract. In the event that any insurance as required herein is available only on a "claims-made" basis, such insurance shall provide for a retroactive date not later than the commencement of work or delivery to CenterPoint Energy of products under this contract and such insurance shall be maintained by Sponsor with a retroactive date not later than the retroactive date required above. If the date purchase of an "optional extension period," "optional claims reporting period" or other similarly titled clause is necessary to maintain coverage as required hereunder, such clause shall provide insurance for all occurrences as required herein, aggregate limits of such insurance shall be reinstated to the full extent permitted by such insurance policy and shall provide insurance for all claims made after completion of the work under this contract by Sponsor. The limits of liability of such insurance as required herein shall remain unimpaired to the full extent permitted by such insurance policy and Project Sponsor shall execute all procedures necessary to remove any such impairment.

FAILURE OF THE PROJECT SPONSOR TO PROVIDE INSURANCE AS HEREIN REQUIRED OR FAILURE OF OWNER TO REQUIRE EVIDENCE OF INSURANCE OR TO NOTIFY PROJECT SPONSOR OF ANY BREACH BY PROJECT SPONSOR OF THE REQUIREMENTS OF THIS PARAGRAPH SHALL NOT BE DEEMED TO BE A WAIVER BY CENTERPOINT ENERGY OF ANY OF THE TERMS AND CONDITIONS OF THIS CONTRACT, NOR SHALL THEY BE DEEMED TO BE A WAIVER OF THE OBLIGATIONS OF THE PROJECT SPONSOR TO DEFEND, INDEMNIFY, AND HOLD HARMLESS CENTERPOINT ENERGY AS REQUIRED HEREIN.

All insurance as required herein shall primary to any other insurance coverage purchased and shall be issued by an insurer licensed to do business in the state of Texas having a Best's Rating of not less than "A" and a net surplus of not less than \$25,000,000. The Sponsor's obligation to provide for the continuation of such insurance shall survive completion of performance by the Sponsor under this Contract. **The above insurance requirements are minimum requirements and shall not limit Sponsor's liability to CenterPoint Energy in any manner.**

Appendix C – Specified Zip Codes and Map

ZIP	AREA	ZIP	AREA	ZIP	AREA
77011	Houston	77334	Dodge	77517	Santa Fe
77024	Houston	77372	Cleveland	77531	Lake Jackson
77059	Houston	77406	Richmond	77534	Angleton
77060	Houston	77417	Rosenberg	77538	Liberty
77079	Houston	77420	Needville	77539	Dickenson
77089	Houston	77430	Needville	77541	Freeport
77090	Houston	77435	East Bernard	77554	Galveston
77093	Houston	77444	Needville	77562	Crosby
77099	Houston	77471	Rosenberg	77577	Angleton
77267	Houston	77478	Sugarland	77578	Manvel
77301	Conroe	77481	City of Thompson	77584	Pearland
77302	Conroe	77484	Waller	77591	Texas City
77303	Conroe	77492	Katy	77598	Webster
77306	Conroe	77511	Alvin	77617	Bolivar Peninsula
77327	Cleveland	77515	Angleton		

