



2026 Hard-to-Reach 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.

CenterPoint Energy (“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 Hard-to-Reach Standard Offer Program (“Hard-to-Reach 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 Hard-to-Reach 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, as defined below, 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”) incentive 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 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.

CNP has designed the Hard-to-Reach 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., 15.2 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:

- CNP 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 Hard-to-Reach SOP must meet eligibility criteria, comply with all Hard-to-Reach SOP rules and procedures, submit Project Application forms and supplemental documentation describing their projects, and execute CNP’s Hard-to-Reach SOP Agreement. CNP requires Project 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, air infiltration, and duct sealing if these measures are to be included in the proposed project. 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](#). CNP requires Project 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 Hard-to-Reach SOP is that CNP will rely upon the marketing capabilities of Sponsors to sell projects to CNP's residential 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 Documenting Participant Eligibility

The PUCT has approved the following forms for the purpose of verifying the income eligibility of customers:

- ❖ E4-TX-Geo-Eligibility Tool:
<https://www.e4-tx.com/>
- ❖ Self-Certification Form of Income Eligibility
https://visionelements.programprocessing.com/framework/CenterPointTX/Single-Family_Combo_With_Fields_eVersion.pdf

These forms outline the various methods in which participants may certify their eligibility. The procedure for verifying eligibility is based on "self-certification." The Project Sponsor will present the form to the customer, and he/she will check appropriate boxes, provide other information where required, and sign the form. The customer needs to complete the form, and it should not be typed. It is not the Project Sponsor's responsibility to verify the information provided by the customers.

Copies of the income eligibility forms are available on the program database. **Project Sponsors must include these signed forms with every Site for single family homes and with every project for multifamily complexes.** Project Sponsors may, with CNP approval, alter the layout of these documents, but may not change the wording or the order of the wording.

Target populations identified below whose income are verified by an appropriate social service agency or organization would require no additional income verification effort.

2.3.1 Eligibility of Hard-to-Reach Customers

Hard-to-Reach SOP customers are defined as customers with a total household income of less than 200% or [federal poverty guidelines](#).

For purpose of this program, a household is eligible if it meets HUD or HHS low-income criteria [$\leq 80\%$ Area Median Income (AMI) or $\leq 200\%$ of the federal poverty level (FPL) guidelines].

The current published guidelines are as follows:

Size of Family	200% of Federal Poverty Guideline
1	\$31,920
2	\$43,280
3	\$54,640
4	\$66,000
5	\$77,360
6	\$88,720
7	\$100,080
8	\$111,440
Each additional person, add	\$11,360

Hard-to-Reach SOP customers may also be eligible to participate if they receive benefits from one or more of the programs listed below:

- Food Stamps
- Temporary Assistance to Needy Families (TANF)
- Children's Health Insurance Program (CHIP)
- Medical Assistance
- Qualified Medicare Beneficiary
- Supplemental Security Income (SSI)
- Public Housing, Section 8, or other Housing Authority Assistance

For multifamily projects, the property manager will provide eligibility information, not the individual tenants. Projects are eligible to receive Hard-to-Reach SOP incentive payments for all units if 75% or more of the residents qualify as Hard-to-Reach. A multifamily property automatically qualifies if the residential units are individually metered, and the property participates in one or more of the following programs:

- Public Housing Authority
- Multifamily Bond Program
- Project-based Section 8
- HOME Rental Housing Development
- Housing Trust Fund
- Low-Income Housing Tax Credit Programs
- Affordable Housing Disposition Programs
- Rural Rental Section 515 (FMHA)

2.3.2 Eligibility of Hard-to-Reach Underserved Zip Codes

The PUCT has approved the following for purpose of verifying underserved communities. CenterPoint Energy has identified specific zip codes listed on Appendix C, as underserved.

- ❖ Hard-to-Reach Eligibility Form

[https://ftp.puc.texas.gov/public/puct-info/industry/electric/forms/ee/HTR-Combo E-VERSION.pdf](https://ftp.puc.texas.gov/public/puct-info/industry/electric/forms/ee/HTR-Combo_E-VERSION.pdf)

2.4 Eligible Energy Efficiency Projects

Residential electric distribution customers of CNP 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 CNP's written approval. Projects are subject to a pre-installation inspection of the property, and the approval of proposed project prior to the installation of any measures. CNP's 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
<u>Envelope Measures</u> • Insulation: ceiling, wall and floor • ENERGY STAR® windows • Air infiltration control • Duct efficiency • Radiant Barrier <u>Heating, Cooling and Ventilation Measures</u> • 15.2 SEER2+ HVAC changeouts • Ground source heat pumps • Window air conditioners • Duct sealing <u>Water Heating Measures</u> • 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 <u>Appliances</u> • Energy-efficient refrigerators • Energy-efficient dishwashers • Energy-efficient washer • Energy-efficient dryers • LED Lighting	• Measures that do not raise efficiency above current standards • 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: ○ Duct efficiency ○ Air infiltration ○ ENERGY STAR® windows ○ Ceiling insulation

Project Sponsors may propose innovative or non-traditional energy efficiency measures. Equipment in all end 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).

- 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, duct efficiency and air infiltration measures must be applied to the whole home. Multiple-story homes cannot be treated on a per-story basis.
- Incentives are only available for measures installed in homes that are occupied, or currently under restoration and have fully operational HVAC equipment. Homes under restoration require CenterPoint Energy's pre-approval and permanent meter installed.
- 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, CNP 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. Costs of repairs will not be reimbursed by CNP.

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.

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

2.5.1 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

Incentive rates are based on the project's peak demand (kW) and annual energy (kWh) savings. Project Sponsors are not required to calculate the deemed savings as long as they perform the installation of measures within the specifications of the Technical Reference Manual.

Deemed savings use pre-determined average kW and kWh savings for each measure. The Project 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

CNP has budgeted a total of \$2,500,000 in incentives for the HTR SOP for 2026. The incentives will be allocated amongst accepted Project 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 measures being installed assists CNP in achieving its energy efficiency goal.

3.2 Incentive Rates

The incentive rates listed below represent the current flat rates per measure. Measures not included will have incentives determined based on kW and kWh savings using the “Other Measures” rate.

Ceiling Insulation

Refrigerated A/C HTR	Post-Treatment Insulation	Electric Resistance	Gas Heating	Heat Pump
<R5	R-30	\$1.15/sq ft	\$0.70/sq ft	\$0.75/sq ft
R5-R8		\$0.80/sq ft	\$0.50/sq ft	\$0.50/sq ft
R9-R14		\$0.42/sq ft	\$0.25/sq ft	\$0.31/sq ft
R15-R22		\$0.20/sq ft	\$0.13/sq ft	\$0.15/sq ft
<R5	R-38	\$1.21/sq ft	\$0.73/sq ft	\$0.79/sq ft
R5-R8		\$0.86/sq ft	\$0.53/sq ft	\$0.54/sq ft
R9-R14		\$0.48/sq ft	\$0.28/sq ft	\$0.35/sq ft
R15-R22		\$0.26/sq ft	\$0.16/sq ft	\$0.19/sq ft
<R5	R-49	\$1.30/sq ft	\$0.78/sq ft	\$0.84/sq ft
R5-R8		\$0.95/sq ft	\$0.58/sq ft	\$0.59/sq ft
R9-R14		\$0.57/sq ft	\$0.33/sq ft	\$0.40/sq ft
R15-R22		\$0.35/sq ft	\$0.21/sq ft	\$0.24/sq ft

Wall Insulation

Refrigerated A/C	Electric Resistance	Gas Heat or Heat Pump
R-0 -> R-13 (2x4 walls)	\$0.75/sq ft	\$0.40/sq ft
R-0 -> R-17 (2x6 walls)	\$0.80/sq ft	\$0.40/sq ft
R-4 -> R-13 (2x4 walls)	\$0.30/sq ft	\$0.20/sq ft
R-4 -> R-17 (2x6 walls)	\$0.35/sq ft	\$0.20/sq ft

Air Infiltration and Duct Sealing

Air Infiltration & Duct Sealing - HTR			
Air Infiltration 10% Improvement		\$325	
Air Infiltration 15% Improvement		\$400	
Air Infiltration 20% Improvement		\$475	
Duct Sealing	Standard Approach, $\geq 10\%$ of Max Eligible Pre-Treatment CFM leakage		\$1.35/CFM Reduced
	Alternate Approach	Low	\$300
	Alternate Approach	Average	\$475
	Alternate Approach	High	\$700

HVAC measures

Replace on Burnout				
A/C Units	15.2-15.9 SEER2		16 SEER2 +	
	\$150/ton		\$200/ton	
Heat Pump Systems	7.5-9.0 HSPF2	9.1+ HSPF2	7.5-9.0 HSPF2	9.1+ HSPF2
	\$250/ton	\$300/ton	\$300/ton	\$350/ton
ENERGY STAR Smart Thermostat			\$100/thermostat	
ENERGY STAR Room Air Conditioner			<8,000 BTU	\$175
			$\geq 8,000$ BTU	\$200

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

ENERGY STAR Appliances

ENERGY STAR Appliance Measures	
ENERGY STAR Appliances	\$100 per Appliance
Heat Pump Water Heater	\$750

ENERGY STAR Windows

Window Measures		
ENERGY STAR Windows (single pane upgrade)		\$2.00 per sq. ft.
ENERGY STAR Windows (double pane upgrade)		\$1.25 per sq. ft.
Solar Screens (West/South facing)	Electric Resistance Heat	\$1.25 per sq. ft.
	Gas Heat or Heat Pump	\$1.75 per sq. ft.

Direct Install Measures

Direct Install Measures	
Faucet Aerators	\$5
Low Flow Showerheads	\$20
Pipe Wrap Insulation	\$1/ft.

Other Measures

Other Standard Measures - HTR	
\$275/kW	\$0.09/kWh

3.3 Adjustments to Incentive Payments

Incentive payments may be adjusted in any of the following instances at CNP's sole discretion:

- 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](#).
- CNP 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 Hard-to-Reach Offer Program operates on a year-round basis and will accept project applications at any time, subject to the availability of program funds. There is no formal application submission deadline. Project Sponsors are encouraged to submit applications as early as possible to ensure incentive availability and allow sufficient time for project completion within the program year.

Incentive funds will be reserved and allocated on a **first-come, first-served basis**, contingent upon receipt of complete and eligible applications. Once program funds are fully committed, additional applications may be placed on a waitlist or deferred to the next program year, at the discretion of the CNP.

Any extensions to project completion timelines, or requests that deviate from standard program requirements, will require prior review and approval by the Program Manager, Nora Luna.

4.2.1 Work Hours

Project Sponsor work hours are Monday – Friday, 8am-4pm central standard time. 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, Project Sponsors may “fill-in” appointments at the discretion of the Program Manager and Inspection team. “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 CNP holidays:

New Year’s Day	Thursday	Jan. 1, 2026
MLK Jr. Day	Monday	Jan. 19, 2026
Memorial Day	Monday	May 25, 2026
Independence Day	Friday	July 3, 2026
Labor Day	Monday	Sept. 7, 2026
Thanksgiving Day	Thursday	Nov. 26, 2026
Day after Thanksgiving	Friday	Nov. 27, 2026
Christmas Eve	Thursday	Dec. 24, 2026
Christmas Day	Friday	Dec. 25, 2026

4.3 Project Milestones

CNP reserves the right to withdraw some or all the Project 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
- 100% of budget spent by December 1st

4.4 Payment Procedures

The Project Sponsor will receive incentive payments within forty-five (45) days after submitting a complete monthly project, subject to a CNP inspection and written CNP approval. Any administrative errors will be given a five (5) day correction period. Errors not corrected within five (5) days 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):** Project Sponsors may download the pre-approved HCA from the website. This is a standard agreement executed by the Project Sponsor and customer, which includes all the customer protection provisions and disclosures required by the PUCT.
2. **Single-Family or Multifamily Income Eligibility Form for Full-Incentive energy Efficiency Services:** Project Sponsor may download the Single-Family or Multifamily Income Eligibility developed by the Public Utilities Commission to certify income eligibility.
 - a. If eligible through Category 1C: Eligible through geographic location, Project Sponsor must include E4-TX certificate obtained at <https://www.E4-tx.com/>
3. **Hard-to-Reach Eligibility Form for Increased Incentive Energy Efficiency Services:** Project Sponsor may download the Hard-to-Reach Eligibility Form.
 - a. If eligible through Residential Hard-to-Reach Customer, 2nd box. List of eligible zip codes available in Appendix C.

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 CNP 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 CNP'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](http://www.texasenergy.com/index.php/emv)<http://www.texasenergy.com/index.php/emv>. 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.

4.6.1 Home Envelope Measure Inspection Process

All newly enrolled Project Sponsors who are planning to install single-family home envelope measures (Ceiling/Wall Insulation, Duct Efficiency, Air Infiltration) are required to complete an initial quality assurance onboarding period of 100% mandatory field inspection consisting of the first ten (10) projects that are submitted by the Project Sponsor. Project Sponsors must coordinate with CenterPoint Energy to align a pre-and-post inspection for each project.

Upon the successful completion and approval of these initial ten (10) projects, Project Sponsors will be subject to periodic field inspections with notice by CenterPoint Energy, as described below:

CenterPoint Energy

- CenterPoint Energy will notify the Sponsor at least 24 hours in advance that projects completed during an upcoming period of one (1) to five (5) working days are subject to inspection.

Sponsor Requirements

- The Sponsor must provide a list of homes scheduled (including address and time scheduled) for the working period selected by 12 am on the first working day of that period; or
- On each working day of the working period, the Sponsor must provide a list of homes scheduled for that day (including address and time scheduled) by 12 am.

Homes not provided to CenterPoint Energy during the 5-day working period are not eligible for submittal to receive incentives

4.6.2 Corrective Action Procedures

The Quality Assurance component of the CenterPoint Energy Hard-to-Reach Offer Program serves a dual purpose: first to ensure that contractors are meeting all program guidelines and technical standards and second to provide a mechanism for constructive feedback intended to improve their diagnostic capabilities, comprehensiveness and quality of work and customer relations. It is a program goal to deliver Quality Assurance communications in a positive spirit of assistance, education, and continuous improvement.

The Program’s process for evaluating and managing contractor performance may include the following:

- 1st Violation: The Project Sponsor and dealer will be notified and counseled by the Program’s Administrator.
- 2nd Violation: The Project Sponsor will again be notified, and the incentive will be forfeited for the invoice.

- 3rd Violation: The Project Sponsor will be suspended from the Program for the remainder of the program year as determined appropriate by CenterPoint Energy.

4.6.3 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).

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

4.6.4 Additional Reporting Procedures for HVAC

For Project 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.

4.6.5 Multifamily Inspection Process

Multifamily projects submitted for pre-approval are subject to an inspection prior to receiving pre-approval. The inspection will be scheduled by a CenterPoint Energy (CNP) representative.

The Sponsor is responsible for coordinating the inspection date with the property owner or property management representative and ensuring that all required notices are provided to residents in advance of the scheduled inspection.

CNP may defer or deny pre-approval if the required inspection cannot be completed because access has not been timely arranged or required notices have not been provided.

5. Application Procedures

5.1 Application Process

CNP has determined that the fairest and least-cost application procedure is to accept Project Sponsor 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 Project 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; and names, addresses, etc., of subcontractor.
- Project Sponsors shall be responsible for conducting criminal background checks on all personnel who will be working in the home or on the property of any CNP 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 CNP. Prior to engaging in any work on the Program, Project Sponsors 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

CNP 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. CNP will also consider a Project's Sponsor's performance in past or current CNP efficiency programs. A poor performance in the 2026 Hard to Reach Standard Offer Program, the Project Sponsor's application should include the following:

- A statement of the Project 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 Project 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 Project Sponsor or subcontractor, as well as any pending litigation involving the Project Sponsor or subcontractor.
- For Project 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 Project Sponsor must submit all applicable licenses, photo identification for any subcontractor used.

5.1.3 Additional Requirements for Project Sponsors Proposing to Perform Air Infiltration or Duct Sealing

For Project Sponsors proposing to include air infiltration and/or 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 these measures as part of their projects.

- Project Sponsors will be permitted to schedule two (2) homes for air infiltration and/or duct efficiency per day.
- The Project Sponsor should indicate whether air infiltration and/or 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.
- Project Sponsor must provide a description of previous experience in providing this service, including other Texas Utility projects completed.
- Project Sponsor must provide a listing of certifications/licenses held by certified HERS raters who will be on site during installation.
- Project Sponsor must provide description of the equipment and techniques to be utilized when measuring air infiltration and/or duct leakage.

For Sponsors seeking to utilize the Standard Approach:

TRM Version 13, Volume 2, Section 2.2.9 – Duct Sealing Measure Overview

[Duct Leakage Testing \(Standard Approach\)](#)

- Leakage-to-outside must be directly measured.
- Testing must be conducted using the Combination Duct Blaster (or equivalent) and blower door method.
- Leakage rates must be measured and reported at 25 Pa.

5.2 Estimated Impacts

Project 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. Project 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 Project 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

CNP will review every application and notify Project 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 Project 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.
- Project Sponsor fails to meet eligibility requirements.
- Project Sponsor is unresponsive to requests for additional information.
- Project Sponsor has made material misrepresentations in the application.
- Project 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.
- CNP Program Manager determines that the Project Sponsor is incapable of fulfilling the terms and conditions of the HTR Agreement.

Any Project Sponsor who is denied entry into the Hard-to-Reach SOP program may apply again later in the year. CNP will only allow two applications per Sponsor per program year.

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

After approval, CNP will assign an initial allocation of incentive dollars to each Project Sponsor. Project 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). **Project Sponsors may not spend more than their assigned incentive allocation without CNP approval.**

5.5 Other Important Program Information

CNP 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.

CNP'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. CNP will have no liability to any Project Sponsor or other party as a result of public disclosure of any submittals.

CNP 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: • Weather strip all outside doors • Seal all cracks and other flaws • Foam gaskets on all outside walls • Seal attic access • Carbon Monoxide Testing	➤ Acrylic latex plus silicone sealing compounds ➤ Polyurethane foam ➤ Elastomeric Sealant (including polysulfide, polyurethane, and silicone) caulk	✓ 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	➤ Blower Door Testing	✓ 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	➤ Rigid Gaskets	✓ 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: • Total # of inches pre-retrofit • Type of insulation pre-retrofit • Condition of insulation pre-retrofit	➤ Mineral Fiber Blanket ➤ Mineral Fiber Loose Fill ➤ Cellulose ➤ Vermiculite (loose fill) ➤ Perlite (loose fill)	✓ 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	➤ Walls ➤ Knee Wall ➤ Floor (Pier & Beam)	✓ 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.	➤ Fiber Backed Mastic Compound ➤ Replacement Duct	✓ 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: • 1.5 • 2.0 • 2.5 • 3.0 • 3.5 • 4.0 • 5.0	Minimum Pre-Leakage Rate (CFM) ➤ 120 ➤ 160 ➤ 200 ➤ 240 ➤ 280 ➤ 360 ➤ 400	Maximum Post-Installation Leakage Rate (CFM) ✓ 60 ✓ 80 ✓ 100 ✓ 120 ✓ 140 ✓ 160 ✓ 200
Water Savers	➤ Kitchen Aerators ➤ Bath Aerators ➤ Showerheads	✓ 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	➤ Two Door/High Efficiency	✓ 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)	➤ Window Unit ➤ Packaged Unit ➤ Split System	✓ 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 ensure 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 be 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 – Underserved Zip Codes

Austin	Brazoria	Chambers	Colorado	Fort Bend	Galveston	Liberty	Matagorda	Montgomery	Waller	Wharton
77418	77430	77520	77434	77417	77510	77575	77430	77302	77423	77420
77474	77422	77597		77433	77517		77414	77339	77445	77434
77485	77480	77535		77441	77518		77456	77345	77447	77435
78933	77486	77597		77444	77554		77482	77354	77484	77437
	77511			77449	77563			77355		77468
	77515			77450	77565			77356		
	77531			77461	77568			77357		
	77534			77469	77571			77362		
	77541			77471	77573			77365		
	77566			77478	77590			77381		
	77577			77479	77591			77384		
	77578			77488				77385		
	77581			77494				77386		
	77583			77545						
	77584									
	77420									

Harris County				
77002	77024	77049	77078	77375
77003	77026	77050	77081	77379
77004	77027	77051	77082	77380
77005	77028	77052	77085	77389
77006	77029	77053	77087	77396
77007	77030	77054	77088	77401
77009	77032	77055	77091	77429
77010	77033	77056	77093	77493
77011	77036	77058	77094	77494
77012	77037	77059	77095	77504
77013	77038	77061	77096	77505
77014	77039	77068	77097	77507
77016	77041	77069	77098	77530
77019	77043	77070	77336	77532
77020	77046	77071	77339	77562
77021	77047	77074	77345	77586
77022	77048	77076	77346	77587