



# RESIDENTIAL INSTALLER

# MONITORING, SUSPENSION, and DELISTING PROCEDURES

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## PUD #1 OF SNOHOMISH COUNTY

## RESIDENTIAL ENERGY EFFICIENCY

## Single Family Residential Loan and Incentive Programs

Effective Date: October 1, 2010

### **1. Introduction:**

The District operates conservation and energy efficiency programs that provide loans and incentives to customers desiring to have approved energy efficient measures installed in their residences. The measures must be installed by District approved installers or the home owner. This procedure describes the decision-making process involved in listing, monitoring, suspending and delisting installers participating in the District's residential incentive and loan programs.

This replaces the Residential Installer Monitoring, Suspension, and Delisting Procedures of October 1, 2009. With this, the District makes changes in its programs for monitoring Installer performance, suspension and delisting. Monitoring benefits the District, our customers, and our Registered Installers in several ways;

1. Customers are more at ease and have greater satisfaction knowing the District is monitoring the Installers' performance.
2. Installers not meeting requirements may not be issued any new jobs and may be delisted. This results in the Program having high quality Installers.

3. Registered Installers get the opportunity to bid on jobs for the District Programs, providing potential income for the Installers.

The District will apply the following standards to Installer performance:

1. The pass rate for all inspections over the most recent consecutive six (6) month period shall be 80% or greater. (In-progress inspections are not included in this calculation.)
2. Jobs will be completed and turned in for a final inspection within three (3) months of the Energy Services Authorization's ('ESA' or 'authorization') issue date.
3. Remedial and Minor Deficiency work will be completed and have an inspection requested by the Installer within one (1) month from the date of notice of such deficiencies.
4. Any and all jobs that have failed or have a minor deficiency from the first inspection must pass on the next inspection.
5. All issued authorizations (jobs) shall be completed and have passed the District's final inspection within six (6) months of the authorization issue date.
6. Installers shall complete no less than four (4) jobs in the most recent consecutive twelve (12) month period.
7. Installers shall have no more than two (2) suspensions in the most recent consecutive twelve (12) month period.
8. Installer is required to maintain a current District performance bond, state bond, licensing, and insurance. Updated or new copies of such shall be provided to the District prior to expiration of the current documents.
9. The number of written Customer complaints received shall be less than two (2) within any twelve (12) consecutive months period.

## **2. Monitoring of Inspection Pass Rate:**

### ***A. Standard***

1. The minimum pass rate for all inspections in the most recent six (6) consecutive month period shall be 80% or greater. Installer pass rates are calculated counting every final inspection. As an example; if a job is inspected three (3) times, failing the first and second inspection and passing on the third inspection, the Pass rate would be 33%, 2 Fails and 1 Pass. "In-progress inspections" are not included in the calculation of the Pass rate. New Installers shall be allowed six (6) months from their date of approval as a District Registered Installer to complete and pass their first job.

### ***B. Procedure***

1. All inspections are monitored monthly for pass/ fail rates.
2. Any Installer with a pass rate less than 80% for the most recent six (6) consecutive month period will be sent a warning that their pass rate does not meet the minimum standard.
3. Installers who receive a warning will be given an additional six (6) months to achieve a minimum pass rate of 80% for the prior twelve (12) month period. Failure to achieve this rate may result in the Installer being permanently delisted (removed from the District's List of Registered Installers). If the Installer fails to complete and pass any jobs in the additional six (6) month period, the Installer may be delisted.
4. Installers that do not complete at least four jobs within the most recent consecutive twelve (12) month period may be delisted.

### 3. Delisting

#### ***A. Standard***

1. Installers may be delisted from the Programs for program violations. Installers will be automatically delisted for kickback, rebate, fraud, other statutory violations, or unlawful activities associated with the program. Prior to any delisting, the evidence and allegations will be reviewed with the District's General Counsel for sufficiency. The installer will be notified of the District's action.

#### ***B. Procedure***

1. The Program Manager will recommend the delisting of an Installer.
2. When the Program Manager recommends delisting an Installer, the Manager of Residential and Renewable Programs will be notified, and the rules of this monitoring procedure will be followed. This procedure provides for an appeal hearing if the Installer requests one.
3. The decision to bar an Installer from the list, to suspend, or to delist may be appealed to the Energy Efficiency Senior Manager. The request for appeal must be made within thirty (30) calendar days of the action. Upon receipt of a request for appeal, the delisting action will be suspended pending a final decision and no new work will be authorized. The District will act upon a request for appeal within twenty (20) working days of receipt of such request. The decision of the Energy Efficiency Senior Manager shall constitute the final action of the District.
4. Once delisted for any reason other than not completing the minimum number of required jobs, Installers may no longer participate in the District's Programs for five (5) years. After five (5) years from their delisting date, the Installer may reapply to be listed as a District Registered Installer. Installers delisted for not completing the minimum number of required jobs may reapply to be listed as a District Registered Installer after two (2) years from their delisting date. When a delisted Installer reapplies, the Program Manager shall review

the Installer's application and previous District records. Up on completion of the review, the Program Manager shall make a recommendation to the Manager of Residential and Renewable Programs as to allowing the Installer back in as a District Registered Installer. The Manager of Residential and Renewable Programs has the authority to make a final decision.

5. An Installer may be barred from the District Registered Installers List. A barred Installer may not be allowed to be a business or a principal of any business on the District Registered Installers List. This prevents the barred installer from participation in the residential conservation and energy efficiency programs.

#### **4. Monitoring of Time Required to Complete Job.**

##### ***A. Standard***

1. Weatherization jobs are required to be completed and have the authorization (ESA) turned in for a first inspection within three months of the issue date.
2. Only one extension of the completion date will be allowed when there is a legitimate reason for delay as solely determined by the District. The completion date will fall in the third month after the month of issue and will be the same date as the date of issue. The date of issue is the date the District mails the authorization to the Installer. If the completion date falls on a Saturday, Sunday, or District holiday, the deadline for requesting an extension will be the last business day prior to the completion date.
3. The maximum extension will be three months.
4. Installers are expected to complete jobs on time so that suspensions and the filing of bond claims by the District are unnecessary. The District's filing of a bond claim against an Installer's bond, according to the rules of this monitoring procedure, will be considered evidence of unsatisfactory performance and will result in the Installer being delisted and barred from further participation in the District's programs.

5. Homeowners are expected to cooperate with Installers by providing access to buildings being weatherized and by complying with District procedures. Delays determined by the District to be due to Homeowners will not count against the Installer.

***B. Procedure***

1. The District will monitor times elapsed since the dates of issuance of job authorizations.
2. The District will suspend an Installer who has a job outstanding which exceeds the time allowed to complete the job. The suspension shall be for a minimum of one (1) month and shall continue until the job is completed. Completion of a job is evidenced by the job passing a District inspection.
3. When a job cannot be completed within the three-month limit, the Installer has several alternatives to suspension:
  - a. Cancellation of the contract with consent of the homeowner.
  - b. Amendment of the contract with consent of the homeowner and the District to permanently cancel work not completed so the District can proceed with inspection of work which has been completed.
  - c. Extension of the completion date to allow the Installer time to complete the installation.
  - d. Extension of the completion date to resolve a delay caused by the homeowner.

## **5. Extension of completion date.**

### ***A. Standard***

1. Only one extension will be permitted by the District.
2. Extensions shall not exceed three (3) months.

### ***B. Procedure***

1. The Installer will request an extension using a District form. To avoid suspension, the Installer must submit the written extension request before the completion due date for the job.
2. If the delay is being caused by an installation problem the extension request will state the reason for the delay and will document the Installer's commitment to complete the job on or before a definite, named date.
3. If the delay is being caused by the homeowner, the Installer may request an extension to avoid suspension. The Installer will use the Extension Request form to notify the District of the problem. When so notified the District will use its discretion in resolving the matter with the homeowner. The District will ordinarily require the job to be completed within three (3) months of the issue date and may withdraw its authorization of funds for any part of the job which cannot or will not be completed within six (6) months. Following notification of such a delay by the Installer involved, the District may, upon verification of homeowner responsibility, extend the completion date. The Installer will not be subject to suspension or delisting in such a case, if the District is properly notified of the reason for delay before the original required completion date.
4. The District will grant extensions, if solely in the District's opinion, the request is for good cause to a definite date. If an extension request is denied and the job is over three (3) months old, the Installer shall be placed in suspension for one (1) month and until the job is completed. Completion of a job is evidenced by the job passing a District inspection.

## **6. Automatic Suspension of Registered Installers**

### ***A. Standard***

1. All jobs shall be completed within three (3) month of the authorization issue date.
2. The Installer shall supply to the District copies of their current District bond, insurance certificates, contractor's license, and Washington State's Master License Service – Registration and Licenses. All renewals shall be submitted to the District before the previous document expires.
3. The District will allow only two (2) suspensions during any consecutive twelve (12) month period. An Installer who fails to maintain the minimum standard for any consecutive twelve (12) month period may be delisted.

### ***B. Procedure***

1. Failure to complete a job within the three-month limit or by the extended completion date will result in an automatic suspension until the job has passed a final inspection and the one (1) month suspension period has lapsed.
2. Failure to provide current (not expired) documents for the District's bond, general liability and automobile liability insurance certificates, copy of the Installer's contractor license, and a copy the Installer's Washington State Registration and Licenses will result in an automatic suspension of one (1) month. Failure to provide current documents by the end of the suspension period may result in delisting.
3. During a suspension the District will not accept new bids or issue job authorizations to the suspended Installer.
4. During a suspension, homeowners wishing to order work from the suspended Installer under the District's program will be told the Installer is not eligible to receive the authorization and will be offered the options of waiting until the suspension is lifted or contracting work from a different Installer.

5. Suspension will continue until the following occurs:
  - a. The job is completed, turned in for inspection, and has passed a District inspection
  - or**
  - b. The contract is canceled with the homeowner's consent and the District's authorization is canceled
  - or**
  - c. The contract is amended with the homeowner's and District's consent to permanently cancel work not completed so the District can prepare a final authorization and proceed with inspection of work which has been completed.
  - and**
  - d. All required documents are updated, current, and received by the District.
  - and**
  - e. The one (1) month suspension period has lapsed.
6. When an Installer fails to maintain the minimum standard after receiving two (2) suspensions in any consecutive twelve (12) month period, the Program Manager will review the Installer's records and if deemed appropriate, recommend delisting from the Manager of Residential and Renewable Programs.
7. If the Manager of Residential and Renewable Programs approves delisting, the Installer and Energy Efficiency Senior Manager will be notified and delisting will occur. This process provides for an appeal hearing if the Installer requests one.

## **7. Automatic Filing of Bond Claim.**

1. For an Installer who is no longer registered with the District, failure to complete a job within the allowable limit will result in the District's filing of a bond claim for completion of the job with the Installer's bonding company.
2. For an Installer who is registered with the District who has been suspended for non-completion of a job, failure to complete the overdue job within one (1) month may result in the District's filing of a bond claim for completion of the job with the Installer's bonding company.
3. Filing of a bond claim by the District due to non-completion of job(s) by an Installer will be deemed conclusive evidence of unsatisfactory performance and the installer may be delisted.

## **8. Monitoring for Timely Performance of Remedial and Minor Deficiency Work**

### ***A. Standard***

1. Suspensions of one (1) month imposed for failure to complete remedial or minor deficiency work are automatic and are intended to insure that the remedial or minor deficiency work is completed before any new orders are accepted or issued to the Installer.
2. This type of suspension will be lifted as soon as the job is turned in for re-inspection, has passed a District inspection, and the one (1) month suspension period has lapsed.
3. An Installer may appeal to the Program Manager to lift an automatic suspension for failing to complete remedial work only for the following reasons:
  - a. The remedial or minor deficiency work does not need to be done.
  - b. The remedial or minor deficiency work has already been completed.
  - c. It is not feasible or possible to do the remedial or minor deficiency work.

4. The maximum time period allowed for completion of remedial and minor deficiency work is one (1) month.
5. The District will allow only two (2) suspensions during any consecutive twelve (12) month period. An Installer who fails to maintain the minimum standard for any consecutive twelve (12) month period may be delisted.
6. An Installer may request an extension for remedial or minor deficiency to allow extra time to complete the work. The job for which an extension is granted will not count against the Installer in the monitoring program. The extension must be requested of the Program Manager in writing before the end of the one month period. The Program Manager may approve an extension for which there is a valid reason. Generally speaking, a valid reason would be a cause for delay which was out of the Installer's control.

***B. Procedure***

1. The District will monitor and check times elapsed from issuance of remedial notices and minor deficiencies to requests for re-inspections.
2. Any Installer who has failed to perform remedial or minor deficiency work within the one-month limit will be automatically suspended from the District's list of Registered Installers for a period of one (1) month and until the remedial or minor deficiency work has been completed and passed a re-inspection unless an extension request has been approved according to section 5. *Extension of completion date.*
3. Any Installer who requests a re-inspection without having performed and completed all remedial and minor deficiency work on the job will be automatically suspended for one (1) month and until the remedial work has been completed and passed a District inspection.
4. For an Installer who has withdrawn from the program, the District may file a bond claim to ensure completion of such a job.

**9. Customer Complaints**

***A. Standard***

1. Installers are expected to resolve all Customer complaints, concerns, and problems before they become an issue with the District.
2. Installers shall receive no more than one (1) written complaint within any twelve (12) consecutive month period.

***B. Procedure***

1. The District will monitor the number of complaints received from Customers.
2. The number of written Customer complaints received shall be less than two (2) within any consecutive twelve (12) month period.
3. An Installer receiving two (2) or more written Customer complaints within a consecutive twelve (12) month period will be reviewed and may be suspended for up to two (2) months or delisted from the District's list of Registered Installers.
4. Verbal complaints will be addresses as needed and may result in a suspension or delisting.

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