

DRAFT:
For Discussion Purposes

**CONFLICTS OF
INTEREST POLICY**

**FOR THE CALIFORNIA TECHNICAL FORUM
(CAL TF)**

December 10, 2013

I. BACKGROUND

The California Technical Forum (Cal TF) wishes to maintain the highest integrity in all its operations, in part, by being aware of and managing properly all conflicts of interest.

This Policy applies to Cal TF Policy Advisory Committee (PAC) Members, Technical Forum (TF) Members (including Voting, non-voting, and Subcommittee Members), and TF Staff (including the TF Chair, TF Vice-Chair and the TF administrative and engineering staff) (“Covered Party” or “Covered Parties”) and is designed to help identify and manage conflicts and appearances of conflicts to promote accountability and transparency in Cal TF operations and decisions.

II. POLICY

It is the policy of the Cal TF that Covered Parties shall not participate in any Cal TF Transaction in which they have a financial interest. It is also the policy of the Cal TF that Covered Parties should not participate in any Cal TF Transaction in which there is an appearance of a conflict of interest.

Imputed financial interests. The financial interest, and appearance of a conflict of interest, of the following will be imputed to a Covered Party as if it were their own: spouse; domestic partner; immediate family; member of the household; an organization or entity for which a covered party serves as officer, director, trustee, general partner or holds an ownership interest in.

A. Definitions

- 1) “Cal TF Staff” includes members of the PAC, PAC Chair and Vice-Chair, TF Chair and Vice-Chair, the TF administrative and engineering staff (as assigned by the TF Chair).
- 2) Having a “financial interest” in a Cal TF Transaction means a person, organization or entity stands to gain or lose money or business as a direct result of the Cal TF Transaction, no matter the amount.
- 3) “Cal TF Transaction or Transaction” is a PAC, TF, or TF Subcommittee vote regarding any of the following:
 - Costs and savings of energy efficiency or other demand-side measures, including demand response or renewable resource measures.
 - Technical recommendations on standardized protocols for verification and evaluation of energy savings.
 - Savings calculation methodologies.
 - Measure technical specifications.
 - Measure life.
 - Adoption of a published report, database, work plan, scope of work, finding, research recommendation or request for proposals.

- A Cal TF discussion or vote on a contract for performance of services for the Cal TF.
 - A Cal TF discussion or vote on contractor qualifications or review of proposals.
- 4) “Appearance of a conflict of interest” occurs when a Covered Party has a relationship to a Cal TF Transaction such that a reasonable person, fully apprised of all the relevant circumstances, could call into question their impartiality with respect to the Cal TF Transaction.

B. Examples

The following examples are not exhaustive, but illustrate the application of this Policy. A conflict of interest occurs when a Covered Party:

- Is a party to a contract with the Cal TF that is the subject of a Cal TF Transaction; or
- Has a financial interest in an entity that has or seeks a business relationship with the Cal TF, which transaction is the subject of a Cal TF Transaction; or
- Will receive incentive pay or a bonus as a result of his/her participation in a particular Cal TF Transaction; or
- Accepts any gift or entertainment with a value over \$50 from an individual or entity involved in a Transaction with the Cal TF.

C. Exclusions

A conflict of interest does not arise solely by virtue of an existing employment or other business relationship with an entity that funds the Cal TF.

To the extent that Covered Parties may work for utilities, regulate utilities, or make recommendations to utilities, their participation in the ordinary course of Cal TF business may have a financial impact on utilities they work for, regulate or make recommendations to. So long as any financial impacts of a Cal TF Transaction accrue to utilities generally and not to the Covered Party specifically, the Covered Party’s participation in the Cal TF Transaction will not constitute a conflict of interest under this Policy.

III. PROCEDURE

A. Disclosure Required

- 1) A Covered Party must disclose to the TF Chair or TF Vice-Chair the material facts pertaining to a conflict of interest or an appearance of a conflict **prior** to any discussion related to the Cal TF Transaction. If the conflict of interest or appearance of a conflict of interest applies to the TF Chair or TF Vice-Chair, the disclosure must be to the PAC Chair.
- 2) If a Covered Party is unclear whether a particular situation gives rise to a conflict of interest or constitutes an appearance of conflict of interest, the Covered Party must disclose the material facts of the situation to the TF Chair or the TF’s Vice-Chair. The

TF Chair or designee shall determine whether a conflict of interest or appearance of conflict of interest exists. The TF Chair may delegate this decision to a vote of the TF Voting Members not involved in the potential conflict but only if the Covered Party consents to the disclosure of the material facts. If the Covered Party does not agree to such disclosure, the TF Chair or the TF Vice-Chair designee shall determine whether an actual conflict or appearance of conflict of interest exists. Alternatively, the Covered Party may recuse themselves from the Cal TF Transaction.

B. Effects of Disclosure

- 1) The material facts disclosed about the conflict of interest or appearance of a conflict of interest shall be recorded in the meeting minutes.
- 2) Covered Parties with a conflict of interest must not participate in the Cal TF Transaction. Covered Parties with an appearance of conflict of interest should not participate in the Cal TF Transaction.
- 3) A Covered Party with a conflict of interest or with an appearance of a conflict of interest shall not attempt to exert his or her personal influence regarding the Cal TF Transaction at any time.
- 4) A Covered Party's non-participation in a vote due to a conflict of interest or an appearance of a conflict of interest shall be reflected in the minutes of the meeting as an abstention.

IV. REVIEW OF POLICY AND DISCLOSURE FORMS

- A. The PAC shall review this Policy after the first full year of operation, then every three years thereafter or as necessary.
- B. Each Covered Party or its designated representatives (in the case where a Covered Party is not a natural person) shall review this Policy and acknowledge in writing that he or she has done so and will abide by it, when appointed and each year thereafter.
- C. Covered Parties shall complete a disclosure form when appointed and each year thereafter identifying: (i) their employer and position, and (ii) any foreseeable Cal TF Transaction in which the Covered Party, a spouse, a domestic partner, immediate family member or member of household is involved in that could constitute or lead to a conflict of interest or an appearance of a conflict of interest.
 - 1) Such disclosure shall be confidential, and shall be made available to the PAC Chair, PAC Vice-Chair, the TF Chair and TF Vice-Chair for review to implement this Policy. The PAC Chair, PAC Vice-Chair, TF Chair and TF Vice-Chair shall sign a confidentiality agreement prior to reviewing the disclosure forms. Others on the PAC may review the disclosure forms, upon request, providing they sign a confidentiality agreement.
 - 2) The confidential nature of the disclosure shall not limit the recording in meeting minutes of material facts pertaining to a conflict of interest or appearance of a conflict

of interest pursuant to this Policy if it is determined that a conflict of interest or appearance of a conflict of interest exists.

- 3) Covered Parties have an ongoing obligation throughout their term of service to keep their disclosure form current.

V. OTHER CONFLICTS PROVISIONS

- 1) The TF Chair, TF Vice-Chair and TF Staff may not be a California energy efficiency Administrator, Implementer or Evaluator.
- 2) The PAC and TF Chair shall seek to fill TF Voting Member positions with *ex officio* members who can provide a national, independent perspective (such as the American Council for an Energy Efficiency Environment (ACEEE), the Consortium for Energy Efficiency (CEE), the Department of Energy (DOE), Lawrence Berkeley National Labs (LBNL), National Renewable Energy Labs (NREL), American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE)).
- 3) Measures Submitted to the CPUC for Annual Approval: All Cal TF approved Measures and Measure parameters shall be submitted to the California Public Utilities Commission (CPUC) for approval for use by the California IOU. IOUs may use the Measures within 45 days of the Advice Filing as long as the CPUC does not receive any protests of the Measure or measure parameters.
- 4) All Cal TF Members shall sign the Code of Independence.
- 5) The majority of TF Voting Members shall not be employees of California utilities.

/s/ PAC Voting Members