

Released: September 27, 2022

CALIFORNIA DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT

2022 CALIFORNIA ARREARAGE PAYMENT PROGRAM (CAPP)

2022 CAPP PROGRAM NOTICE NO. 04

The purpose of this official correspondence is to provide implementation information and guidance to state energy utility service providers regarding the 2022 California Arrearage Payment Program (2022 CAPP) administered by the Department of Community Services and Development (CSD).

## **2022 CAPP PROGRAM NOTICE NO. 04**

TO: ALL ENERGY UTILITY COMPANIES

SUBJECT: 2022 CALIFORNIA ARREARAGE PAYMENT PROGRAM (2022 CAPP) APPLICATION AND RELATED MATERIALS

DATE: September 27, 2022

REFERENCE: [Government Code Sections 16429.8 through 16429.10](#)  
[Assembly Bill 205 \(Chapter 61, Statutes of 2022\)](#)

The purpose of this 2022 CAPP Program Notice No. 04 (22CAPP-PN-04) is to advise Energy Utilities on the implementation of the 2022 CAPP Application Phase, marking the period wherein Energy Utilities are able to submit application requests for 2022 CAPP funds. This 22CAPP-PN provides an overview of the online 2022 CAPP Application, 2022 CAPP General Terms and Conditions, and key information and resources to assist Utility Applicants with completing their 2022 CAPP Application submission.

### **BACKGROUND**

As noted in 22CAPP-PN-01, 2022 CAPP implementation consists of three program phases: Phase I – 2022 CAPP Application, Phase II – 2022 CAPP Allocation Awards, and Phase III – 2022 CAPP Close-out Reporting. This 22CAPP-PN communicates the initiation of the 2022 CAPP Application Phase and the official release of the online 2022 CAPP Application on the CSD 2022 CAPP Portal (“CAPP Portal”). In addition, this 22CAPP-PN provides important information on the CSD online 2022 CAPP Application, instructions for completing the application process, links to the 2022 CAPP Application User Guide and 2022 CAPP Data Transfer Rules (DTRs), and shares the 2022 CAPP General Terms and Conditions in the Appendix, which outline Utility Applicant responsibilities and obligations that accompany the receipt and administration of 2022 CAPP funds.

California Government Code Sections 16429.8 through 16429.10 instruct CSD’s administration of 2022 CAPP and establish specific requirements regarding the process for receiving and approving 2022 CAPP Application funding requests from Energy Utilities. The following highlights statutory requirements applicable to the 2022 CAPP Application Phase:

- Eligible Energy Utilities must submit a complete 2022 CAPP Application to be eligible for 2022 CAPP funds.
- 2022 CAPP assistance is limited to active residential customer accounts with past due balances accrued during the COVID-19 pandemic relief period of March 4, 2020, through December 31, 2021.

- Energy Utilities shall have a 30-day period during which they may apply for 2022 CAPP funds.
- When applying for 2022 CAPP funds, an Energy Utility must submit an electronic data file (in accordance with CSD-specified standards and requirements) detailing eligible active residential accounts and past due account balances accrued during the pandemic bill relief period to support its request for 2022 CAPP funds.
- Investor-Owned Utilities (IOUs) applying for 2022 CAPP funding on the behalf of a Community Choice Aggregator (CCA) or other eligible load-serving entity (LSE), shall submit a single 2022 CAPP Application funding request and provide an electronic data file identifying IOU and CCA and LSE partner eligible active residential accounts and past due balances accrued during the pandemic bill relief period. In addition, the IOU shall remit a signed attestation form confirming acceptance and approval of eligible residential accounts and arrearages from each CCA or LSE included in the IOU's 2022 CAPP Application and accompanying electronic data file.
- Energy Utilities must remit a signed copy of the 2022 CAPP General Terms and Conditions to complete the 2022 CAPP Application submission.
- The appropriate individual at each Energy Utility shall certify that the application is true and accurate.
- CSD shall review an Energy Utility's 2022 CAPP Application for completeness.
- CSD shall contact any Energy Utility that does not respond during the initial application period to inquire as to the status of the Energy Utility's 2022 CAPP Application, and CSD shall return incomplete 2022 CAPP Applications to the Energy Utility for corrections or amendments.
- Between the time an Energy Utility submits its 2022 CAPP Application and CSD distributes all 2022 CAPP Allocations to Utility Applicants, an Energy Utility is prohibited from discontinuing service due to nonpayment for residential customers eligible for 2022 CAPP assistance. CSD strongly encourages that Energy Utilities also refrain from disconnecting customers during the period between pulling data and submitting their 2022 CAPP Application.
- Upon approving an Energy Utility's 2022 CAPP Application, CSD shall issue a 2022 CAPP Allocation letter to inform the Utility Applicant of CSD's approval, 2022 CAPP Allocation determination, and guidance on issuing 2022 CAPP Benefits to eligible residential customers represented in the Energy Utility's 2022 CAPP Application submission.
- CSD shall approve all completed 2022 CAPP Application submissions, determine 2022 CAPP utility allocations, and disburse 2022 CAPP funds to Utility Applicants no later than January 31, 2023.

California Government Code Sections 16429.8 through 16429.10 informed many of the requirements and responsibilities outlined in the 2022 CAPP General Terms and Conditions. Energy Utility companies are strongly encouraged to review the 2022 CAPP General Terms and Conditions in the Appendix to obtain a more thorough and complete understanding of general requirements and responsibilities related to the administration of 2022 CAPP funds.

## **ACCESSING THE CAPP APPLICATION**

This 22CAPP-PN authorizes the official release of the 2022 CAPP Application on the CAPP Portal. Utility Applicants may utilize the CAPP Portal to apply for 2022 CAPP funds. The CAPP Portal is accessible via the following link:

<https://cacs.force.com/csdportal>

Please be advised that access to the CAPP Portal is limited to registered main points of contact (MPOCs) for each Energy Utility. As part of the registration process, MPOCs were provided credentials and a password to access the CAPP Portal alongside instructions for completing registration with CSD's Multifactor Authentication security service. Upon accessing the CAPP Portal, MPOCs can navigate to the "2022 CAPP Application" tab located on the landing page to gain access to the 2022 CAPP Application.

2022 CAPP Application Guidance and User Guide: To assist Energy Utility companies with accessing and completing the 2022 CAPP Application, CSD provides a "2022 CAPP Application User Guide" offering step-by-step instructions for completing each section of the application. The "2022 CAPP Application User Guide" will be sent via email to all Energy Utilities as well as be made available on the CAPP Portal under the Frequently Asked Questions (FAQ) tab.

## **CAPP APPLICATION – OVERVIEW**

The 2022 CAPP Application is comprised of four sections and requires the submission of an electronic data file identifying eligible residential customer accounts and arrearages, upload of signed 2022 CAPP Terms and Conditions, and signed attestations from partner CCAs and LSEs (where applicable). The uploads of the required 2022 CAPP General Terms and Conditions and CCA/LSE attestations (where applicable) can be either completed prior to beginning the CAPP Application process or during the completion of the application. These files must be completed and uploaded prior to application submission. The following offers high-level detail on each section:

### **Section 1: Application Summary Page**

- This section captures basic information for the Utility Applicant, such as the Energy Utility name and Energy Utility type. In addition, this section displays information derived from the Utility Applicant electronic data file identifying the total number of eligible residential customer accounts and arrearages by each

customer Priority Group. Please note information displayed in the summary section is derived from the electronic data file provided by the Energy Utility. Therefore, it will be necessary for Utility Applicants to ensure the electronic customer data file is uploaded before attempting to complete the 2022 CAPP Application.

- To complete this section, Utility Applicants will be prompted to accept and confirm the accuracy of information displayed in this section.

#### Section 2: Additional Detail of Summary of Electronic Customer Data File (where applicable)

- This section is specifically intended for IOUs with CCA and LSE partners and provides a detailed summary of eligible customer accounts and arrearages included in the IOU's electronic customer data file submission. Under this section, IOU Utility Applicants must review the information displayed for accuracy and upload attestations confirming acceptance and approval of eligible residential accounts and arrearages from each CCA or LSE included in the IOU's electronic customer data file submission. IOUs must make sure to upload the document in accordance with instructions provided in this section. To complete this section, Utility Applicants will be prompted to confirm the submission of all required attestation forms and accuracy of eligible customer accounts and arrearages displayed in this section.

#### Section 3: 2022 CAPP General Terms and Conditions

- This section is designed to facilitate uploading the signed 2022 CAPP General Terms and Conditions by Utility Applicants. Within this section, Utility Applicants will find a link to the 2022 CAPP General Terms and Conditions, instructions on how to upload the signed document, and input fields capturing the Name, Title, and Contact information of the Energy Utility representative signing the 2022 CAPP General Terms and Conditions. To complete this section, the Utility Applicant must do all of the following:
  - Ensure the 2022 CAPP General Terms and Conditions are signed by a representative possessing the organizational authority to sign.
  - Upload a copy of the signed 2022 CAPP General Terms and Conditions in accordance with instructions provided in this section.
  - Provide the Name, Title, and Contact information of the Energy Utility representative signing the 2022 CAPP General Terms and Conditions.
  - Confirm a copy of the signed 2022 CAPP General Terms and Conditions was uploaded to the CAPP Portal.

#### Section 4: Application Submission

- This section marks the final section of the 2022 CAPP Application. Within this section, Utility Applicants will be prompted to complete the application attestation certifying that to the best of the Utility Applicant's knowledge, all information provided within the application, including the electronic data file and attachments,

is accurate and complete. Utility Applicants may submit the 2022 CAPP Application after completing the application attestation.

### **CRITICAL APPLICATION DEADLINES**

<b>Date / Timeframe</b>	<b>Event / Description</b>
August 31, 2022	The earliest date Utility Applicants can compile customer account arrearage data for inclusion in the electronic customer data file required by the 2022 CAPP Application.
September 26, 2022	2022 CAPP Application made available on CAPP Portal.
October 27, 2022	Final date 2022 CAPP Applications may be submitted to CSD.
October 28, 2022	2022 CAPP Application is closed and no longer accessible via the CAPP Portal.
January 31, 2023	The date by which CSD shall approve all completed 2022 CAPP Application submissions, determine 2022 CAPP Energy Utility Allocations, and disburse 2022 CAPP funds to Utility Applicants.

### **ELECTRONIC DATA FILE TRANSFER**

As noted, the 2022 CAPP Application requires the submission of an electronic data set identifying eligible customer account information and arrearages. In accordance with CSD Secured File Transfer Protocols, Utility Applicants are to upload the required electronic data file using the Azure Data Lake Portal (ADLP) and utilize the file format and data standards referenced in the DTRs available on the CAPP Portal under the FAQ tab. With the release of the 2022 CAPP Application, CSD will provide a mass email distribution of the DTRs to all Energy Utility MPOCs registered in the CAPP Portal. Utility Applicants are strongly advised to review the DTRs to assist in the development of the required electronic data set and ensure the successful upload of the data file with the 2022 CAPP Application.

\* \* \*

All 22CAPP-PNs, along with release dates of crucial 2022 CAPP implementation phases and Energy Utility responses are posted on CSD's public-facing [website](#).

If you have questions or need additional guidance regarding 2022 CAPP, please contact CSD at [CAPP@csd.ca.gov](mailto:CAPP@csd.ca.gov).

Sincerely,

A handwritten signature in black ink that reads "Jason Wimbley". The signature is written in a cursive style with a large, looped initial "J".

JASON WIMBLEY  
Chief Deputy Director

APPENDIX 1  
2022 CALIFORNIA ARREARAGE PAYMENT PROGRAM (CAPP)  
GENERAL TERMS AND CONDITIONS



# 2022 CALIFORNIA ARREARAGE PAYMENT PROGRAM (CAPP) GENERAL TERMS AND CONDITIONS

## ARTICLE 1 – OVERVIEW AND DEFINITIONS

### 1.1 OVERVIEW

A Utility's participation in the 2022 California Arrearage Payment Program (2022 CAPP) shall be governed by these 2022 CAPP General Terms and Conditions. Failure to comply may result in suspension of payments under 2022 CAPP, termination of the Utility's eligibility for 2022 CAPP, and mandatory reimbursement of any or all of a Utility's 2022 CAPP Allocation.

### 1.2 DEFINITIONS

- 1.2.1 "Authorized Representative" means the person identified by the CAPP Applicant with authority to certify the information contained in the Utility's 2022 CAPP Application and agree to the 2022 CAPP General Terms and Conditions.
- 1.2.2 "2022 CAPP" means the 2022 California Arrearage Payment Program as defined in Government Code Section 16429.9.
- 1.2.3 "2022 CAPP Allocation" means the total amount a 2022 CAPP Applicant will receive in order to pay down eligible residential customer Utility arrearages.
- 1.2.4 "2022 CAPP Applicant" means the eligible Utility submitting arrearage data on behalf of its residential customers in order to receive a 2022 CAPP Allocation.
- 1.2.5 "2022 CAPP Allocation Letter" means CSD's official correspondence informing a Utility of CSD's 2022 CAPP Application approval, 2022 CAPP Allocation determination, and instruction for distributing 2022 CAPP benefits to eligible residential customers referenced in the Utility's 2022 CAPP Application.
- 1.2.6 "2022 CAPP Application" means the application Utilities shall utilize to submit their request to CSD for a 2022 CAPP Allocation, including data pulled no earlier than August 31, 2022, pertaining to the total number of eligible residential customer accounts and the total arrearages accrued during the COVID-19 Pandemic Bill Relief Period.
- 1.2.7 "2022 CAPP Application Period" means the 30-day timeframe beginning the day the 2022 CAPP Application is released in which Utilities may apply to CSD for 2022 CAPP funds.
- 1.2.8 "2022 CAPP Beneficiary" means a residential Utility customer who is eligible for and receives a 2022 CAPP Benefit.
- 1.2.9 "2022 CAPP Benefit" means the credit eligible residential customers may receive as part of the 2022 CAPP.

- 1.2.10 "2022 CAPP Benefit Final Disbursement Date" means the date 60 days after a Utility receives its 2022 CAPP Allocation.
- 1.2.11 "2022 CAPP Customer Information Toolkit" means the document which provides Utilities with language to use when meeting the state's requirement for notating on 2022 CAPP Beneficiary bill statements that their bill credit is a result of 2022 CAPP funding and information resources that Utilities can use to inform residential customers of 2022 CAPP.
- 1.2.12 "CSD" means the California Department of Community Services and Development.
- 1.2.13 "COVID-19 Pandemic Bill Relief Period" means the period from March 4, 2020, to December 31, 2021, inclusive, and includes any customer billing period that includes these dates.
- 1.2.14 "Department" means the California Department of Community Services and Development.
- 1.2.15 "Priority Group" means the two groups of residential utility customers eligible for 2022 CAPP benefits identified in Government Code Section 16429.10 (c)(1).
- 1.2.16 "Program" means the 2022 California Arrearage Payment Program.
- 1.2.17 "Program Notice" means official guidance issued by CSD regarding 2022 CAPP implementation and administration.
- 1.2.18 "Utility" means those entities outlined in Government Code Section 16429.9 (k) as "utility applicants," who may submit a 2022 CAPP Application in order to receive a 2022 CAPP Allocation.
- 1.2.19 "The Waterfall" means the process by which Utilities will serve customers in order of priority by distributing CAPP funds in a way that provides a meaningful benefit to all residential customers within a Utility's highest customer priority group, before providing a 2022 CAPP Benefit to the subsequent residential customer priority group in the same manner.

### **1.3 PROGRAM NOTICES**

CSD has the authority to issue additional 2022 CAPP guidance in the form of Program Notices during the Department's administration of the Program. These Program Notices define Program requirements for Utilities, 2022 CAPP Allocations, 2022 CAPP Benefit Disbursement, and 2022 CAPP reporting. All 2022 CAPP Program Notices will be made available on CSD's public facing website at <https://www.csd.ca.gov/>

### **1.4 TAX APPLICATION TO CAPP BENEFITS**

2022 CAPP assistance is considered a qualified disaster relief payment that is excluded from individual taxable gross income pursuant to Section 139 of the Internal Revenue Code.

Utilities are responsible for understanding and managing any tax liability or reporting obligation resulting from the receipt of 2022 CAPP funds. Utilities are further advised to consult with tax professionals regarding potential tax liability and reporting requirements. CSD does not have the authority to provide federal or state tax advice to Utilities.

## **ARTICLE 2 – CAPP APPLICATION**

### **2.1 APPLICATION FOR FUNDING**

Utility represents it satisfies the definition of a Utility Applicant as set forth in Government Code Section 16429.9 (k) and has completed a 2022 CAPP Application, to request a 2022 CAPP Allocation.

### **2.2 SUPPLEMENTAL INFORMATION AND REVISIONS**

Utility agrees to expedite the provision of any required supplemental information for its 2022 CAPP Application upon request by CSD during the Department's application review and approval process. If CSD returns an incomplete 2022 CAPP Application to Utility, Utility must provide corrections or amendments as soon as reasonably possible, but no later than the conclusion of the CAPP Application Period.

### **2.3 STATUTORY TIMELINES**

Utility acknowledges the 2022 CAPP is subject to timeframes set by state law, and Utility's failure to submit a complete 2022 CAPP Application before the expiration of the 2022 CAPP Application Period may result in disqualification from the Program.

### **2.4 CUSTOMER INFORMATION**

Utility agrees to comply with Government Code Section 16429.10 (d)(4) by providing customer name, Utility usage data, and address to officers or employees of CSD or other governmental agencies when necessary for the performance of official government duties arising from the administration of a 2022 CAPP Allocation.

### **2.5 LEGAL COMPLIANCE**

Utility must abide by all applicable federal and state laws and regulations, including any CSD-issued guidance applicable to 2022 CAPP. Such guidance shall include Program Notices issued by CSD.

### **2.6 GOVERNING LAW**

These 2022 CAPP General Terms and Conditions are governed by the laws of the State of California.

## **ARTICLE 3 – CAPP BENEFIT DISTRIBUTION**

### **3.1 ALLOCATION LETTER**

Upon approving a Utility's 2022 CAPP Application, CSD shall issue a 2022 CAPP Allocation letter to inform the Utility of its 2022 CAPP Allocation determination and provide specific guidance on issuing 2022 CAPP Benefits to eligible Priority Group 1 and 2 customers. Distribution and application of the Waterfall benefit distribution to Priority Group 1 and 2 customers shall be based on the Utility's 2022 CAPP Application. If the Utility finds the issuance of 2022 CAPP Benefits will differ from the amount and/or method directed by CSD in the Utility's Allocation letter, the Utility shall immediately contact CSD to determine an agreed-upon distribution approach for 2022 CAPP Benefits.

### **3.2 BILLING NOTICE**

Utility shall provide notification on a 2022 CAPP Beneficiary's utility bill when applying a 2022 CAPP Benefit that the 2022 CAPP Benefit is a state credit consistent with the options available outlined in the 2022 CAPP Customer Information Toolkit. If Utility is unable to provide direct bill notification to 2022 CAPP Beneficiaries, it shall provide a bill insert that identifies the source of the bill credit consistent with the 2022 CAPP Customer Information Toolkit.

### **3.3 THE WATERFALL**

CSD's 2022 CAPP Allocation letter shall prioritize the issuance of 2022 CAPP Benefits across the two customer priority categories outlined in Government Code Section 16429.10 (c)(1) using the "Waterfall" method. In accordance with the "Waterfall" method, 2022 CAPP Benefits shall be distributed in a manner that provides a meaningful benefit of no less than a 15 percent offset of accrued arrearages to all 2022 CAPP Beneficiaries within a particular customer group. The "Waterfall" method ensures the equitable distribution of 2022 CAPP Benefits by providing all customers within a particular priority group the same percentage of arrearage offset. If the distribution of a Utility's 2022 CAPP Allocation is insufficient to provide a meaningful benefit, CSD may contact the Utility to establish an agreed-upon benefit application approach for the impacted customer priority group.

## **ARTICLE 4 – CAPP BENEFICIARY PROTECTION**

### **4.1 DISCONNECTION RESTRICTION DURING APPLICATION PROCESS**

Utility shall not discontinue service due to nonpayment for customers with arrearages accrued during the COVID-19 pandemic bill relief period while CSD processes and approves all 2022 CAPP Applications. CSD will issue a Program Notice once all 2022 CAPP Applications have been processed.

#### **4.2 90-DAY DISCONNECT MORATORIUM**

Utility shall not disconnect a 2022 CAPP Beneficiary's utility service due to nonpayment, regardless of balance owed after applying a 2022 CAPP Benefit, for 90 calendar days after a 2022 CAPP Benefit is applied.

#### **4.3 NOTIFICATION OF PAYMENT PLANS/LATE FEES**

Utility must inform all 2022 CAPP Beneficiaries with a remaining balance after a 2022 CAPP Benefit is applied of the option to enter into an extended payment plan with late fees and penalties waived upon entering the extended payment plan. Utility may not discontinue 2022 CAPP Beneficiaries' service due to nonpayment while they remain current on the extended payment plan.

### **ARTICLE 5 – IOU APPLICATION OF CCA CAPP BENEFITS**

#### **5.1 APPLICATION OF ARTICLE 5**

This Article 5 is only applicable to Investor-Owned Utilities (IOUs) that provide billing services for Community Choice Aggregators (CCAs) or Direct Access Electric Load Serving Entities (DAE LSEs).

#### **5.2 PROPORTIONAL PAYMENT TO CCAs**

IOUs shall ensure that total 2022 CAPP Benefits applied to offsetting CCA customer arrearages equal or exceed the CCA's 2022 CAPP Allocation as determined by CSD.

#### **5.3 PROPORTIONAL PAYMENT TO DAE LSES**

IOUs shall ensure that 2022 CAPP Benefits applied against customer charges owing all DAE LSEs are in direct proportion to those entities' respective share of eligible customer arrearages.

#### **5.4 APPLICATION OF CUSTOMER BENEFITS**

IOUs shall use the Waterfall method (see Article 3.2) when applying 2022 CAPP Benefits to offset arrearages for eligible CCA and DAE LSE customer accounts. If a revised application of the Waterfall method is necessary to ensure proportional benefits are applied to CCA accounts, any such revision must first be approved by CSD.

#### **5.5 SUPPORTING DOCUMENTATION**

IOUs shall provide all materials and data requested by CSD and coordinate with their partner CCAs and DAE LSEs where necessary, regarding assessment of CCA and DAE LSE customer arrearages, securing attestation from CCAs and DAE LSEs confirming acceptance of customer arrearage data submitted on their behalf in the partnering IOU's 2022 CAPP Application, the application of CCA and DAE LSE customer benefits, and 2022 CAPP reporting requirements.

## **ARTICLE 6 – REPORTING, AUDIT, AND RECORD RETENTION**

### **6.1 UTILITY REPORTING**

Within six months after Utility's receipt of its 2022 CAPP Allocation, Utility shall submit all reporting and documentation required by CSD. Required reporting will be set forth in a CSD-issued Program Notice and will include the data outlined in Government Code Section 16249.10 (l).

### **6.2 DATA COLLECTION/RIGHT TO ACCESS**

Any duly authorized representative or agent of the state government, and any entity selected by CSD to perform inspections, audit reviews, and investigations, shall have the right to monitor and audit services, documents, and activities rendered by Utility pursuant to the Program. CSD retains the right to conduct an investigative audit of Utility's records, files, and books of account, or retain an audit firm for such purpose. CSD will treat as confidential all customer information, as well as other Utility-specific sensitive information, received during the Department's operation of 2022 CAPP to the extent permitted by law. Utility agrees to cooperate fully in any audit conducted and to ensure that Utility's agents, accountants, and subcontractors cooperate in the performance of such audit. A report of any audit conducted shall be shared with Utility, who shall be given an opportunity to respond to findings and to submit information and documentation in support of the response. If Utility fails to materially cooperate in the conduct of an audit, CSD may demand repayment of all unsupported CAPP funds paid to Utility within 60 days of request. Required monitoring and review processes and procedures will be detailed in a CSD-issued Program Notice.

### **6.3 ADDITIONAL DATA REQUESTS**

Utility, upon reasonable notice, will make available all information and materials for CSD to substantiate 2022 CAPP Benefits authorized by the approved 2022 CAPP Application are allowable and delivered to eligible 2022 CAPP Beneficiaries. Utility has no obligation to provide access to the customer files, records, and documents of any kind not involved with the distribution of 2022 CAPP Benefits to 2022 CAPP Beneficiaries.

### **6.4 REVIEW, RISK ASSESSMENTS, AUDITS**

CSD shall perform risk reviews to confirm Utility's methods for handling and disbursing 2022 CAPP funds are sound and consistent with CSD Program Guidance, 2022 CAPP Application Terms and Conditions, and internal controls and systems for ensuring accurate accounting and reporting of utility arrearages and disbursed 2022 CAPP Benefits to eligible Utility customer accounts are present and administratively sound. In the event risk reviews identify the presence of significant risk, CSD will pursue an investigative audit to ensure the Utility's handling and disbursement of 2022 CAPP Benefits is in accordance with the 2022 CAPP Application General Terms and

Conditions and CSD guidance. CSD will treat as confidential all customer information, as well as other Utility-specific sensitive information, received during the Department's operation of 2022 CAPP to the extent permitted by law.

In the event an audit results in the identification of questioned costs and results in a determination of 2022 CAPP cost disallowance, CSD shall issue a final report confirming the decision. The final report shall reflect a description of the costs questioned, the reason why questioned costs are considered a cost disallowance, information and/or documentation to justify the repayment of the costs in question, and instructions for repayment.

Utility shall comply with any demand for repayment as specified in such final report. The Utility shall have no less than 30 calendar days from receipt of the final decision to tender payment to CSD or, alternatively, to provide CSD with complete and accurate information to resolve the cost disallowance. All statements, notices, responses, and demands shall be in writing.

Required review, risk assessment, and audit processes and procedures will be detailed in a CSD-issued Program Notice.

#### **6.5 RECORD RETENTION**

Utility is required to maintain all documents related to its 2022 CAPP Application, 2022 CAPP Allocation, and 2022 CAPP disbursements for five years after CSD's approval of the Utility's Final 2022 CAPP Report submission confirming CAPP disbursements to eligible Utility customers.

#### **6.6 RETURN OF UNSPENT CAPP ALLOCATION**

Utility shall return any portion of its unspent 2022 CAPP Allocation to CSD within 30 calendar days of the 2022 CAPP Benefit Final Disbursement Date.



**ARTICLE 7 – ATTESTATION AND SIGNATURE**

The 2022 CAPP General Terms and Conditions shall be deemed to form part of the Utility's 2022 CAPP Application and shall be read as if they are specifically incorporated herein.

The 2022 CAPP Applicant, by and through its Authorized Representative, has read, understands, and agrees to the 2022 CAPP General Terms and Conditions.

Utility certifies its 2022 CAPP Application for funding includes all residential Utility customers eligible for 2022 CAPP assistance that can receive a 2022 CAPP Benefit based on Utility's 2022 CAPP Allocation.

Utility certifies that all information submitted to CSD pursuant to its request for a 2022 CAPP Allocation, including responses in its 2022 CAPP Application, is true and correct.

**Authorized Representative Signature**

My signature confirms I thoroughly reviewed and possess the authority to bind my Utility organization to all of the 2022 CAPP General Terms and Conditions summarized above. My signature signifies my Utility's acceptance and agreement to comply with the 2022 CAPP General Terms and Conditions and its commitment to work cooperatively with CSD, and any CSD-retained subcontractors, to perform the Department's duties consistent with Government Code Sections 16429.8 through 16429.10.

<b>*** AUTHORIZED REPRESENTATIVE'S SIGNATURE ***</b>	<b>Date</b>
<b>AUTHORIZED REPRESENTATIVE – PRINTED NAME</b>	<b>AUTHORIZED REPRESENTATIVE – TITLE</b>