

**Consumer Protection Plan**

Inflation Reduction Act Section 50122

Grant Program: Home Electrification and Appliance Rebates

Submitted by

New Mexico State Energy Office (NMSEO)

Energy Conservation & Management Division (EMNRD-ECMD) New Mexico Energy, Minerals & Natural  
Resources Department New Mexico HEAR Project

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## **Purpose**

The New Mexico Energy, Minerals & Natural Resources Department (EMNRD), through its Energy Conservation & Management (ECAM) Division presents this Consumer Protection Plan (CPP) for the Home Electrification and Appliance Rebates (HEAR) program for single and multifamily (MF) properties across New Mexico (NM).

The purpose of this CPP is to ensure that the Home Electrification and Appliance Rebates (NM HEAR) project is implemented in a manner that safeguards consumer interests while promoting the projects are implemented in a manner that safeguards consumer interests while promoting the widespread adoption of energy-efficient electric technologies.

The plan outlines strategies and measures designed to protect consumers by:

- Establishing clear guidelines and protocols to obtain consumers' feedback, prevent fraud, ensure transparency, and protect consumer rights during the rebate application, installation, inspection, and disbursement processes.
- Protecting consumers data.
- Providing conflict resolution pathways and transparent mechanisms to solve conflicts, alongside timelines for remediation.
- Ensuring that the highest quality of service is delivered in installations in partnership with distributors, contractors, and the implementers, Franklin Energy (the program implementer for single family) ICAST (the program implementer for multifamily).

As part of the CPP, ECAM will be:

1. Performing quality control inspections through third-party inspectors.
2. Measuring and evaluating the success of quality assurance systems and using evaluation results to inform program improvements.
3. Documenting roles and responsibilities associated with how EMNRD will monitor the program's budget and financial performance to ensure that funds are being used efficiently and effectively.

This CPP will be available on a dedicated NM– HEAR program webpage at <http://clean.energy.nm.gov>. Printed materials can be made available upon request to ensure the accessibility of the program. Program materials will be made available in both English and Spanish. The CPP will be reviewed at least every 2 years, with changes clearly communicated to program partners, participants, and the U.S. Dept. of Energy (DOE). Documentation regarding New Mexico's monitoring, review, and revision of the CPP will be provided to the DOE at least every 2 years and quarterly updates will be provided to Program Officer.

## **A. Consumer Feedback**

### **Processing Consumer Feedback**

New Mexico's HEAR Program values receiving feedback from program participants and partners. ECAM will provide household consumers and MF property owners, manager and tenants (consumers), with

the ability to file complaints, concerns, and issues via a consumer phone hotline, email, and on-line form. Consumers can ask general questions about the HEAR program or issue a complaint or concern by sending a contact information request to ECAM. When a consumer reports an issue, an ECAM staff member will reach out to the consumer within five (5) business days.

All consumer feedback reporting mechanisms, documents, and other communications will meet ADA accessibility standards and the needs of non-English language speakers, including documents available in Spanish and other languages. Consumers can also request hard copies of online documents. More information about the MF HEAR program as well as this CPP is available at the NM-HEAR webpage.

ECAM will be launching a customer relationship management tool in Q1 2025 to record and track consumer feedback. Feedback received will be generated as a ticket and ECAM will provide appropriate remediation which will be used to document all correspondence until resolution. The reporting system will capture relevant information such as the name of the associated party, contact information, and location, as well as any submitted documentation related to the issue including photographs and PDF document uploads.

### **Survey**

ECAM understands the importance of consumer feedback and will provide consumers with an option to complete a customer satisfaction survey no later than 6 months post project completion. The survey will include the questions listed in this document's Appendix A: Consumer Satisfaction Questions and may evolve and be refined, potentially including more questions in the future. As part of the customer application process, ECAM will inform customers that they will receive a survey and ask customers how they wish to receive it (via email, text message, phone call, or mail).

Consumer feedback and survey responses will be regularly reviewed for negative comments and addressed alongside the affected implementer, contractors, distributors, and/or retailers. Feedback will be addressed timely according to a level of priority that ECAM will determine in advance. Feedback to program administrators will be shared through email communications, during regularly scheduled meetings. Pending the severity and/or volume of the comments, the contractor will be placed on a performance improvement plan (PIP) or receive additional Quality Assurance (QA)/Quality Control (QC) training until their performance is satisfactory.

### **Multifamily-Specific Requirement or Process**

ECAM is aware that certain elements of the CPP will be different for MF properties. The MF Program Implementer (ICAST) has finalized a contract with ECAM as of August 27th, 2024 and offers this edition of NM's CPP to the DOE.

- **Collecting Feedback:** ICAST will collect feedback from the MF consumers (property owners, managers, and tenants) via a survey administered through various channels, including in-person conversations transcribed into the survey form, or surveys completed by phone and transcribed into the survey form, email, or online form. Surveys will be provided to consumers

during and post project implementation. Survey questions are tailored to collect consumer satisfaction with the performance of the ICST team and the EE upgrades, while also considering tenant impacts where applicable.

- **Processing Survey Results:** Survey results are reviewed by ICAST management monthly and details of the response to survey by ICAST staff evaluated for its effectiveness. A response from ICAST staff to the consumer issue is to be addressed within 5 business days to ensure timely responses. Based on the issues conveyed in the survey, ICAST corrective actions may include process change, additional training for the MF contractors and/or ICAST staff, or changes to the education package provided to the consumers.
- **Tenant Communication:** ICAST will ensure tenants are well-informed about the nature of the upgrades, their benefits, and any changes they might experience. Information will be provided through printed materials in multiple languages as needed.

## **B. Conflict Resolution Procedures**

ECAM will create a template to formally report and record conflicts or disputes between homeowners and contractors, MF consumers and its MF implementer. The form will include the identification of responsible parties, a description of the incident including the date and project address, and the resolution tactics inclusive of corrective actions taken. The incident will be escalated to the appropriate parties via email, regularly scheduled check-ins, or ad hoc meetings for a timely response.

ECAM will develop and publish conflict resolution process in the HEAR program website at <http://clean.energy.nm.gov> to describe what actions could be taken when deficiencies or unfair business practices are detected through the program. The results will be recorded and communicated to the responsible party within 1 week of resolution. Any remedial or punitive actions taken will follow a pre-defined set of protocols that will include, at minimum.

- A record of deficiency
- An assessment of the level of severity regarding the issue related to the project inspection
- Determination of remedial or punitive action in accordance with the severity of deficiency by the appropriate parties
- Formal communication to the responsible party
- Fulfillment of remedial or punitive action, including state verification of conformance to requirements
- Communication of resolution implemented to all involved parties

ECAM will establish an investigation process including evidence collection, report findings, and corrective action for fraud allegations against any program participant, and the details of punitive consequences. The remedies and penalties will be developed upon issuance of guidance from the DOE. If any error or fraud are found true, contractors will be removed from the program immediately.

ECAM will also maintain records generated from QC inspections for a period of 7 years. Data points retained include sampling rates, findings, corrective actions taken, and verification of conformance to requirements. These records may be made available to DOE upon request.

**Formal Reporting:** For MF, ICAST will use a standardized template to report and resolve conflicts between MF consumers and contractors. This process includes identifying responsible parties, detailing the incident, and outlining corrective actions.

**Remediation Process:** In case of deficiencies or unfair practices identified during inspections, ICAST will follow a defined process, providing property owners and contractors with clear timelines for remediation.

### **Arbitration and Holder in Due Course Rule**

The state shall design a process to record and investigate allegations of fraudulent activity by any program participant. Details of any investigations are to be maintained for use in the future as needed. If an allegation of fraud is made against a contractor, the state will follow its process to investigate, resolve, and as necessary assess punitive consequences. This may be of a progressive nature stemming from multiple incidents, or it may result in a contractor being removed from the approved contractor list for the program. Penalties may be financial, administrative, or criminal, depending on the nature of the issue. New Mexico will not use mandatory arbitration clauses as the state's contracts cannot contain mandatory arbitration clauses. The holder-in-due course rule will be implemented according to DOE guidelines so that consumer protections are not lost due to a contract assignment to a third-party contractor.

### **C. Data Review**

The state will conduct data or file reviews of all projects. Data collected will be maintained for six years from the project completion date.

The state will explore systems that use "smart" technology to automatically read uploaded documents for income verification and/or other purposes, and mechanisms to ensure that data validation controls such as exception handling and file processing error alerts are in place. The reviewers will complete applicable training (NM HEAR Program Requirements).

The state will perform a desk review that will be used to verify a project through contractor invoice that will include receipts of purchased equipment.

In order to prevent the processing of incorrect rebates the state/implementer will perform manual inspection of all projects, including applicant information and contractor quote which will include Scope of Work, geotagged photographs of pre-installation conditions, and may include an itemized quote of labor and equipment to be installed. No project shall be approved prior to written approval from implementer.

In the event the implementer is the entity that is performing the equipment installation, the state,

and/or a third party “energy coaches” will be responsible for processing the rebates for equipment installed by the implementer. The state and/or energy coaches will establish a transparent and independent process for rebate verification and disbursement to ensure integrity and impartiality of such rebates. The state and/or energy coaches will implement the next steps:

- a) The state and/or energy coaches will perform independent verification of rebate applications, including equipment installation;
- b) the state and/or energy coaches will review post-installation documentation to ensure program requirements are met;
- c) the state and/or energy coaches will be responsible for approving rebates after successful inspection of records submitted and if necessary a visual inspection of the equipment installed;
- d) all rebates approved for payment will utilize the PNNL API for processing and reporting.

The program implementer will review and confirm, at a minimum, the following information for accuracy:

- Dwelling type to make sure that the project scope and equipment are appropriate
- Scope of work requirements in a standardized template that ECAM will review for work performed; to confirm the invoices are sufficiently detailed and the rebates are consistent with current program measures and equipment eligibility requirements. If the scope of work does not pass verification, payment shall be withheld until requirements are met.
- Installation address verification, using appropriate tools such as geo-locational data or GPS is required. If unavailable, the state will conduct an on-site visit to validate installation address. New Mexico will withhold payment if a project that is sampled does not pass address verification. The state will require acknowledgement that installation was performed at the claimed installation address by the contractor via a signed and dated invoice. The state plans to randomly select and conduct quality assurance on 3% of all claims submitted for the first year.
- Income Category Verification: Franklin Energy and International Center for Appropriate and Sustainable Technology (ICAST) will ensure the rebated amount aligns with the verified income category for low-income rebates by requiring a submittal of the proof of income for the rebates issued to each MF property. The state will conduct audits of associated rebate dollar allocations. In the case of income verification failures, the state will withhold payment or seek recourse to recoup any funding expended in the project.
- Certificate Receipt: Franklin Energy (for single family) will confirm consumer receipt of the certificate by obtaining data such as email send confirmation, and/or a photographic proof of certificate displayed in the window of the building.
- Bill Impact: Implementer will issue a statement of possible bill impact to inform consumers of potential bill impact as part of consumer’s agreement for the rebate.
- Review of Projects: the state will conduct data review of all projects that verifies, at a minimum, the address of the installation matches the address on issued coupon. This data will be verified through geotagged post-installation photos, and if necessary a physical inspection of measured installed. In the case of failed verification, the state may perform an on-site inspection of installed measures and contractor will not be paid for measures installed until this inspection is passed.

- Training: Single Family implementer will offer training through their operations manual that is exclusive to the rebates program. Multifamily will incorporate the rebates program into their existing training curriculum. The staff conducting data/file reviews have extensive experience in similar programs in the state, are familiar with contractors and data review which includes invoices. The staff will also be trained in how to properly use the online application system to facilitate data access and review.

In addition to spot checking the information reviewed by the program implementer, ECAM will review and retain:

- Post-Installation Photos of rebated appliances. The state will confirm the integrity and validity of the photos, which may include auditing a sample of the photos, using AI to prove the photo is unique to the specific project and address, or analyzing meta data, as identified by upcoming guidance from DOE.
- Proof of combustion safety testing on fossil fuel equipment in homes where fossil fuel systems were impacted by the installation of new equipment.
- Proof of commissioning testing on HVAC equipment in all homes where new HVAC systems were installed as part of the project.

The program's implementer will retain proof of combustion safety testing on fossil fuel equipment and proof of commissioning testing on HVAC equipment for 7 years.

For Single Family HEAR Program, the credentials of the personnel conducting the data review will be filled by the program implementer with Rebate Processors from Central Operations. The Rebate Processors will undergo extensive training prior to program launch. Training will educate the Rebate Processors on program requirements, customer eligibility, equipment eligibility, qualified products, invoice review, and photo or other documentation review

### Quality Control Inspections

Franklin Energy's/ICAST's post installation assessment includes a post-inspection of at least 10% of all completed projects. Any inspection failure will be reviewed by all parties involved, and the program will identify corrective actions. The first five projects of each new contractor will be reviewed. **Participation agreements for retailers and distributors will not be established for the NM-HEAR MF Program,** however, participation agreements with contractors will be in place between contractor and implementer in which the party will agree to comply with AQ/QC processes. If QC findings do not meet requirements, NMSEO will take corrective actions to ensure that QC is sufficient.

The program implementer will be required to maintain records generated from QC inspections for a period of 7 years. Data points that must be retained include:

- Sampling rates (overall)
- Findings (per QC)
- Corrective actions taken if any



- Verification of conformance to program requirements (per QC)

#### **D. Onsite and Virtual Inspections**

Virtual inspections are not currently included as part of the program. Franklin Energy/ICAST will conduct an on-site inspection, where the inspector will review the completed retrofits. All QCI inspections will be performed by a licensed QCI Inspector to ensure that completed work is adhering to the SOW. All industry certifications such as BPI will be confirmed for the inspectors. The inspector will educate the participant on what was done and what it means and answer any questions about the retrofits participants received. EMNRD also has the option to receive results of a participant survey that allows participants to rate the on-site visit. This can be provided as a postage-paid card in leave-behind material or as an online version

The independent onsite post-install inspections will be conducted immediately at the culmination of installation and will be coordinated with the homeowner or MF manager/owner, to avoid imposition and unsatisfactory consumer experience.

Inspectors will be part of the core implementation contractor's team, trained on all aspects of the program requirements. The inspectors will be certified by the Building Performance Institute (BPI) with a minimum certification of Building Analyst Technician (BA-T).

Inspection protocols are documented and provided to all inspectors. Acceptable tools and/or templates for capturing data and photos are identified and inspectors will receive training on proper use of them. Copies of the inspection reports will be uploaded to the tracking and reporting system. The inspection protocol will include:

- A visual inspection of the site and work conditions.
- A verification that the scope of work/contract and invoice match the installed measures.
- Valid customer signature on the contract. E-Sign compliance for electronic contracts
- Verification of the diagnostic tests, if applicable. This may be completed either by observing the Registered Contractor's testing or inspector testing.
- Ensuring compliance with E-Sign for all inspector testing data.

#### **E. Contractors and Other Partners**

The state will partner with electric and gas utilities to develop a qualified contractor list. Contractors will be licensed in the State of New Mexico and will have agreed to the terms required to deliver the NM-HEAR programs to customers. Outreach will be conducted through email, web, in-person meetings, and industry events to recruit contractors. Training will be provided to all qualified contractors as part of their onboarding and training, before a contractor works on project(s).

To be eligible, the contractor must hold current general liability or equivalent insurance, active industry credentials relevant to the services being provided, a state license, and must offer consumers reputable services. ICAST (for MF) or the State (for Single Family) will review all contractor documentation and confirm accuracy using publicly available tools and databases when possible.

The state will also partner with:

- **Registered Distributor:** A distributor of qualified products who has agreed to the terms required to deliver the IRA Home Energy Rebate programs to contractors or customers.
- **Registered Retailer:** A retailer of qualified products who has agreed to the terms required to deliver the IRA Home Energy Rebate programs to contractors or customers.

The state will perform due diligence on contractor and distributor entities that will be on their qualified contractor lists to prevent the listing of fraudulent or illegitimate entities. This will include investigating consumer complaints, checking against databases such as the “Do Not Pay” list or matching the business credential against state business entity lists or other available public records to ensure that the business addresses are legitimate.

### **Contractors Trained Under IRA Section 50123**

The state will work with the appropriate IRA 50123 program implementation teams to review and include contractors for consideration who are trained under an IRA 50123 funded initiative. For recruitment, outreach to qualified existing contractors and contracting firms, industry associations, and minority owned contractor businesses, among others will be conducted.

Currently, community colleges, unions, vendors, and apprenticeship programs are available to provide training for New Mexicans interested in becoming first-time contractors. Programs such as Training for Residential Energy Contractors (TREC) offer entry-level training. TREC’s objectives include lowering training expenses for both new and existing home energy contractors, increasing the availability of training opportunities for underrepresented populations, and offering testing and certifications for contractors specializing in the installation of home energy efficiency and electrification technologies. The state will share further information, such as contact of the EnergySmart Academy at Santa Fe Community College which provides certification programs.

In addition, EMNRD has several free training courses with four community colleges that offer trainings for contractors in the state: Doña Ana Community College in Las Cruces, Northern New Mexico College in Española, San Juan College in Farmington, and Santa Fe Community College. Individuals may get access to free tuition as well as supplementary support services.

The state will actively promote and perform an outreach campaign to contracting firms that are a minority, woman, disabled, or a veteran owned business. The recruitment plan is currently under preparation. Moreover, the state will periodically present information about what percentage of contractors on the qualified contractor list are represented by these classes, and what percentage (by cost) of project work is performed by such contracting firms.

### **Delisting**

Contractors who no longer meet the minimum requirements and standards in accordance with the NM-HEAR program will be delisted. This includes but is not limited to:

- Failing to adhere to program requirements.

- Failing to adhere to the conflict resolution process.

Receiving multiple customer complaints for the same issue and failing to take corrective action once the issue is identified. Any other reason NM-HEAR deems necessary.

Contractors who no longer meet the minimum requirements and standards in accordance with the associated programs will be blacklisted. This includes but is not limited to contractors that have received complaints, and/or negative feedback as listed in Consumer Feedback and/or failed to comply with processes defined with the section Resolution Procedures no more than three (3) times. It may also include instances where the contractor is found to have committed some type of fraud against the program.

Failure to meet requirements will lead to the contractor being delisted from approved vendor lists or the termination of existing contracts. The contractor will also no longer be allowed to tout or promote the ability to contract work on behalf of NM-HEAR.

### **Qualified Contractor and Distributor List**

The qualified contractor list will be publicly available on the state's website. The qualified contractor list will contain a description of homeowners and managers (not individual tenants for MF) applying for rebates with the program will be informed on how to use the list to access a qualified contractor. Any contractor on the qualified contractor list must be able to conduct the following scope of work:

1. Electric heat pump for space heating and cooling
2. Electric heat pump for water heating
3. Air sealing
4. Insulation
5. Electrical wiring to meet code
6. Electrical load service upgrades to electrical panel, including smart panels
7. POS service i.e., credit the value of the rebates for the MF project to the MF client
8. Meet all DOE program requirements for work quality
9. File the necessary documents to ICAST as the MF program administrator for NM SEO that meets DOE program guidelines.

Qualified contractors will be required to follow all steps outlined in the DOE Standard Work Specification workflows.

### **Retailers and Distributors**

Retailers and distributors will not be part of the NM-HEAR MF Program.

For SF, Franklin Energy will partner with the federal ENERGY STAR program to develop a list of qualified distributors and retailers of energy savings products and services. The distributors and retailers on the list will have the capability with their business systems to provide instant rebates to customers at the point-of-sale, in accordance with the rules and incentive amounts affiliated with the program. The approved retailer, distributor and contractor lists will serve as resource and not a recommendation or to

advocate for a specific firm, service provider or business entity. The distributors and retailers will report on rebates issued monthly to ensure program integrity measures are met and the DOE Rebate Tracking System is updated accurately.

Franklin Energy will coordinate with the state to perform marketing and store operations quality reviews to ensure that processes are being executed in accordance with established rules and directives of the program. The implementer will also work with the distributors and retailers to proactively counter and discourage incidents of fraud, waste, and abuse. If a distributor or retailer is found to have engaged in such activity, that firm will be subject to being delisted from the program along with other possible consequences.

## **Tools and Resources**

Prior to launch, the NM-HEAR will publish a list of approved tools (e.g., modeling tools, home assessment tools and software (TREAT, EQuest)) on the program website. The program will adhere to requirements according to statute. Post registration, the state will alert contractors to these tools and train them on proper use by hosting in-person events, webinar and/or video style training series. The state will conduct formal outreach through email and other marketing materials to ensure contractors are aware of how to access and participate in training.

## **F. Installation Requirements**

Program Implementers will work with inspectors to ensure installations are in compliance with local and state laws, permits, codes, and industry standards. Installers will be required to obtain the appropriate applicable permits as they pertain to the scope of work. Compliance will be enforced through on-site inspections as described in Onsite Inspections section above.

The State will follow standards developed and vetted by industry experts, including ENERGY STAR, Air Conditioning Contractors of America (ACCA), and National Renewable Energy Laboratory (NREL). The guidance will include protocols about DLC and AHRI certified products, and will address correct design, proper installation, and final testing of the equipment per project type. The guidance will be available on the program's webpage prior to program launch.

New Mexico will instruct implementer or contractors to prioritize and integrate improvements that have the most significant impacts on greenhouse gas reductions and/or grid reliability into their scopes of work where feasible and sensible (e.g., not cost-prohibitive, improvement measure does not lead to higher energy bills).

The installer shall provide evidence of the following: a) Equipment performance information; and b) Written job documentation or checklist inclusive of applicable testing results for the installation or procedures approved by the building inspector.

For Single Family Program, the state will provide a contract template for installers and contractors to use, Contractors must corroborate that sales language and contract language are the same. Moreover, the state will provide contractors with templates, guidelines, outreach, and marketing content.

This will be available by contacting ECMD here or by downloading it from the website currently being developed.

Installers and contractors will be required to provide program implementers with their standard contract agreements for review if they do not use the contract template provided by the state to ensure sales and contract language are the same.

### **Financing Considerations**

If financing for the energy efficiency upgrade is provided to the property owner by a third-party lender, such as the contractor, a written disclosure listing the number of payments, monthly payment amount, late fees, and other important terms is required. The third-party lender must ensure an ability to repay determination that does not include projected savings from an energy report because expected savings may not materialize due to household and market developments.

New Mexico will provide clear examples of accepted written disclosure language regarding a 7-day waiting period between disclosure and contract signing. The waiting period should only be removed in an emergency, in which the property owner, in their own handwriting, explains the emergency and the need for emergency work, and states they understand they are waiving the waiting period. In non-emergency situations, there should be at least a 3-day window after the contract is signed and before work begins, in which the property owner has the right to cancel the contract.

In non-emergency circumstances, the state will require lenders to abide by, and alert consumers of the 3-day right to cancel after the contract has been signed. The state will clearly display the right to cancel language on the contractual form, near the lender signature location.

A landlord agreement is in place for providing tenants with written notice of their rights and their building owner's obligations.

### **Protections for Low-Income Rental Housing Tenants**

Tenants of low-income rental housing will be provided with additional protections by the state of New Mexico to maintain the affordability of the dwelling units. The property owners will agree to the conditions below as part of the enrollment process:

- Owners must rent to a low-income tenant.
- Owners must agree not to evict a tenant to obtain higher rents based on the energy improvements.
- Owners must agree not to increase the rent of any tenant of the building as a result of the energy improvements (rent increases are allowable to recover increases in property taxes and/or specified operating expenses and maintenance costs related to the energy improvements). (Term of 2 years)
- Tenants will receive a written notice of their rights and the building owner's obligations.
- Owners must agree that if the property is sold within two years of receipt of the rebates, the above conditions apply to the new owner.

The state will publish these protections on the program's website, so that low-income rental property owners notify their tenants. The property owners will agree to these conditions as part of the enrollment and reservation request process. Increases to rental prices will be monitored by a yearly check-in with the landlord confirming that there has not been an increased as a direct result to the installation of energy efficiency improvements. These check-ins may include proof of current rent payments or copies of current lease agreements. An 800-number will be established for a clear and accessible way to report

potential violations directly to the program implementer or the State. If the State is notified that the owner does not comply with these requirements, the owner must refund the rebate within 60 days of the State's request for refund.

## **G. Continuous Improvement**

### **Preventing Waste, Fraud, and Abuse**

The State of New Mexico is committed to preventing all instances of waste, fraud, and abuse. To prevent these issues from occurring NM-HEAR staff will review all rebate applications to ensure they meet acceptable standards. The state will take the following steps to identify, mitigate, and reduce fraud, waste, or abuse, as well as unfair business practices.

- The state will collect the appropriate data, such as the utility account number, to ensure compliance with established limitations on the rebate allowance per consumer.
- Franklin/ICAST will use the DOE Rebate Tracking System to ensure effective issuance of rebates, eliminate or dramatically reduce the possibility of duplicating rebates, and allow effective flow of information.
- The state will identify opportunities to verify the legitimacy of contractors. The process will include checking the U.S. Department of Treasury Do Not Pay system, business registries to confirm the validity of the business and its address, and relevant state databases.
- The state investigator will complete the investigation and issue a report of investigation by the 60th day after the complaint is received by the state, unless it is deemed permissible, for good cause, to extend the investigation for no more than 30 days. An analysis will then be prepared and inclusive of recommended actions.

### **Automation**

The State will develop a plan to review all functions that can be automated and analyze steps needed to incorporate efficiencies within the program procedures and systems.

- Franklin/ICAST will explore utilizing a standard agreed upon data model to leverage Application Programming Interface (APIs) where available, automated secure data file transfers, and error handling alert mechanisms where applicable to ensure consistency, data accuracy, and minimize errors.
- The state will leverage a business intelligence reporting application (to be determined) to analyze data procured from consumer feedback efforts to identify problem areas with program reporting.

### **Program Improvement & Realizing Performance with Measurement and Evaluation**

- The state will measure and report against targets such as the number of open tickets, frequency of data errors, and other system performance metrics currently under development. These indicators will provide the state with insights into program success rates and signal areas of improvement.
- The state will define, manage, and follow program improvement processes in conjunction with the program implementer through inspection results.

- NM-HEAR staff will analyze findings within the sections Data Review and Consumer Feedback to promote continuous improvement.
- Franklin Energy/ICAST will be required to acknowledge, evaluate, and provide a status on applicable improvement items.
- The state will provide the DOE with updates on improvement opportunities and implementation plan.

## **Budget and Performance**

- The state will closely track spending and report on it annually, at a minimum. The state has assigned ICAST (multifamily implementation) the responsibility of governing and monitoring the program's budget and financial performance to ensure that funds are being used efficiently and effectively. ICAST will ensure that they will be reimbursed for the max rebate or the allocated cost, whichever may be lower.
- Program budgets will be communicated to participants ahead of time and at regular intervals to give direction on how market actors and customers can continue to be supported if program funds are exhausted. The state will follow Generally Accepted Accounting Principles (GAAP) and conduct annual audits of the implementer.

## **Appendix A: Consumer Satisfaction Questions**

### Questions

- It was easy to understand the rebate requirements and provide the needed information
- It was easy to find a contractor/retailer
- The contractor provided a high quality of service
- The rebate was a major reason for my purchase
- My new efficiency upgrades perform well

- My home is more comfortable than it was before the new efficiency updates
- My energy bills are lower since the new efficiency upgrades
- Overall, I am satisfied with my experience with the HEAR program
- I would recommend this program to a colleague who could use it
- I plan to do more to save energy at my other MF properties because of my experience with this program

Scale: Strongly Disagree = 1, Strongly Agree = 5, (include “Don’t Know” and “Not Applicable”)

## **Appendix B: Home Assessments for Home Electrification and Appliance Rebates**

Home assessments in specific installations can ensure the consumer receives a quality installation. The state will ensure that consumers are aware where certain qualified electrification projects (QEPs) could result in unintended consequences, including increased utility bills due to fuel switching. As an initial matter, the state will identify a pre-defined set of home pre-condition(s) and/or scope of work scenario(s) that will constitute unacceptable risk of raising utility bills based on the state’s rate structure, existing equipment and fuel type, and other relevant factors. To mitigate these risks, the



state will conduct a limited home assessment for the installation of QEPs that include any of the following upgrades:

- Electric heat pump for space heating and cooling

A limited home assessment consists of, at a minimum:

- A recommendation of a properly sized unit recommended by a qualified contractor for HVAC.
- An onsite visual inspection of the existing condition of duct sealing for HVAC & envelope.
- If the upgrade includes a fuel switch, an estimate of utility bill impacts and written acknowledgement by the consumer.
- Written acknowledgement from the consumer of the amount they will owe not covered by the rebates.
- If the upgrade falls within one of the state's pre-defined set of home pre-condition(s) and/or scope of work scenario(s) that will constitute unacceptable risk of raising utility bills, an estimate of utility bill impacts and written acknowledgement by the consumer.
- Collection of the following data points:
  - Unique home identifier
  - Dwelling type
  - Existing energy equipment/systems to be replaced, if any of new energy equipment/systems being proposed for installation.
  - Estimated total project cost.

For each limited home assessment conducted, the program will retain the following documentation:

- List of the upgrades in the QEP for which a rebate was applied.
- Gross project cost estimate.
- Estimated household energy costs post-installation.
- Certification that equipment proposed in the scope of work does not yet exist in the home (if not fuel switching).
- Estimated amount of eligible rebate.
- For any qualified electrification project for which a home assessment is not conducted, NM-HEAR will retain geolocated photo(s) of the equipment being replaced to verify that the installation is allowable. For these projects, the state will also retain the following documentation:
  - List of the upgrades in the qualified electrification project for which a rebate was applied.
  - Gross project cost estimate.
  - Certification that the type of appliance installed did not exist in the home (if not fuel switching).

## **Appendix C: Education and Outreach**

A positive consumer experience begins with successful outreach and education about the benefits of the Home Energy Rebate programs. NM will decide which types of households to target for outreach, what methods will be most effective in reaching them, and what educational materials will best inform those households of the benefits of upgrading their homes. NM will also decide how they will engage contractors that will deliver the projects paid for by rebates. NM may leverage and repurpose outreach and education materials from existing programs. NM will briefly describe its intended outreach and education strategy to inform eligible households about the rebate programs. This outreach and education strategy will include a timeline and programmatic elements, potentially including but not limited to targeted advertising, outreach via local governments, and/or partnerships with community-based organizations.

NM's outreach and education strategy, under development, will include:

- A brief description of planned activities for household outreach, such as:
  - Outreach partnerships (utilities, local governments, community-based organizations, labor unions, churches, etc.)
  - Outreach channels (Digital ads, neighbor to neighbor outreach, direct mailings, etc.)
  - Educational materials (website, fact sheets, etc.)
- A brief description of planned activities for contractor outreach, such as:
  - Outreach partnerships (trade organizations, labor organizations, etc.)
  - Outreach channels (website, ads in trade organization publications, etc.)
  - Educational materials (website, fact sheets, training, etc.)
- High-level timeline for executing these programmatic activities.
- Estimated budget devoted to outreach and education, which can be covered through Home Energy Rebates administrative funding or through other state/utility/local sources.