GRANT FUNDING SERIES · FEDERAL ENERGY AWARDS · EC-WP-909

Engineering Firm Partnership: Co-Delivery on Owner-Side Compliance

A co-delivery framework for engineering, EPC, and owner's-engineer firms.

Owners expect their engineering firms to carry NERC, grant and tax credit compliance with the technical scope. This is how Energy Compliance, Inc. delivers that work with partner firms.

energycomplianceinc.com **OCTOBER 2026**

Disclaimer & Legal Notice

This document is a long-form professional reference on partnership structures between Energy Compliance, Inc. and engineering, EPC, and owner's-engineer firms that deliver energy projects with embedded compliance and federal funding components. It is provided for general information and educational purposes only. It is not legal advice on partnership formation, contract structure, insurance, or the economic terms that would apply to any particular partnership, and it may not be cited as authority in any audit, enforcement or award proceeding.

Partnership engagements require legal counsel, financial analysis, and explicit negotiation of terms specific to each relationship. This reference describes the structural framework Energy Compliance, Inc. uses with partner firms and the economic and operational considerations that typically come up.

Statutes, regulations, executive orders, NERC registration criteria and agency guidance cited here are stated as of October 25, 2026. A partnership like this reaches across NERC, FERC, federal grant and tax credit frameworks at once, and each of those keeps moving. Verify the current state of each framework before you commit to a specific arrangement.

Foreword

Engineering firms know the technical scope of an energy project. They model the system, design the equipment configurations, specify the interconnection, develop the construction documents, and support commissioning. They do that work very well.

The work has gotten harder, because more regulatory and funding overlays now attach to most utility-scale energy projects. NERC compliance for generation connected to the Bulk Electric System. Clean electricity tax credit documentation, with its prevailing wage, apprenticeship and bonus credit requirements. Federal grant compliance under 2 CFR 200. Davis-Bacon prevailing wage and Build America, Buy America domestic content requirements on federally funded work. The overlays are not optional, and owners expect their engineering firms to handle them. Firms that try to build the capability in-house end up paying for expertise they do not use deeply enough to keep sharp. Firms that bring in a compliance professional once in a while get inconsistent results.

This reference is part of the Energy Compliance, Inc. Grant Funding Series. It is the one reference in the series written primarily for partners rather than for end buyers. The audience is the partner firm decision-maker: the managing partner at an engineering firm that has started to run into compliance and funding requirements on owner-side scopes; the COO at an EPC contractor whose owners are asking it to support compliance documentation it was never set up to handle; the energy practice lead at an owner's-engineer firm whose clients face new federal grant administration demands; the

partner at an engineering services firm weighing how to add compliance depth without building a parallel professional services line.

Thirty years inside the energy regulatory and operational world taught me that partnership economics work when the parties bring complementary capabilities to a shared delivery scope. Engineering firms bring deep technical capability and existing owner relationships. Energy Compliance, Inc. brings deep compliance and funding capability and the senior practitioner orientation owners want when the stakes get high. Done well, the partnership delivers what neither party can deliver alone at the quality the owner expects. Done badly, it produces friction, scope confusion, and outcomes that disappoint both sides. The structure matters, and this reference describes the structure that has worked.

This reference is not marketing material dressed up as content. It is a working document about how Energy Compliance, Inc. structures partnerships with engineering and EPC firms. The partnership is not for every firm. Firms with mature internal compliance capability do not need it. Firms whose work carries little compliance or funding overlay will not benefit from it. The fit is the firm in the middle, where compliance and funding requirements have become a regular feature of owner-side scopes and building the capability in-house does not pencil out. If the framework fits yours, the conversation that follows is about the specific terms.

Rob Smith

Founder and Principal, Energy Compliance, Inc.

Executive Summary

Owners hire one project team and expect it to carry both the engineering and the compliance. Most engineering firms carry enough compliance work to feel the pressure, but not enough to justify a full-time senior compliance practitioner. A standing partnership closes that gap. The engineering firm keeps the owner relationship and the engineering scope. Energy Compliance, Inc. carries the compliance and funding scope, its judgment and its risk.

The ten chapters walk through how that works in practice:

- **Why the bench matters (Chapter 1).** The volume-capability mismatch, the owner's demand for senior people, and compliance liability that sits outside errors and omissions coverage.
- **Economics (Chapter 2).** Three engagement modalities (white-label, co-delivery, subcontract), how rates and markups work, volume effects, pricing and billing.
- **Contract structure (Chapters 3 and 5).** A master partnership agreement that settles scope, intellectual property, confidentiality, indemnification and term once, and short task orders that add only what is project-specific.
- **Delivery (Chapters 4 and 7).** The embedded co-delivery model, and the build-out of an owner's own compliance program so the owner ends up with a capability it can run, not a consultant dependency.
- **Growth and upkeep (Chapters 6, 8, 9 and 10).** Joint pursuit support, cross-training, reciprocal referrals, and the quarterly review and risk scan that keeps the partnership honest.

The framework is stable. The regulatory content it delivers is not. What a 2024 project template would still get wrong:

- **Justice40 and DOE Community Benefits Plans are gone.** Executive Order 14148 revoked Executive Order 14008, the source of Justice40. DOE Policy Flash 2025-16 (January 23, 2025) rescinded DOE's Community Benefits Plan and Justice40 coding guidance and directed that the associated terms and conditions no longer be used.
- **Wind and solar tax credits now have an end date.** Public Law 119-21 (July 4, 2025) amended sections 45Y and 48E so that wind and solar facilities whose construction began after July 4, 2026 lose the credit if placed in service after December 31, 2027. Prohibited foreign entity restrictions now apply as well.
- **More inverter-based owners are NERC-registered.** NERC's registry criteria now include Category 2 Generator Owners and Operators: non-BES inverter-based resources of 20 MVA or more in aggregate, connected at 60 kV or above.
- **The single audit threshold is $1,000,000** under 2 CFR 200.501. DOE applies the same figure to for-profit recipients through Policy Flash 2025-02.

1 Why Engineering Firms Need a Compliance Bench

The engineering services market has changed over the past several years because of the volume and complexity of regulatory and funding overlays that now attach to typical energy projects. Owners who hire engineering firms now expect them to support documentation, narrative and compliance work that engineering firms historically did not do.

The expectation is not unreasonable. The owner sees the engineering firm as the integrated technical resource and expects integrated technical and compliance support. The firm that has not built a compliance bench faces three bad choices. It can say no to the compliance work and risk the owner relationship. It can say yes without the capability and risk the quality. Or it can build the capability in-house at a cost that does not pencil out for the volume of compliance work it actually carries.

1.1 The Volume-Capability Mismatch

In my view, compliance and funding requirements show up on a meaningful share of a typical engineering firm's energy portfolio, but rarely on all of it. The share depends on specialty and client mix. Firms doing distributed generation and renewables work see compliance and funding overlays on most of their projects. Firms doing transmission and substation work for utility owners may see them less often, but the compliance work on each project runs deeper.

Building a deep compliance capability in-house takes a senior practitioner who can lead complex compliance scopes and a support team that can carry the production work. Senior energy regulatory practitioners are expensive to hire and keep. A firm that needs that capability deeply on a steady run of projects every year can keep the practitioner busy enough to justify the cost. A firm that needs it on fewer projects, or less deeply on each, ends up with an underused practitioner and a cost it passes through to clients inefficiently.

The mismatch is structural. Firms either over-invest in capability they do not use enough or under-invest in capability the market increasingly requires. The partnership model is the alternative. The firm partners with a compliance specialist who serves a portfolio across several engineering firm partners and who carries the depth no single firm could afford to build in-house.

1.2 The Senior Practitioner Question

Owners on substantial energy projects want to see senior practitioners on compliance and funding scopes. They will pay for senior judgment because getting compliance and funding wrong is expensive, and getting them right means award capture and lower post-award risk. My view is that owners push back on scopes staffed entirely with junior people, even when the firm presents that staffing as the bench's most cost-effective option.

A junior compliance professional or a mid-level grants specialist may be right for some scopes and wrong for the ones where the owner expects depth. The firm cannot send junior staff to the meetings where the owner expects the senior practitioner. It also cannot afford a full-time senior hire for work it does not have. The partnership puts a senior practitioner on the scopes where the owner expects one, without the firm carrying the full-time cost.

1.3 The Risk Allocation Question

Compliance and funding scopes carry liability that engineering firms have not traditionally carried. A federal grant disallowance traced to weak compliance work, an IRS challenge to a credit position traced to weak documentation, a NERC finding traced to a thin program build, or Davis-Bacon back-wage exposure traced to weak certified payroll review can each lead to an owner claim against the engineering firm that supported the work. That exposure may not line up with the firm's professional liability insurance, which is usually written around engineering errors and omissions rather than compliance work.

The partnership separates the compliance risk from the engineering risk. Energy Compliance, Inc. carries its own professional liability coverage for the compliance work it performs. The engineering firm's coverage continues to address the engineering scope. The owner sees integrated delivery, and the risk sits cleanly with the party doing the work.

1.4 The Owner Expectation of Integrated Delivery

Owners want one project team, not two professional services contracts to manage. They have limited capacity to coordinate multiple consultants, and they expect the engineering firm to bring compliance capability as part of the team. If the firm has not built that capability, it needs a partnership that lets the owner see integrated delivery while the firm and the compliance specialist remain separate entities.

Integrated delivery gives the owner a single point of contact, a single project plan, a single schedule and, when desired, a single billing arrangement. Behind that front end, each partner delivers its own scope. The owner gets what it asked for, and neither partner compromises the depth of its specialty.

1.5 The Strategic Position for Partner Firms

Engineering firms that build effective partnerships with a compliance specialist put themselves in a better position. They can pursue scopes with substantial compliance and funding components without disqualifying themselves. In my view, they can price integrated delivery at better margins than firms that subcontract piecemeal. And the relationships they build with owners around that integrated capability turn into repeat work.

Firms that put off the decision risk losing scopes to competitors that have built the capability. Firms that move early into a thoughtful partnership establish the relationships and the delivery experience before the market matures further. Firms that move late do it under more pressure, with fewer options.

2 The Partnership Economics

The economics between Energy Compliance, Inc. and its engineering firm partners are designed to hold up across many projects and many years. A sustainable partnership does not depend on heroic efforts or a lucky one-time project. It produces predictable margins for both parties, lets each party invest in the relationship, and aligns incentives around the joint delivery quality that keeps clients coming back. What follows is the framework. Specific terms are negotiated around the partner firm's market position, project mix and operations.

2.1 Three Engagement Modalities

The partnership operates in three engagement modalities. Each has its own pricing structure, billing arrangement and operational handling.

Modality	What the owner sees	Who bills whom
White-label	One firm. Energy Compliance, Inc. works under the engineering firm's brand.	Energy Compliance, Inc. bills the engineering firm; the engineering firm bills the owner.
Co-delivery	Both firms, working as one integrated project team.	Each party bills the owner under a coordinated invoice, or the engineering firm collects both invoices and passes them through.
Subcontract	Energy Compliance, Inc. as a clearly named subcontractor.	Energy Compliance, Inc. bills the engineering firm; the engineering firm bills the owner.

The choice depends on the owner's preference, the engineering firm's market positioning, the nature of the compliance scope and the contract structure with the owner. Most partnerships use all three, and the choice is made project by project rather than once for the whole relationship.

2.2 Rate Structures

Energy Compliance, Inc. publishes rate ranges for the senior practitioner work that anchors most compliance engagements. The rates reflect the senior judgment the work requires and the risk that compliance scopes carry. They are in line with the market for senior energy regulatory practitioners.

For white-label and co-delivery engagements, the engineering firm typically marks up the Energy Compliance rates to reflect its project management and integration value. The markup is negotiated and varies by partnership and by project type. The marked-up rate is what the owner sees and what the engineering firm collects. The underlying rate is what Energy Compliance collects from the engineering firm under the partnership agreement.

Subcontract engagements are more transparent. The owner sees both firms' rates, and the markup question does not come up because each party bills its own work. The engineering firm may pass Energy Compliance invoices through with a small administrative handling fee, or absorb that cost as part of the prime contract.

2.3 Volume Considerations

The economics improve with volume. An engineering firm that engages Energy Compliance on three to five projects a year runs the partnership efficiently. Integration becomes routine, cross-team relationships develop, administrative overhead per project falls, and the owner experience becomes consistent.

A firm that engages on one or two projects a year carries more administrative overhead per project and integrates more slowly. The partnership still works, but the economics are less favorable for both parties, and the firm may want to weigh a formal partnership against an as-needed engagement model.

A firm engaging on more than five projects a year usually benefits from a more structured partnership, with dedicated points of contact, integrated project management systems and joint annual planning.

2.4 Margin Architecture

Both parties need margins that support the relationship over time. Energy Compliance margins reflect its investment in senior practitioner capability, professional liability coverage, ongoing professional development and the documentation systems that support quality work.

Engineering firm margins on the compliance scope reflect the firm's investment in project management, integration with the engineering scope, owner relationship management and the administrative infrastructure behind integrated delivery. Those margins may be lower than the firm earns on traditional engineering scopes. They still expand the firm's overall margin pool, because they come from scopes the firm could not otherwise deliver.

2.5 Project Pricing

Projects are usually priced one of three ways:

- **Time and materials.** Each party bills hours against published rates.
- **Fixed fee.** The project carries an agreed price, allocated between the parties under the partnership agreement.
- **Hybrid.** Some elements are fixed fee and others are time and materials.

Fixed fee works when the scope is well defined and bounded. Application support often runs as a fixed fee with a defined deliverable. A post-award compliance program build may run as a fixed fee for the build phase, with ongoing operations on time and materials.

Time and materials works for scopes that depend on owner responsiveness, document availability, or other factors the partnership cannot fully control. Ongoing compliance program operations usually run on time and materials because the volume varies with the project's lifecycle phase.

2.6 Cost Reimbursement

Travel, document production and other direct costs are typically reimbursed by the owner at cost, without markup. Both the engineering firm and Energy Compliance follow that convention so direct costs stay transparent. Travel for the compliance work follows the same conventions the engineering firm uses for its own travel.

Some compliance engagements carry specialty costs: software subscriptions, specific data services, or regulatory filing fees. These are billed at cost when they apply. The partnership agreement spells out how specialty costs are treated so they do not become a dispute mid-project.

2.7 Billing Mechanics

Billing follows the modality, as the table in Section 2.1 shows. Billing cycles align with the owner's contract terms. Monthly billing is the most common. Quarterly billing shows up in some long-term retainer arrangements. The partnership agreement sets the billing cadence between the parties so it lines up with the owner's cycle.

3 Master Partnership Structure: Scope, IP, Confidentiality

The master partnership agreement sets the general framework under which Energy Compliance, Inc. and the engineering firm partner work across all projects. Individual projects are then engaged through task orders or supplemental agreements that incorporate the master terms. The master structure keeps the parties from renegotiating fundamental terms on every project, and it gives both sides a stable base to invest in. It also settles intellectual property, confidentiality and the other matters that benefit from consistent treatment across projects.

3.1 Scope Definition

The master agreement defines the general scope of work Energy Compliance, Inc. may perform under the partnership. It typically covers federal grant application engineering, post-award compliance administration, tax credit documentation, NERC compliance program support, federal cross-cutting compliance documentation, audit defense, and related advisory work. The scope is broad enough to cover what comes up across the engineering firm's portfolio without renegotiation on each project.

The master scope is bounded by Energy Compliance's specialties. The firm does not perform engineering work. It does not provide legal advice or tax counsel. It does not perform financial audits. It works in the compliance and funding space, and the master scope reflects those boundaries.

Task orders or supplemental agreements then set the scope for each project within the master: the deliverables, timeline, staffing approach, budget and any project-specific terms. Chapter 5 covers them.

3.2 Intellectual Property

Compliance and funding work produces documents and frameworks with ongoing value to the owner, the engineering firm and the compliance partner, so intellectual property needs a clear answer. The master agreement takes a layered approach:

- **Owner-facing deliverables** produced under a project are typically owned by the owner on delivery, consistent with the engineering firm's standard owner contracts. The engineering firm and Energy Compliance keep the right to use the methodologies, templates and analytical frameworks they developed in their own later work, but not the project-specific content.
- **Methodologies and templates Energy Compliance brings to the partnership** remain Energy Compliance's. The engineering firm uses them on joint projects but does not acquire the right to use them independently, and it may not lift them for later projects without Energy Compliance involvement.

- **Jointly developed methodologies and templates** are addressed in the master agreement according to how they were developed. Standard practice is joint ownership, with each party free to use the work product in later, unrelated work.

3.3 Confidentiality

Compliance and funding work involves access to sensitive owner information: financial records, strategic plans, technology details and regulatory positions. The master agreement sets confidentiality obligations consistent with both parties' standard practices and with the owner's expectations.

Each party protects the other's confidential information to the same standard it applies to its own. The protections extend to personnel acting for either party, and personnel are bound by individual confidentiality obligations as a condition of employment or engagement.

Owner information is treated as confidential under the protections in the owner's contract with the engineering firm. Energy Compliance accesses owner information only as the specific project requires and protects it under the same terms.

3.4 Non-Compete and Non-Solicit Considerations

The master agreement treats non-compete and non-solicit terms narrowly. Energy Compliance, Inc. does not compete with the engineering firm for engineering work, and the engineering firm does not compete with Energy Compliance for compliance work. The capabilities are complementary, and the agreement reflects that.

Personnel solicitation is handled with narrow non-solicit provisions that keep either party from hiring the other's people for a set period after project completion. Those provisions protect both parties' investment in their people without unduly restricting anyone's career.

3.5 Indemnification and Insurance

Each party indemnifies the other for damages arising from its own work. Energy Compliance indemnifies the engineering firm for damages arising from Energy Compliance's compliance work. The engineering firm indemnifies Energy Compliance for damages arising from its engineering work. The indemnities line up with each party's professional liability coverage.

Both parties carry professional liability insurance at levels appropriate to their scopes. Energy Compliance carries coverage specific to compliance and funding work. The engineering firm carries its standard errors and omissions coverage. Coverage levels are documented in the master agreement and verified annually.

3.6 Term and Termination

The master agreement runs for an initial term, typically three years, and renews automatically unless either party terminates. Termination requires notice and does not affect projects in flight, which continue under their existing task orders until complete.

Either party may terminate for cause on a material breach the other party does not cure within a specified period. Termination for cause may affect obligations on projects in flight, depending on the nature of the breach.

3.7 Governing Law and Dispute Resolution

The master agreement specifies governing law and dispute resolution. Standard practice is the law of the engineering firm's principal state of operation. Disputes go to negotiation first, then mediation, with arbitration as the fallback. The parties may agree to use courts of competent jurisdiction in particular circumstances.

3.8 Amendments

The master agreement is amended in writing, signed by both parties. That process lets the partnership evolve as both sides learn from the joint work. Major amendments usually come at term renewal, based on experience over the prior term.

> **Rob's View**
>
> The master agreement is where a partnership earns its efficiency. Settle intellectual property, confidentiality, indemnification and insurance once, in one document. Every time those terms get reopened on a task order, the two firms spend money arguing with each other instead of serving the owner.

4 The Co-Delivery Model: Embedded Compliance on Engineering Scopes

In the co-delivery model, Energy Compliance, Inc. personnel work as embedded members of the engineering firm's project team rather than as outside consultants who check in at intervals. Embedding produces tighter integration with engineering decisions, faster issue resolution and clearer accountability for the integrated deliverable. It also takes specific operating mechanics that set it apart from arm's-length consulting. This chapter covers those mechanics.

4.1 Team Integration

In a co-delivery engagement, the project's compliance lead attends the engineering firm's project team meetings, sees the project schedule, shares the project document repository, and is available to the engineering project manager on the same timelines as internal team members. The integration is real, not nominal. The compliance lead is not an outside resource the team calls when a compliance question comes up. The compliance lead is the team member who carries the compliance work.

How deep the integration goes depends on the scope. Major federal grant applications and substantial post-award compliance programs usually warrant deep integration. Lighter scopes may need less. The engineering project manager and the compliance lead settle the right depth at kickoff.

4.2 Communication Cadence

A typical co-delivery project runs on weekly project team meetings, daily or near-daily informal coordination, and quarterly senior reviews. That cadence surfaces issues quickly and gets them resolved. It also builds the working relationships that let the two firms work well together across projects over time.

The cadence tracks the project's intensity. Projects in active production may need more contact. Projects in a maintenance phase need less. The cadence is adjusted as the project moves through its lifecycle.

4.3 Decision Authority

Decision authority on the engineering scope rests with the engineering firm. Decision authority on the compliance scope rests with Energy Compliance, Inc. The two coordinate on decisions that affect both scopes, and the engineering project manager keeps overall responsibility for delivery to the owner.

For decisions at the intersection of engineering and compliance, the parties consult and reach a coordinated decision. The engineering project manager has final authority on the owner-facing

decision. Energy Compliance is responsible for making sure the compliance implications are visible and the decision is informed. That way the engineering firm does not decide without compliance input, and Energy Compliance does not decide without engineering context.

4.4 Owner Interface

When an embedded engagement runs white-label, Energy Compliance personnel may deal with the owner as members of the engineering firm's team. That arrangement is set at the outset, with the owner's awareness or under the engineering firm's standard team disclosures. It keeps the engineering firm's brand in front of the owner while giving the owner access to specialist capability.

In co-delivery, both firms are named to the owner, and personnel deal with the owner under their own affiliations. Some owners prefer this because they want explicit visibility into the compliance capability. It also fits engagements where Energy Compliance's named involvement supports the owner's own positioning.

4.5 Document Production

Documents are produced through coordinated workflows that tie the engineering firm's document control system to Energy Compliance's documentation discipline. The engineering firm typically keeps custody of project documents under its standard document control procedures. Energy Compliance contributes to specific documents and keeps its own working records during production.

Sensitive material, such as tax credit positions and NERC compliance details, is handled according to its sensitivity. Documents with broad distribution can move through the engineering firm's standard channels. Restricted documents use specific access controls consistent with the master agreement's confidentiality terms.

4.6 Project Quality Reviews

The integrated team reviews integrated deliverables together. The engineering firm reviews the engineering content. Energy Compliance reviews the compliance content. The joint review confirms the deliverable holds together on both counts, and it catches problems a single-discipline review would miss.

Major deliverables, such as federal grant applications, tax credit documentation packages and NERC compliance program documents, go through several integrated review cycles before the owner submits or uses them. The depth of review matches the deliverable's significance.

4.7 Schedule Coordination

The engineering schedule and the compliance schedule are merged into a single project schedule the team works from. It shows the dependencies between engineering and compliance activities. Engineering milestones that drive compliance documentation are tagged as such, and compliance deadlines that affect engineering decisions are visible to the engineering team.

That discipline prevents two familiar failures: engineering moving ahead on its own schedule without regard to compliance, and compliance work surfacing requirements the engineering schedule cannot absorb.

4.8 Issue Escalation

The team works under defined escalation paths. The engineering project manager and the compliance lead resolve issues at the project level. Issues beyond their authority go to the engineering firm's partner-in-charge and to the Energy Compliance senior practitioner assigned to the project. Issues beyond that level go to the master partnership level.

Clear escalation keeps issues from festering at lower levels until they become crises. When the same issue escalates on more than one project, it goes on the agenda for the next quarterly review (Chapter 10).

5 Project Task Order Architecture

The project task order is the contract document under which a specific project is engaged within the master partnership. It incorporates the master agreement by reference and adds what is specific to the project: scope, deliverables, schedule, staffing, budget and any special provisions. The architecture is built for efficiency. A standard task order can be executed quickly. A complex one carries the necessary specifics without redrafting the foundational terms.

5.1 Standard Task Order Template

The partnership uses a standard task order template that captures the typical project structure. It has sections for project identification, owner identification, engagement modality, scope of work, deliverables, schedule, staffing, budget and pricing, billing, term, and project-specific provisions. A standard engagement can be completed in a few hours.

The template refers to the master agreement for everything the master covers. It does not restate the intellectual property, confidentiality, indemnification or other master terms. Restating them invites conflicts between documents. Referring to them keeps every task order consistent with the master.

5.2 Scope of Work Specification

The task order scope says what Energy Compliance will do on the project, in concrete terms. For a federal grant application, that might be specific application sections, the win-theme framework, budget construction support, federal cross-cutting compliance documentation, and participation in internal reviews. For a post-award compliance engagement, it might be building the Compliance Obligation Matrix, establishing the documentation architecture, running quarterly compliance reviews, and supporting audits.

Scope discipline prevents scope creep. New items that come up during the project are handled through scope amendments, not absorbed without compensation. That protects both parties.

5.3 Deliverables and Acceptance

The task order lists the deliverables Energy Compliance will produce, described concretely. A federal grant application deliverable identifies the specific application package elements. A compliance program build deliverable identifies the Compliance Obligation Matrix, the documentation templates, the procedures and the training materials.

Each deliverable has acceptance criteria. Acceptance is usually by the engineering firm's project manager, who reviews the deliverable against the scope and the criteria. Acceptance drives compensation milestones and project closeout.

5.4 Schedule and Milestones

The task order schedule reflects the integrated project schedule and states the specific dates Energy Compliance commits to. Major milestones tie to the broader project schedule. The engineering firm can plan around Energy Compliance's commitments, and Energy Compliance can plan its own resources across concurrent projects.

Slippage by either party affects the integrated delivery. The task order says how slippage is handled, including notice obligations, recovery planning and any compensation adjustment.

5.5 Staffing

The task order names the Energy Compliance senior practitioner on the project and identifies supporting personnel by role and qualification. The owner sees the named team before the project starts.

Substitutions follow defined procedures. The engineering firm has consent rights over any substitution of the named senior practitioner. Energy Compliance manages substitutions of supporting personnel and notifies the engineering firm.

5.6 Budget and Pricing

The task order sets the project budget and pricing structure. On time and materials projects, the budget reflects estimated hours and rates with a not-to-exceed provision. On fixed fee projects, it reflects the agreed fee and payment milestones. Hybrid projects carry the mix.

Pricing stays consistent with the master agreement. Rates and amounts reflect the project's specifics. The engineering firm's markup is either built into the rates shown in the task order, if the firm wants it transparent, or absorbed into its own pricing to the owner, if it prefers.

5.7 Project-Specific Provisions

The task order includes any provisions that depart from the master defaults. Examples include special confidentiality handling for particularly sensitive matters, additional insurance the owner requires, specific reporting cadences the owner expects, or deliverable formats the owner prescribes.

Keep these provisions narrow. Broad departures from the master belong in a master amendment, not in repeated task order variations. When the same variation keeps showing up across task orders, the master needs updating.

5.8 Task Order Amendments

Task orders are amended in writing when scope, schedule or budget changes materially. A scope change produces a scope amendment that adjusts deliverables, schedule and budget together. Projects evolve, and the amendment process handles that without a full renegotiation.

5.9 Closeout

A task order closes when all deliverables are accepted, all invoices are paid, and any post-completion obligations are met. Closeout produces the project record the parties keep for reference and for any later review of the project.

Closeout records include the executed task order and amendments, the accepted deliverables, invoices and payment records, the project schedule with actuals, key correspondence, and any lessons-learned documentation. Each party keeps them under its own records management program.

6 Joint Pursuit Support: Proposals, Capability Statements, Owner Q&A

The partnership earns its keep before any project is awarded, too. Engineering firms competing for energy work increasingly face proposals and qualification questions that require integrated compliance and funding capability. The partnership supports the firm during pursuit with proposal contributions, capability statements, owner Q&A support and pre-award presentations, structured so the effort stays efficient for both parties and strengthens the firm's competitive position.

6.1 Proposal Contributions

When the engineering firm pursues an opportunity with substantial compliance or funding components, Energy Compliance contributes specific proposal sections that show the integrated capability. Those may include a description of the compliance approach, the assigned senior practitioner and biography, relevant prior work, and any methodologies the proposal needs to describe.

The contribution is usually a defined effort. Energy Compliance provides its input on a set timeline, and the engineering firm integrates it into the overall proposal. The engineering firm keeps overall responsibility for the proposal and its submission.

Where Energy Compliance's role is substantial, the proposal may name it as a subcontractor or team member, which makes the integrated capability visible to the prospective owner. Where its role is operational but not visibility-critical, Energy Compliance may go unnamed, with its capability reflected in the proposal's substance.

6.2 Capability Statement Development

Engineering firms keep capability statements that describe their qualifications for different kinds of work. Capability statements for compliance and funding scopes are developed with Energy Compliance's input. They reflect the partnership's integrated capability and support specific pursuits.

These statements live in the engineering firm's proposal library and are updated as both parties' qualifications change. The upkeep is coordinated so the statements stay current and match what the partnership can actually deliver. That includes taking out program language that no longer applies. A capability statement that still promises Justice40 narratives or DOE Community Benefits Plans tells the owner the team has not kept up. Any template, capability statement or proposal section still built around the older rules needs to be rebuilt before it goes out.

6.3 Owner Q&A Support

Prospective owners often send questions during proposal evaluation. Questions about compliance approach, federal grant administration capacity, NERC compliance capability or specific regulatory matters may be best answered with Energy Compliance input. The engineering firm coordinates with Energy Compliance on the response, folds the input into its response document, and submits it.

Pursuit timelines are tight, so the Q&A support has to be fast. Energy Compliance responds within the timeframe the engineering firm needs, with the senior practitioner involved.

6.4 Pre-Award Presentations

Some pursuits include oral presentations or interviews. Where compliance and funding are material to the evaluation, the Energy Compliance senior practitioner may take part. That reinforces the integrated team story and gives the prospective owner direct exposure to the compliance capability.

How much Energy Compliance takes part depends on the pursuit. Some warrant deep involvement. Others need only a brief introduction. The two firms plan the presentation together, with clear roles for each.

6.5 Pursuit Investment

Pursuit support is an investment both parties make before any award. Under most partnership arrangements it is not separately compensated. It is recovered through the projects that successful pursuits bring in, and both parties accept it as part of the partnership economics.

Selectivity matters. The parties pursue opportunities where the win probability is reasonable and the project value justifies the effort. Pursuits unlikely to win, or likely to produce thin margins if won, get declined. That discipline keeps both parties' capacity available for the pursuits worth winning.

6.6 Win Rate Tracking

The partnership tracks win rates on pursuits Energy Compliance contributed to. The tracking shows which pursuit types produce good outcomes and which do not, and it points to where the partnership can improve. Pursuits that keep losing despite strong integrated submissions may mean the engineering firm's positioning needs work, or that the market is not a fit for the partnership's offering.

6.7 Confidentiality During Pursuits

Pursuit support exposes the engineering firm's competitive positioning, pricing strategy and pursuit intelligence. That information is highly sensitive. The master agreement's confidentiality terms cover it, the people handling it know the heightened sensitivity, and it is shared only as the specific pursuit requires.

Energy Compliance partners with several engineering firms and respects each one's confidentiality. Information shared during one firm's pursuit is not available to another.

6.8 Pursuit Coordination Across Firms

Occasionally, two engineering firms partnered with Energy Compliance pursue the same opportunity. Energy Compliance handles the conflict through specific protocols: disclosure to the firms involved, assigning staff to one pursuit only, or in some cases declining to support either. The protocols protect both partnerships and prevent any perception of unfair information transfer.

7 Owner-Side Compliance Program Build-Out

Some owners of federally funded, BES-connected projects have never administered a federal grant or never held NERC registration. Those owners need a compliance program built before the asset goes into service and through the first phase of operations. The engineering firm partners with Energy Compliance to build that program as part of integrated project delivery. The build is a structured engagement that leaves the owner with a capability it can sustain rather than a consultant-dependent operation. It is also one of the most valuable things the partnership offers.

> **Who Is New to NERC Registration**
>
> Since NERC revised its Statement of Compliance Registry Criteria (Rules of Procedure Appendix 5B, Revision 8, effective June 27, 2024), the Generator Owner and Generator Operator functions include a Category 2: non-BES inverter-based resources of 20 MVA or more in aggregate at 60 kV or above (see Glossary). Solar, wind and storage owners who never thought of themselves as registered entities may now be in scope. Check registration before the owner's program is designed, not after.

7.1 The Program Components

An owner-side compliance program for a federally funded, BES-connected energy project has several components:

- The federal grant compliance backbone, with the Compliance Obligation Matrix and the documentation architecture.
- The NERC compliance program, with standard-specific procedures and a CIP program where one applies.
- An integrated documentation discipline that serves both regimes.
- A personnel structure with named roles and responsibilities.
- A training program for the people running the compliance work.
- A reporting and governance framework that puts compliance status in front of senior leadership and the board.
- A continuous improvement loop that captures lessons and refines the program over time.

Each component is built from a defined work plan that says what is being built, who is building it, what evidence the build produces, and how the component transfers to the owner's operating team.

7.2 Sequencing the Build

The build follows the project lifecycle. During design and construction, the foundational documentation discipline goes in, the procurement framework is implemented, and construction documentation is captured as the work happens. NERC technical documentation, including interconnection studies, protection settings and commissioning records, goes into the file as the engineering work produces it. On federally funded work, that includes the certified payrolls Davis-Bacon contract clauses require contractors to submit weekly under 29 CFR 5.5(a)(3), and the domestic content documentation the Build America, Buy America requirements in 2 CFR Part 184 call for.

During commissioning and the run-up to commercial operation, the operations program is built. Operating procedures are written, personnel are trained, and the CIP program, where one applies, is put into operation. Communication paths with the host transmission provider and the Regional Entity are established. Integrated incident response procedures are tested through tabletop exercises.

After commercial operation, the operating cadence is set and the first cycle of ongoing compliance activities runs with Energy Compliance support. The first post-operation certified payroll review is done, the first federal progress report under the award is built, the first NERC self-certification or data submittal the Regional Entity requests is prepared, and the first round of internal compliance reviews is conducted. That first cycle sets the pattern the owner's team will continue.

7.3 Personnel Development

The build is meant to develop the owner's people, not to make the owner dependent on consultants. The people who will run the program work alongside Energy Compliance during the build, watch the discipline being established, and take on components as their capability grows.

The development is structured. Personnel may shadow Energy Compliance work early, own specific components in the middle phases, and run independently with periodic Energy Compliance review later. The result is a team that can sustain the program after Energy Compliance's involvement tapers off.

7.4 Documentation as Owner Property

Documentation produced during the build belongs to the owner. Templates and procedures are tailored to the owner's entity and operations, and the owner keeps them when the build is done. The intellectual property terms in Section 3.2 apply.

The resulting documentation is portable. The owner could replace Energy Compliance with another partner, or bring the compliance work fully in-house, without losing the program. That portability protects the owner, and it is itself part of what makes the partnership credible.

7.5 Transition to Owner Operations

The handoff from build to owner operations is explicit. A transition plan states what is being transferred, who is taking responsibility, what training has been completed, what residual support Energy Compliance will provide, and what indicators will show the transition worked.

Some owners want a clean break, with Energy Compliance's involvement ending on a set date. Others want ongoing support at a reduced cadence. The partnership accommodates either, and the transition is built around the owner's choice.

7.6 Ongoing Advisory

After the build closes, many owners keep Energy Compliance on for ongoing advisory at a defined cadence. That may include quarterly compliance reviews, audit preparation support, advice on specific issues as they come up, and refreshed training materials. It gives the owner access to a senior practitioner without the intensity of the build.

Ongoing advisory is usually priced as a retainer or as task-based time and materials. The owner gets senior judgment when it is needed without carrying an in-house senior position, and the arrangement fits the broader partnership economics.

7.7 Engineering Firm Role in Build Engagements

The engineering firm's role in a program build varies. In some engagements, the engineering firm holds the prime contract with the owner and Energy Compliance is the named subcontractor. In others, the owner contracts the build with Energy Compliance directly, and the engineering firm provides engineering input.

That choice is made at the outset, based on the owner's preference, the engineering firm's contracting model and how the parties see their roles. It is documented through the appropriate contract with the owner.

8 Cross-Training: PM and Engineer Capability Development

A partnership that runs over several years builds capability on both sides. The engineering firm's project managers and engineers gain enough fluency in compliance and funding to bring those considerations into their engineering work earlier. Energy Compliance personnel gain enough fluency in engineering to engage more effectively with engineering decisions. The cross-training runs through specific mechanisms that produce measurable capability over time.

8.1 Project Manager Capability Development

Project managers are the central integration role on most projects. PMs who understand the compliance requirements make better integration decisions, see the compliance implications of engineering choices sooner, and deliver more smoothly. PM cross-training focuses on the compliance and funding concepts most relevant to the firm's project mix.

Topics PMs usually benefit from include:

- the federal grant compliance lifecycle, from application through closeout;
- the clean electricity tax credit framework, including the prevailing wage and apprenticeship requirements, the bonus credits, and the beginning-of-construction and placed-in-service dates that now limit wind and solar credits;
- NERC registration triggers and the basic functional model;
- the federal cross-cutting requirements that recur across projects;
- how compliance schedules interact with project schedules.

The PM does not need to become a compliance specialist. The PM needs to recognize when compliance implications are present and bring Energy Compliance in at the right time.

Training usually combines formal sessions with on-the-job exposure. Formal sessions of a few hours each cover the key concepts. On-the-job exposure comes from PMs taking part in compliance discussions, reviewing compliance work products, and coordinating on integrated deliverables.

8.2 Engineer Capability Development

Engineers on energy projects benefit in the same way from exposure to the compliance and funding considerations that shape their decisions. Engineers who design generation interconnections benefit from understanding the NERC standards that drive ride-through capability and protection settings. FERC approved PRC-029-1, the frequency and voltage ride-through standard for inverter-based resources, and the revised PRC-024-4, which covers protection settings for synchronous generators, Type 1 and Type 2 wind resources and synchronous condensers, in Order No. 909. Engineers who specify equipment benefit from

understanding the domestic content requirements that can affect equipment selection. Engineers who build project schedules benefit from understanding the federal grant reporting and NERC compliance milestones that belong in the schedule.

Engineer training is more technical than PM training. Engineers can take in specific regulatory requirements and apply them directly. The engineering work gets better, because the engineer is designing with the regulatory context in view rather than in isolation from it.

8.3 Energy Compliance Personnel Development

Energy Compliance personnel benefit from exposure to the engineering work as well. Senior practitioners with deep regulatory expertise get better at their jobs when they understand the engineering trade-offs behind specific design decisions. That understanding makes them more credible with engineering teams and produces compliance work that fits the engineering work more naturally.

This side of the cross-training happens through work with the engineering firm's technical staff on projects, review of engineering deliverables, and participation in technical discussions. Over time, Energy Compliance personnel pick up the engineering language and concepts that make integration faster and more substantive.

8.4 Joint Knowledge Building

Beyond individual training, the partnership builds shared knowledge. Together the parties develop frameworks, templates and methodologies that reflect both engineering and compliance perspectives. The development happens on specific projects, but the results apply across the partnership's portfolio.

That knowledge is captured in shared resources: methodology documents, integrated checklists, lessons-learned compilations and reference frameworks available to the partnership's project teams. Each new project starts with what the earlier ones learned.

8.5 Knowledge Transfer Discipline

Jointly built knowledge is captured on purpose, not left to dissipate. The partnership runs after-action reviews on completed projects, writes insights into accessible references, refreshes training materials periodically, and pays explicit attention to knowledge that a personnel change could otherwise take out the door.

The payoff builds over time. The partnership gets more efficient as the shared knowledge base grows, new people ramp up faster, and new projects benefit from the insights of earlier ones.

8.6 Training Documentation

Cross-training is documented through training records, attendance logs and any post-training assessments. The records support both parties' continuing professional education programs and show the capability the partnership is building. They can also support capability claims in pursuit documents that reference the partnership's joint training.

8.7 Capability Visibility to Owners

Owners benefit from knowing the teams they hire carry this cross-trained capability. The partnership shows it through joint proposals, capability statements and project team biographies. In my view, owners value teams that show integrated capability over teams that show single-discipline expertise alone.

That visibility also supports the partnership's market position. What sets the offering apart is not only access to Energy Compliance's senior practitioner, but the cross-trained capability running through the engineering firm's project teams.

9 Reciprocal Referral Mechanics

The partnership runs on reciprocal referrals. The engineering firm refers compliance and funding work to Energy Compliance, Inc. when its clients need that capability. Energy Compliance refers engineering work to the engineering firm when its clients need that capability. The framework is built to produce value for both sides while protecting each party's primary client relationships and avoiding the friction poorly structured referral arrangements create.

9.1 The Default Referral Pattern

By default, Energy Compliance refers engineering needs to the partner firm in that firm's geographic market and specialty. Energy Compliance clients that need engineering support for energy projects in the partner's coverage area are directed to the partner first. The introduction is made formally, and the client decides whether to engage the firm.

In the other direction, the partner firm refers compliance and funding work that calls for senior practitioner capability to Energy Compliance. Clients facing federal grant compliance, tax credit documentation, NERC compliance support or related advisory work are introduced to Energy Compliance, again formally, and again the client decides.

The default is not exclusive. Each party keeps the right to use other resources when circumstances warrant. The default does favor the partner, though, and significant departures from it are discussed between the parties to protect the partnership's integrity.

9.2 Geographic Coverage and Specialty Match

Referrals follow the parties' geographic coverage and specialty match. An engineering firm with strong solar and storage capability in the Midwest is the logical referral for Midwest solar and storage engineering. A firm with strong wind and transmission capability in the Plains states is the logical referral for Plains wind and transmission work.

Energy Compliance works nationally, but referrals to an engineering firm reflect that firm's specialty mix. The framework documents which specialties and geographies each engineering partner covers, which keeps referrals disciplined.

9.3 Multiple Engineering Firm Partners

Energy Compliance partners with several engineering firms, because no single firm covers every relevant specialty and geography. Multiple partners can create referral conflicts, and the partnership handles them with specific protocols: geographic and specialty differentiation between partners where possible, explicit conflict checks before referrals, and disclosure to clients when more than one partner firm could serve their needs. Those protocols keep referral conflicts from undermining the framework.

9.4 No Referral Fees in Most Arrangements

The default arrangement includes no referral fees. Each referral produces work for the receiving party at its standard rates. The value is the referral relationship itself, not a financial transaction.

Some arrangements may include referral fees in specific circumstances, such as referrals to specialty work outside the usual partnership scope or referrals that involved unusual sales investment. Those arrangements are specific to the situation and documented in writing. The default avoids referral fees because they complicate the partnership economics and each party's relationship with its clients.

9.5 Client Disclosure

When a client is referred, the disclosure is clear. The client knows the introduction comes through a partner relationship and is free to engage or not. Disclosure prevents any appearance of a hidden referral arrangement that would damage either party's credibility.

The disclosure does not need to be elaborate. A simple statement that the firms partner on energy projects and that the referral reflects that partnership is enough.

9.6 Performance Accountability

The party that receives a referral is accountable for its performance with the client. A referral that produces poor work damages the partnership's credibility on both sides, so referrals carry mutual accountability. The receiving party treats the referred client with the same care it gives any client. The referring party expects that level of care and takes responsibility for vetting the receiving party's quality.

A referral that goes badly is logged in the referral tracking (Section 9.7) and raised at the next quarterly review, where the parties decide whether the receiving party stays the default for that kind of work.

9.7 Tracking Referrals

The parties track referrals informally: the referral, whether the client engaged or declined, the work done and the outcome. The tracking shows what the referral relationship is worth and where it can improve. It is not heavily formalized, but it gives both parties visibility.

9.8 Strategic Referrals

Beyond client-driven referrals, the parties may identify strategic referrals, where introducing the partner to a specific client supports the partner's broader market position. These are made selectively, because the referring party invests without an immediate return. The parties identify them through periodic partnership planning.

9.9 Client Conflict Considerations

Some clients have policies that restrict referrals or require disclosure of fee arrangements. The parties respect those policies and run the referral framework within them. Where a client's policies conflict with the framework, the parties work with the client to find an acceptable approach, or accept that the framework will not operate in that relationship.

10 Quarterly Partnership Review and Portfolio Risk Scan

The partnership runs on a quarterly review cadence. Each review surfaces operational issues, identifies improvements, addresses risk, and renews the parties' alignment on partnership goals. The review is built to be efficient and substantive. In my view, that quarterly discipline is what separates long-term partnerships that work from partnerships that drift into transactional engagement with no strategic upkeep.

10.1 The Quarterly Review Agenda

A quarterly review typically covers:

1. Status of active projects across the partnership's portfolio.
2. Review of recently completed projects, including lessons learned.
3. The pipeline of pursuits and upcoming opportunities.
4. Personnel updates from both parties.
5. Operational issues affecting partnership delivery.
6. Strategic discussion of market changes and partnership positioning.
7. A risk scan across the portfolio and the broader regulatory environment.
8. Action items from the prior quarter and progress on each.

The agenda stays consistent from quarter to quarter while leaving room for issues that need attention in a given quarter. Both parties contribute to it before the review.

10.2 Participants

The core participants are usually the engineering firm's senior leader responsible for the partnership and the Energy Compliance senior practitioner who anchors it. Others join depending on the issues. Project managers may attend part of the review to discuss their projects. Business development leaders may attend to discuss the pursuit pipeline. Quality and risk leaders may attend periodically.

Keep it small enough for real discussion without heavy logistics. A two-to-four-person review with a focused agenda usually works well. Larger groups tend to produce diffuse discussion that loses the strategic focus the review needs.

10.3 Portfolio Risk Scan

The portfolio risk scan is one of the most valuable parts of the review. It looks across active and pending projects for risk: schedule risk on active projects, scope concerns that may surface in coming quarters, regulatory changes that may affect ongoing or pending work, personnel issues that may affect delivery capacity, and client relationship issues that may affect specific projects.

The scan is not a full risk assessment. It is a surfacing exercise. Risks it identifies are tracked through later reviews until resolved, so they do not compound quietly into problems.

> **Practice Point**
>
> A regulatory change usually reaches a partnership's portfolio through a template, not a headline. The capability statement written in 2024, the proposal boilerplate, the program build checklist: each carries the rules in force when it was written. Make "what changed in the rules since last quarter, and which of our documents still assume the old version" a standing line in the risk scan.

10.4 Lessons Learned Discussion

Recently completed projects are reviewed for lessons learned: what worked, what could have gone better, what surprised the team, and what applies to later projects. The lessons go into the partnership's knowledge management system.

Each lesson is recorded with the template, checklist or procedure it changes, and that document is updated before the next task order goes out.

10.5 Personnel Continuity

Personnel changes on either side affect the partnership. New people need to be brought into the relationship and trained on its protocols. People leaving take knowledge with them that needs to be captured first. The quarterly review addresses transitions as they happen and keeps continuity intact.

The review also covers skill development across both teams. The parties identify training needs, cross-training opportunities and capability gaps that could affect the offering, and plan the development to close them.

10.6 Strategic Discussions

The strategic discussion covers market changes and partnership positioning: emerging client needs the partnership could address, regulatory changes that may affect the offering, competitive developments in the engineering and compliance services markets, and opportunities to expand or refine the partnership.

It produces decisions about direction. Decisions about new service offerings, market expansion or scope changes usually come out of this discussion and are documented for follow-through.

10.7 Action Item Discipline

Each quarterly review produces action items with named owners and target dates. They are tracked across reviews, and progress on each is checked the next quarter. That keeps discussion turning into operational change instead of fading into the next quarter's discussion.

Action items that keep failing to close are a signal. Either the item is not really a priority and should be retired, or the underlying issue is harder than it looked and needs a different approach.

10.8 Documentation

Each review is documented in meeting notes that capture the key discussion, decisions and action items. The notes are shared between the parties and become part of the partnership's institutional record. They also support continuity, because new people can read the record to understand the partnership's history.

Keep the notes concise. They are working records that support the partnership's ongoing operation, not formal minutes.

10.9 Annual Partnership Review

On top of the quarterly cadence, the partnership holds an annual review for the bigger questions. It revisits overall performance, considers any master agreement amendments, evaluates the economic outcomes for both parties, and confirms direction for the coming year.

The annual review is usually more structured than the quarterly ones and may lead to more substantial changes to the partnership's structure or scope. It is where the fundamental partnership questions get addressed.

10.10 Termination Considerations

The quarterly and annual reviews also surface situations where the partnership is not delivering the expected value for one or both parties. The reviews are the forum for raising concerns and considering changes. Occasionally, those discussions lead to a decision to wind the partnership down.

When that happens, termination is handled professionally and with respect for both parties' investment. Projects in flight are completed under existing arrangements. Jointly built knowledge is handled appropriately. The relationship usually stays professional after the partnership ends, and the parties may resume it if circumstances change.

10.11 Closing the Framework

The framework in this reference is not theoretical. It is the framework Energy Compliance, Inc. operates under with its current engineering firm partners. It has evolved through years of partnership operation and keeps evolving as the parties learn from joint work.

Engineering firms considering a partnership start by reviewing the framework against their own market position, project mix and strategic direction. Where it fits, the conversation moves to specific terms. Where it does not, both parties move on to other relationships rather than force an arrangement that will not produce value.

Glossary of Terms

Term	Meaning in this paper
Build America, Buy America (BABA)	The domestic content procurement preference for infrastructure projects funded with federal financial assistance, enacted in the Infrastructure Investment and Jobs Act and implemented in 2 CFR Part 184.
Bulk Electric System (BES)	The set of transmission elements and generating resources defined in the NERC Glossary of Terms that is subject to NERC Reliability Standards.
Category 2 Generator Owner / Generator Operator	The NERC registration category, in Rules of Procedure Appendix 5B, for entities that own or operate non-BES inverter-based generating resources that have or contribute to an aggregate nameplate capacity of 20 MVA or more, connected through a system designed primarily for delivering that capacity to a common point of connection at 60 kV or above.
Certified payroll	The weekly payroll and signed Statement of Compliance that contractors and subcontractors on Davis-Bacon work submit under 29 CFR 5.5(a)(3).
Co-delivery	The engagement modality in which both firms are visible to the owner and operate as one integrated project team.
Compliance Obligation Matrix	EC's working register of every compliance obligation attached to a funded project, with its source, owner, due date and evidence.
Davis-Bacon and Related Acts	The federal prevailing wage requirements for laborers and mechanics on covered federally funded construction, with contract clauses at 29 CFR 5.5.
Master partnership agreement	The standing agreement with a partner firm that sets scope, intellectual property, confidentiality, indemnification, insurance, term and dispute terms.
Prohibited foreign entity	Defined in 26 U.S.C. 7701(a)(51), added by Public Law 119-21. Material assistance from such an entity (7701(a)(52)) bars clean electricity credits for facilities beginning construction after December 31, 2025.
Single audit	The audit under 2 CFR 200 Subpart F required of a non-federal entity that expends $1,000,000 or more in federal awards in its fiscal year (§ 200.501). DOE applies the same threshold to for-profit recipients through the Policy Flash 2025-02 class deviation.
Subcontract modality	The engagement modality in which Energy Compliance, Inc. is a named subcontractor to the engineering firm, visible to the owner.
Task order	The project contract under a master partnership agreement that sets scope, deliverables, schedule, staffing and budget and incorporates the master terms.
White-label delivery	The engagement modality in which Energy Compliance, Inc. performs work under the engineering firm's brand and the owner sees a single firm.

How Energy Compliance Can Help

Here is what Energy Compliance, Inc. brings to a partner firm's projects.

Engineering Firm Partnership. The framework in this reference: white-label, co-delivery or subcontract engagement under a master partnership agreement and project task orders, with joint pursuit support, cross-training, reciprocal referrals and a quarterly partnership review.

Owner-Side Compliance Program Build-Out. For owners new to federal grants or NERC registration, we build the program described in Chapter 7, from the Compliance Obligation Matrix to the NERC procedures and the training, and transition it to the owner's team.

Post-Award Administration. The Compliance Obligation Matrix, reporting cadence, subrecipient monitoring and single audit readiness under 2 CFR 200, including SEFA preparation, procurement policy and subaward drafting, and grant-file reviews.

Audit Defense. Single audit preparation, Office of Inspector General response, finding remediation, and drafting and executing corrective action plans. On the NERC side, audit defense, RSAW production and data request strategy for the owner's first compliance audit.

IRA Bonus Credit Documentation. Documentation discipline for prevailing wage, apprenticeship, domestic content, energy community, direct pay and transferability, updated for the Public Law 119-21 changes.

Grant Readiness and Application Engineering. Pre-application diagnostics, application strategy, narrative engineering and federal cross-cutting compliance design for the pursuits the partnership chases together.

NERC Registration and Compliance Program Management. Registration analysis, including Category 2 inverter-based resource questions, and ongoing compliance program management after the owner's asset goes into service.

WattOps Compliance. When a partnership project becomes a NERC-registered asset, the owner needs its compliance evidence organized from the first day of operation. WattOps Compliance, EC's NERC compliance evidence platform at wattopscompliance.com, does that job. We will run one standard at one of your facilities through WattOps at no cost. CIP standards are excluded from that offer.

RenewOps. Many partnership projects are solar, wind or storage. RenewOps, EC's renewable operations monitoring and analytics platform, which includes a Data Center module, gives the owner's operations team the operating data the program build hands off to them.

If owner-side compliance and funding scopes are straining your firm, call me. Website: energycomplianceinc.com · Email: rsmith@complianceforenergy.com · Phone: 763.438.4427

About the Author

Rob Smith is the Founder and Principal of Energy Compliance, Inc., with more than thirty years in the industry on every side of the system. He began in control-room operations as a Reliability Coordinator, Transmission Operator, and Power System Operator across RTO/ISO and utility control centers. On the regulator side, he was a senior compliance auditor and subject matter expert for NERC Reliability Standards. He audited grid facilities, evaluated mitigation adequacy, participated in risk-based oversight of utility mitigation activities, and supported the development of violation notifications and settlements in FERC-directed enforcement actions. He conducted a regulatory audit in the Sultanate of Oman against the Sultanate's Sector Law and Grid Code.

He founded Energy Compliance, Inc. to deliver senior regulator-side compliance authority without the layered staffing and billable-hour overhead of larger firms.

Education:

- MBA, Energy Management, University of Mary
- MSL, Compliance Law, Fordham Law University
- BAS, Energy Management, Bismarck State College
- BAS, Mechanical Engineering, Metallurgy minor, University of Florida
- BAS, Criminology, St. Petersburg College (State Law Enforcement Certification)
- AAS, Power Plant Technology, Bismarck State College
- AAS, Electrical Transmission System Technology, Bismarck State College

Certifications: NERC Lead Auditor training; previously NERC-certified at the Reliability Coordinator level; 1st Class A Boiler Engineer License, Minnesota.

The views expressed in this publication are his own and do not represent the views of any federal or state agency, NERC, or any Regional Entity.

About Energy Compliance, Inc.

Energy Compliance, Inc. is a senior-led professional services firm serving registered entities and federally funded energy projects. The firm advises on NERC Reliability Standards, RTO and ISO market frameworks, Public Utility Commission of Texas matters, post-award compliance administration under 2 CFR 200, Inflation Reduction Act bonus credit documentation, federal grant application engineering, and engineering firm partnership structures for owner-side compliance delivery.

Our position is compliance-first. We engineer the documentation, audit trail and obligation matrix that have to survive post-award scrutiny, because in our view that is where funded energy projects get into trouble, not at the award decision.

Every engagement is overseen by a senior practitioner. We do not bring five people to a meeting that needs one. The firm exists because, in our view, too much of the consulting offered in this space is structured for billable hours, not outcomes. EC also builds the tools: WattOps Compliance, our NERC compliance evidence platform, and RenewOps, our renewable operations monitoring and analytics platform.

The Grant Funding Series is one of several reference series the firm publishes, written for the people doing the work. The substance in the reference is the substance in the engagement. The difference is whether we carry the workload with you or you carry it yourself. The firm is based in Bloomington, Minnesota, and serves clients nationwide.

Website: energycomplianceinc.com · Email: rsmith@complianceforenergy.com

Phone: 763.438.4427

Sources and Authorities

- 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, including § 200.501 (Audit requirements). https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200
- 2 CFR Part 184, Buy America Preferences for Infrastructure Projects. https://www.ecfr.gov/current/title-2/subtitle-A/chapter-I/part-184
- 29 CFR 5.5, Contract provisions and related matters (Davis-Bacon and Related Acts). https://www.ecfr.gov/current/title-29/subtitle-A/part-5/subpart-A/section-5.5
- DOE, Policy Flash 2025-02, Class Deviation to 2 CFR 910.501 Audit Requirements for For-Profit Organizations (October 2, 2024). https://www.energy.gov/node/4845564
- DOE, Policy Flash 2025-16, Rescission of DEI, CBP, and Justice40 Policy Flashes, Acquisition Letters, and Financial Assistance Letters (January 23, 2025). https://www.energy.gov/node/4849224
- Executive Order 14148, Initial Rescissions of Harmful Executive Orders and Actions, 90 FR 8237 (January 28, 2025). https://www.govinfo.gov/content/pkg/FR-2025-01-28/html/2025-01901.htm
- 26 U.S.C. 48E, Clean electricity investment credit, and 26 U.S.C. 45Y, Clean electricity production credit, as amended by Public Law 119-21 (July 4, 2025). https://www.law.cornell.edu/uscode/text/26/48E ; https://www.law.cornell.edu/uscode/text/26/45Y
- 26 U.S.C. 6417, Elective payment of applicable credits, and 26 U.S.C. 6418, Transfer of certain credits. https://www.law.cornell.edu/uscode/text/26/6417 ; https://www.law.cornell.edu/uscode/text/26/6418
- IRS, Notice 2025-42, Beginning of Construction Requirements for Purposes of the Termination of Clean Electricity Production Credits and Clean Electricity Investment Credits for Applicable Wind and Solar Facilities. The D.D.C. vacated and remanded it on June 6, 2026 (Oregon Environmental Council v. IRS, No. 25-4400 (CKK)). https://www.irs.gov/pub/irs-drop/n-25-42.pdf
- NERC Rules of Procedure, Appendix 5B, Statement of Compliance Registry Criteria (Revision 8). https://www.nerc.com/globalassets/who-we-are/rules-of-procedure/appendix-5b.pdf
- FERC, Order No. 909, Reliability Standards for Frequency and Voltage Protection Settings and Ride-Through for Inverter-Based Resources, Docket No. RM25-3-000. https://public-inspection.federalregister.gov/2025-14304.pdf

© Energy Compliance, Inc. · EC-WP-909 · Status as of October 25, 2026