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**ADDENDUM NOTICE NO. 1**

**CALIFORNIA ALTERNATIVE ENERGY  
AND ADVANCED TRANSPORTATION  
FINANCING AUTHORITY (CAEATFA)**

**REQUEST FOR PROPOSAL-Secondary  
CONTRACT NO. CAEATFA02-21  
Universal Contractor Management Services for the  
California Hub for Energy Efficiency Financing Programs**

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**EXECUTIVE DIRECTOR**  
Derek Chernow

March 10, 2022

The following information is provided in response to questions received by CAEATFA regarding Request for Proposal ("RFP") Number CAEATFA02-21, as shown below:

**Responses to Questions:**

1. **With 550 enrolled contractors, approximately how many contractors are submitting loan applications in a typical month?**

**Answer:**

For the credit union lenders that function as "direct lenders," contractors don't actually submit their customers' loan applications. The borrowers complete the application. CAEATFA expects to enroll one or more lenders that offer contractors the opportunity to manage the loan application process on behalf of the customer.

Because borrowers currently submit applications directly to lenders, CAEATFA does not track which loan applications are associated with which particular contractor. We can say that for the last few months, lenders enrolled loans (meaning projects were completed and funded) associated with the following numbers of unique contractors:

- September 2021: 46
- October 2021: 40
- November 2021: 33
- December 2021: 24
- January 2022: 23
- February 2022: 31

2. **What is the average number of loan applications currently submitted and funded per month across all participating contractors?**

**Answer:**

On average, depending on the season, lenders report receiving between 60-125 total applications a month for all lenders. A percentage of these applications are approved, and then a percentage of approved borrowers decide to move forward with the project and GoGreen Home financing.

Loans enrolled in recent months have ranged from a high of 85 in August 2021 to 35 in December 2021. Seasonality plays a major role in loan volume.

Program outcomes for GoGreen Home related to this and other Program activity questions are available at: <https://www.treasurer.ca.gov/caeatfa/cheef/cheef-reports-and-additional-materials.asp>

**3. What is the average funded loan amount per installation?**

Answer:  
\$16,900

**4. Given current levels of loan volume and enrolled and active contractors in the program, what is CAEATFA's loan volume and contractor engagement growth objective over the next three years?**

Answer:  
Attachment 5b (Sample Scenario Worksheet) provides CAEATFA's Scenario Year 1 Program goals. Scenario Year 1 can be interpreted to be fiscal year 2022-2023, with a goal of 2,000 new standard loans (i.e. not marketplace microloans) and specific goals for contractor engagement.

For FY 23-24, CAEATFA's goal is 20% growth over the previous year, and for FY 24-25, 15% growth over FY 23-24.

**5. What percentage of total installed projects require desktop review? (all, 50%, 25%, 10%, other?)**

Answer:  
This is something to be determined in consultation with the Contractor Manager, balancing budget with compliance needs. It is expected that a greater percentage of total installed projects will require desktop review than installation verification.

**6. What percentage of total installed projects require installation verification? (50%, 25%, 10%, 5%, other?)**

Answer:  
This is something to be determined in consultation with the Contractor Manager, balancing budget with compliance needs. It is expected that a lesser percentage of installed projects will need installation verification than desktop reviews.

**7. What are the current installation verification requirements?**

Answer:  
Current requirements are similar to what is being asked for in Attachment 5b, Sample Scenario for Cost Proposal. When responding to the scenario, consider that:

- The Contractor Manager is responsible for confirming that the Eligible Energy Efficiency Measures (EEEMs) reported by the contractor to the Program as installed are, in fact, installed at the premise and operational (i.e. that they power on).
- The Contractor Manager is not responsible for verifying installation of non-EEEMs.
- The Contractor Manager is not responsible for assessing the quality of the installation or confirming code requirements were met. The Program requires installations be permitted and relies on local agencies to ensure correct and quality installation.

**8. What platform is the current LMS built on? (AccordLMS, iSpring, LearnDash, Cornerstone, other?)**

Answer:  
CAEATFA currently pays a subscription fee to Talent LMS to use their software.

9. In Attachment 5a (Cost Proposal Rate Sheet), can the proposer provide an hourly rate per staff title per year (provide upfront rates for each staff for each year)?

Answer:

Yes.

10. For Attachment 4 (Proposer References), does the proposer need to provide references for both prime and subcontractors?

Answer:

Please provide references for any already-anticipated subcontractors.

11. In Attachment 5b (Sample Scenario Worksheet) Scenario Year One Program Goals: "Enroll 2,000 new GoGreen Home loans, of which 1,250 will be contractor-driven (meaning the contractor serves as the customer's referral source for the Program)" – which entity is responsible for sourcing the balance of 750 GoGreen Home loans? Is the Contractor Manager responsible for sourcing directly from consumers?

Answer:

No, the Contractor Manager is not directly responsible for sourcing loans from customers. These 750 loans are expected to be customer-driven, meaning customers learn about the program through statewide marketing efforts or regional marketing via their utility, then find a lender and contractor through the GoGreen Financing website. However, successful customer-initiated loans are dependent on a robust and responsive contractor base offering a variety of service types (HVAC, water heating, etc.) in all geographic areas of California.

12. In Attachment 5b (Sample Scenario Worksheet) Scenario Year One Program Goals: "Increase program activity of 50 total contractors (new or already participating) to more than five projects enrolled each over the course of Scenario Year One" – is the Contractor Manager responsible for enrolling an additional 20 or an additional 50 contractors?

Answer:

Goals, as stated in the Scenario, are for the Contractor Manager to enroll 25 new contractors who can install heat pumps, who also enroll at least one project in Scenario Year One, as well as 25 new contractors who service the Central Valley, who also enroll at least one project in Scenario Year One. Some of these new contractors may satisfy both goals – for example, new Central Valley contractors who can install heat pumps and enroll at least one project in the Program during Scenario Year One. However, more than 25 of either type of contractor may need to be enrolled in order to ensure that this group enrolls at least 25 new projects under these criteria in Scenario Year One.

The goal to increase the Program activity of 50 existing contractors to more than 5 projects enrolled apiece during Scenario Year One is separate. These contractors may be new contractors who use the Program at a high volume, or they may be contractors already participating in the Program who are encouraged to enroll more projects. Note that participating contractors who already enroll more than 5 projects per year should not be counted toward this goal.

13. In Attachment 5b (Sample Scenario Worksheet) - c. ii. 3), "Verify that if a combustion safety test was required, satisfactory documentation of its completion was provided" – what forms of documentation qualify to be satisfactory?

Answer:

This determination would be made by the Contractor Manager in consultation with CAEATFA. CAEATFA is currently exploring creating a Program-specific combustion safety test form.

The date for submitting questions regarding RFP Number CAEATFA02-21 has passed. Should you require any clarifying information regarding this addendum, the contact person for this RFP is:

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Please note that no verbal information provided will be binding upon the State unless such information is issued in writing as an official addendum. Thank you.