State of California
Office of Administrative Law

In re:
California Alternative Energy and Advanced Transportation Financing Authority

Regulatory Action:

Title 07, California Code of Regulations

Adopt sections:
Amend sections: 10093.1
Repeal sections:

NOTICE OF APPROVAL OF CHANGES WITHOUT REGULATORY EFFECT

California Code of Regulations, Title 1, Section 100

OAL Matter Number: 2021-0811-03

OAL Matter Type: Nonsubstantive (N)

This action without regulatory effect changes the name of the Affordable Multifamily Energy Efficiency Financing Program to the GoGreen Affordable Multifamily Energy Financing Program, which may be referred to publicly as "GoGreen Multifamily."

OAL approves this change without regulatory effect as meeting the requirements of California Code of Regulations, title 1, section 100.

Date: September 7, 2021

Dale P. Mentink
Assistant Chief Counsel

For: Kenneth J. Pogue
Director

Original: Derek Chernow, Executive Director
Copy: Susan Mills

STATE OF CALIFORNIA—OFFICE OF ADMINISTRATIVE LAW

NOTICE PUBLICATION/REGULATIONS SUBMISSION

NONSUBSTANTIVE

STD. 400 (REV. 10/2019)

For use by Secretary of State only

ENDORSED - FILED
in the office of the Secretary of State
of the State of California
SEP 07 2021
1:23PM

OAL FILE NUMBERS	NOTICE FILE NUMBER	REGULATORY ACTION NUMBER	EMERGENCY NUMBER
	Z-	2021-0811-03	N

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OFFICE OF ADMIN. LAW
2021 AUG 11 PM 1:45

NOTICE | REGULATIONS

AGENCY WITH RULEMAKING AUTHORITY
California Alternative Energy and Advanced Transportation Financing Authority

AGENCY FILE NUMBER (If any)

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. SUBJECT OF NOTICE | TITLE(S) | FIRST SECTION AFFECTED | 2. REQUESTED PUBLICATION DATE

3. NOTICE TYPE
☐ Notice re Proposed Regulatory Action ☐ Other

4. AGENCY CONTACT PERSON | TELEPHONE NUMBER | FAX NUMBER (Optional)

OAL USE ONLY — ACTION ON PROPOSED NOTICE: ☐ Approved as Submitted ☐ Approved as Modified ☐ Disapproved/ Withdrawn | NOTICE REGISTER NUMBER | PUBLICATION DATE

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S)
Affordable Multifamily Energy Efficiency Financing Program

1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S)

2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) **(Including title 26, if toxics related)**

SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)

TITLE(S)
7 4

ADOPT
None

AMEND
Article title and ~~10091.1~~ 10093.1

REPEAL
None

Dm per agency request 8/3/21

3. TYPE OF FILING

☐ Regular Rulemaking (Gov. Code §11346)
☐ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute.
☐ Emergency Readopt (Gov. Code, §11346.1(h))
☒ Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100)
☐ Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4)
☐ File & Print
☐ Print Only
☐ Emergency (Gov. Code, §11346.1(b))
☐ Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)
☐ Other (Specify)

4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)

5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)
☐ Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a)) ☐ Effective on filing with Secretary of State ☒ §100 Changes Without Regulatory Effect ☐ Effective other (Specify)

6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY
☐ Department of Finance (Form STD. 399) (SAM §6660) ☐ Fair Political Practices Commission ☐ State Fire Marshal
☐ Other (Specify)

7. CONTACT PERSON | TELEPHONE NUMBER | FAX NUMBER (Optional) | E-MAIL ADDRESS (Optional)
Susan Mills | (916) 651-3760 | | susan.mills@treasurer.ca.gov

8. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE
Derek Chernow
Digitally signed by Derek Chernow
Date: 2021.08.10 16:51:04 -07'00'

DATE
8/10/2021

TYPED NAME AND TITLE OF SIGNATORY
Derek Chernow, Executive Director

For use by Office of Administrative Law (OAL) only

ENDORSED APPROVED
SEP 07 2021
Office of Administrative Law

CALIFORNIA CODE OF REGULATIONS
Title 4. Business Regulations
Division 13. California Alternative Energy and Advanced Transportation Financing Authority
Article 7. GoGreen Affordable Multifamily Energy Financing ~~Affordable Multifamily Energy Efficiency Financing~~ Program

Section 10093.1. Definitions.

(a) "Ancillary Elements": Project components that fall outside a Scope of Work. These components may include:
(1) Distributed Generation; and/or
(2) Capitalized Interest.

(b) "Authority": California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) established pursuant to Division 16 (commencing with Section 26000) of the Public Resources Code.

(c) "Bill Impact Estimate" (BIE): An estimate of the anticipated energy cost savings that are expected to result from the installation of Energy Saving Measures, which is provided to the Eligible Affordable Multifamily Customer prior to work being performed on the Eligible Property(ies).

(d) "Capitalized Interest": Accrued interest from a previous finance agreement for a Project (such as a construction loan or down payment loan) where the interest has been added to the Total Financed Amount of an Eligible Efficiency Agreement.

(e) "CHEEF Financing Identifier" or "CHEEF Financing ID": An identification number associated with an Enrolled Efficiency Agreement created by the Authority and provided to the Finance or Service Entity at the time the financing is approved for enrollment in the Program.

(f) "Claim-Eligible Charge-Off Amount": The Total Charge-Off Amount multiplied by the Claim-Eligible Ratio.

(g) "Claim-Eligible Financed Amount": The portion of the Total Financed Amount that is eligible for reimbursement in the event of a charge-off. The Claim-Eligible Financed Amount is limited to $1 million. Non-Energy Components are limited to 30% of the dollar value of the total Claim-Eligible Financed Amount. The Claim-Eligible Financed Amount is equal to the Total Financed Amount less any:
(1) Distributed Generation; and
(2) Non-Energy Components beyond the allowable 30%.

(h) "Claim-Eligible Ratio": The ratio of the original Claim-Eligible Financed Amount to the original Total Financed Amount.

(i) "Commission" or "CPUC": The California Public Utilities Commission established pursuant to Article XII of the California Constitution.

(j) "Community Choice Aggregator" (CCA): A Community Choice Aggregator as defined in Section 331.1 of the California Public Utilities Code.

(k) "CSLB": The California Contractors State License Board established pursuant to Article 1 (commencing with Section 7000) of Chapter 9 of Division 3 of the Business and Professions Code.

(l) "Demand Response" (DR): Reductions, increases, or shifts in electricity consumption by customers in response to either economic or reliability signals. Economic signals come in the form of electricity prices or financial incentives, whereas reliability signals appear as alerts when the electric grid is under stress and vulnerable to high prices. Demand Response programs aim to respond to these signals and maximize ratepayer benefit.

(m) "Distributed Generation" (DG): Technologies that generate or store energy at or near the site where it will be used. Distributed Generation may serve a single structure or it may be part of a microgrid. Technologies classified as Distributed Generation systems include, but are not limited to: solar photovoltaic, solar thermal, wind power, hydropower, biomass, fuel cells, combined heat and power, and battery storage.

(n) "Eligible Affordable Multifamily Customer": An entity or individual who enters into an Eligible Efficiency Agreement with a Finance or Service Entity for the purpose of completing a Project. The entity or individual must own and not reside at the Eligible Property and must not have filed for bankruptcy within the last five years or have any outstanding judgments or liens.

(o) "Eligible Efficiency Agreement": An agreement between a Finance or Service Entity and an Eligible Affordable Multifamily Customer to pay for a Project. The Eligible Efficiency Agreement must meet the requirements specified in Section 10093.4.

(p) "Eligible Lease" or "Eligible Equipment Financing Agreement": An agreement between an Eligible Affordable Multifamily Customer and a Finance or Service Entity as described in Section 10093.4(b)(1).

(q) "Eligible Loan": An agreement between an Eligible Affordable Multifamily Customer and a Finance or Service Entity as described in Section 10093.4(b)(2).

(r) "Eligible Property": A multifamily property that is:
(1) Supplied with gas and/or electric service by one or more Investor-Owned Utility(ies), Electric Service Provider(s) (ESPs) as described in California Public Utilities Code Section 394(a), or Community Choice Aggregator(s);
(2) Five or more units;
(3) Subject to a recorded affordability deed restriction or covenant, with at least 5 years remaining on the recorded affordability deed restriction or covenant, such that the property owner is required to keep rents affordable; and
(4) Restricted to occupancy for at least 50% of the total units to households meeting the requirements of the income limits no greater than "moderate", published annually in the California State Income Limits by the California Department of Housing and Community Development in California Code of Regulations, Title 25, Section 6932.

(s) "Eligible Savings-Based Payment Agreement": An agreement between an Eligible Affordable Multifamily Customer and a Finance or Service Entity as described in Section 10093.4(b)(3).

(t) "Eligible Service Agreement": An agreement between an Eligible Affordable Multifamily Customer and a Finance or Service Entity as described in Section 10093.4(b)(4).

(u) "Energy Efficiency" (EE): An energy using appliance, equipment, control system, or practice for which the installation or implementation results in reduced grid-supplied energy use while maintaining a comparable or higher level of energy service as perceived by the customer.

(v) "Energy Saving Measure" (ESM): Any Energy Efficiency or Demand Response measure, as defined, including alterations and improvements that are legally or practically required to complete the installation of the Energy Saving Measure. This includes energy audits that meet the Authority's requirements as specified on the Energy Saving Measure List. An ESM must utilize or conserve a fuel provided by an IOU/CCA/ESP at the Eligible Property.

(w) "Energy Saving Measure Identifier" or "ESM ID": A unique identifier assigned by the Authority to each measure contained within the ESM List.

(x) "Energy Saving Measure List" or "ESM List": The list of pre-qualified Energy Saving Measures, with corresponding requirements, fuel-savings type designations, and Self-Installer eligibility, published by the Authority in California Code of Regulations, Title 4, Section 10092.14, with the exception of the measure named "IOU/REN/CCA Rebate – Other" listed in the regulation.

(y) "Energy Service Provider" (ESP): An Electric Service Provider as defined in Section 218.3 of the California Public Utilities Code.

(z) "Enrolled Efficiency Agreement": An Eligible Efficiency Agreement approved for enrollment in the Program pursuant to Section 10093.6(b).

(aa) "Enrollment Date": The date that the Trustee has funded the Finance or Service Entity's Loss Reserve Account for the Enrolled Efficiency Agreement.

(bb) "Executive Director" (ED): The Executive Director of the Authority or its designee.

(cc) "Finance or Service Entity Applicant": The Primary Finance or Service Entity Applicant and Affiliate Finance or Service Entity Applicant, if any, collectively.
(1) "Primary Finance or Service Entity Applicant": As described in Section 10093.2(a)(1).
(2) "Affiliate Finance or Service Entity Applicant": As described in Section 10093.2(a)(2).

(dd) "Finance or Service Entity": The Primary Finance or Service Entity and the Affiliate Finance or Service Entity, if any, collectively.
(1) "Primary Finance or Service Entity": Primary Finance or Service Entity Applicant approved for participation in the Program. It may be approved along with an Affiliate Finance or Service Entity, as specified in Section 10093.2(a).
(2) "Affiliate Finance or Service Entity": The Affiliate Finance or Service Entity Applicant approved for participation in the Program along with a Primary Finance or Service Entity, as specified in Section 10093.2(a).

(ee) "Financial Institution": Any insured depository institution, insured credit union, or Community Development Financial Institution (CDFI), as those terms are each defined in Section 103 of the

Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. Section 4702), or a Financial Development Corporation as the term "Corporation" is defined in California Corporations Code §14003(f), or any non-bank entity supervised by the Federal Reserve.

(ff) "Investor-Owned Utility" (IOU): Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, or Southern California Gas Company, collectively referred to as "IOUs".

(gg) "IOU Custom": A program offered by the IOUs, RENs, or CCAs in which measures require pre-approval, and incentives are based on unique project characteristics.

(hh) "IOU Deemed": A program offered by the IOUs, RENs, or CCAs in which eligible measures and rebate amounts are pre-determined. For the purpose of this definition, IOU Deemed includes the following prescriptive program types: downstream, midstream, upstream, and direct install.

(ii) "Loss Reserve Account": An account established and maintained by the Trustee at the Authority's direction to hold the Loss Reserve Contribution for Enrolled Efficiency Agreements for the benefit of a Finance or Service Entity.

(jj) "Loss Reserve Account Representative": As described in Section 10093.2(b)(6).

(kk) "Loss Reserve Contribution": The credit enhancement contributed to the Loss Reserve Account for each Enrolled Efficiency Agreement in the Program pursuant to Section 10093.7(c).

(ll) "Marketing Representative": As described in Section 10093.2(b)(7).

(mm) "Non-Energy Components": All Non-ESMs, Capitalized Interest, as well as any fees for services from a Program Partner on a single Project.

(nn) "Non-ESMs": Any equipment, alteration, or improvement that does not fall under the definition of an Energy Saving Measure. A measure included on the ESM List may not be considered a Non-ESM, with the exception that Non-ESMs include measures that would otherwise be considered an ESM but do not utilize or conserve fuel provided by an IOU, CCA or ESP. Non-ESMs do not include Distributed Generation.

(oo) "Program": The GoGreen Affordable Multifamily Energy Financing~~Affordable Multifamily Energy Efficiency Financing~~ Program described in the regulations within this Article. The Program may be referred to publicly as "GoGreen Multifamily".

(pp) "Program Holding Account": The account established and maintained by the Trustee at the Authority's direction to hold funds allocated by the IOUs for the Program.

(qq) "Program Identifier" or "Program ID": A number assigned by the Authority or its agent(s) that represents a program administered by the Authority.

(rr) "Program Partner": An entity that administers and/or implements a State of California or IOU, REN, or CCA multifamily property Energy Efficiency, Demand Response, or Distributed Generation program.

(ss) "Project": For purposes of this article, project is defined as one or more Scopes of Work as well as any Ancillary Elements at one or more Eligible Properties, financed in whole or in part under a single Eligible Efficiency Agreement.

(tt) "Regional Energy Network" (REN): Regional Energy Network granted authorization by the California Public Utilities Commission under Decision 12-05-015 and later defined in Decision 12-11-015.

(uu) "Scope of Work": The Energy Saving Measures and/or Non-ESMs installed by a contractor or Self-Installer as reported to the Authority and part of a Project.

(vv) "Scope of Work Completion Date": Date that a contractor or Self-Installer completes installation of its Scope of Work.

(ww) "Self-Installer": An Eligible Affordable Multifamily Customer who installs any measures pursuant to the requirements in Section 10093.5(c).

(xx) "Total Charge-Off Amount":

(1) For Eligible Leases or Eligible Equipment Financing Agreements and for Eligible Loans, the Total Charge-Off Amount equals the outstanding principal balance at the time of charge-off.

(2) For Eligible Service Agreements and Eligible Savings-Based Payment Agreements, the Total Charge-Off Amount equals the total initial installation amount paid to contractor(s) divided by the number of months in the term multiplied by the number of months remaining in the term. Ongoing monthly service charges are excluded from the Total Charge-Off Amount.

(yy) "Total Financed Amount": The total amount funded by the Finance or Service Entity toward the Project. The Total Financed Amount does not include charges for ongoing service and/or maintenance and does not include any interest payments or ongoing finance charges.

(1) For Eligible Leases or Eligible Equipment Financing Agreements and Eligible Loans, the original principal amount as disclosed to the Eligible Affordable Multifamily-Customer through loan or lease documentation or the job addendum.

(2) For Eligible Service Agreements and Eligible Savings-Based Payment Agreements, the total installation amount paid to the installing contractor and/or disclosed on the job addendum, inclusive of equipment, taxes, labor, and shipping costs and exclusive of ongoing service and oversight payments by Eligible Affordable Multifamily Customer.

(zz) "Trustee": The financial institution chosen by the Authority to hold or administer some or all of the Program Holding Accounts and Loss Reserve Accounts.

Authority: Section 26006 and 26009, Public Resources Code
Reference: Sections 26002, 26002.5, 26003, 26006, 26011 and 26040, Public Resources Code