



CHEEF

CALIFORNIA HUB FOR
ENERGY EFFICIENCY FINANCING

ENERGY EFFICIENCY FINANCING PROGRAMS

QUARTERLY REPORT & PROGRAM STATUS SUMMARY

THIRD QUARTER 2021

gogreen
FINANCING™

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Table of Contents

List of Tables	4
Introduction	5-6
Regulatory Background	5
Reporting Updates in Response to D.21-08-006	6
Program Name Changes	6
Executive Summary	7
GoGreen Home Energy Financing	8-17
Updates	8
Outreach	8-9
Reporting	10-17
GoGreen Business Energy Financing	18-19
Updates	18
Regulations Modifications	18
Outreach	19
GoGreen Affordable Multifamily Financing	20
Updates	20
Challenges	20
Nonresidential Program	21
On-Bill Repayment	21
CHEEF Infrastructure	22
Updates on CPUC Clean Energy Financing Proceeding	22
Appendices	23-43
Appendix 1: Budget	23-24
Appendix 2: Loss Reserve Account Beginning and Ending Balances	25-27
Appendix 3: Impact of the Credit Enhancement	28-30
Appendix 4: Participating Finance Company Overview	31-32
Appendix 5: Enrolled Finance Company Product Features	33-35
Appendix 6: CHEEF Infrastructure	36-37
Appendix 7: Program Design	38-40
Appendix 8: Customer-Facing Products	41
Appendix 9: Reporting Requirements	42-43

List of Tables

Tables 1-17: GoGreen Home Reporting	10-17
Table 1: Financing Activity	10
Table 2: Top Energy Efficiency Measures Installed (Q3 2016 – Q3 2021)	10
Table 3: Heat Pump Measures Installed (Q3 2016 – Q3 2021)	10
Table 4: Loans Enrolled by IOU	10
Table 5: Loan Enrollment Volume (Q3 2016 – Q3 2021)	11
Table 6: Loan Enrollment Volume Comparison (Q3 2019, Q3 2020 and Q3 2021)	11
Table 7: Loan Enrollments by Participating Lender	11
Table 8: Summary of Active Loans by Status through September 30, 2021	12
Table 9: Summary of Charge-Offs, Claims Paid and Recoveries through September 30, 2021	12
Table 10: Loan Loss Reserve Contributions Metrics	13
Table 11: Interest Rate and Monthly Payment Benefits for Borrowers (Q3 2016 – Q3 2021)	13
Table 12: Borrower Credit Score Metrics	14
Table 13: Loan Activity by Census Tract Income and CalEnviroScreen Score	14
Table 14: Financing Feasibility Metrics	15
Table 15: Microloan Financing Activity	17
Table 16: Microloan Borrower Credit Score Metrics	17
Table 17: Microloan Portfolio Performance	17
Table 18: GoGreen Business Finance Agreement Status by Lender as of September 30, 2021	19
Table 19: Budget for CHEEF Expenditures (September 2014 through September 30, 2021)	23
Tables 20-24: Account Balances	25-27
Table 20: Balance of IOU Holding Accounts	25
Table 21: Balance of GoGreen Home-Related Accounts	25
Table 22: Balance of GoGreen Home Lender Loss Reserve Accounts	26
Table 23: Balance of GoGreen Business-Related Accounts	27
Table 24: Balance of GoGreen Business Lender Loss Reserve Accounts	27
Table 25: Impact of the Credit Enhancement on Loan Terms by GoGreen Home Lender	29
Table 26: Impact of the Credit Enhancement on Achieving Program Goals	30
Tables 27-29: Participating Financing Company Information	31-32
Table 27: Participating GoGreen Home Lenders	31
Table 28: Participating GoGreen Business Finance Companies	32
Table 29: Participating GoGreen Multifamily Finance Companies	32
Tables 30-32: Enrolled Finance Company Product Features	33-35
Table 30: Enrolled GoGreen Home Lender Product Features	33
Table 31: Enrolled GoGreen Business Finance Company Product Features	34
Table 32: Enrolled GoGreen Multifamily Finance Company Product Features	35
Tables 33-34: Reporting Requirements	42-43
Table 33: CHEEF Program Reporting Requirements from Resolution E-4900, Attachment 1	42
Table 34: CHEEF Program Reporting Requirements from D.21-08-006	43

Introduction

The State of California has ambitious goals to reduce greenhouse gas emissions and address climate change.

In 2006, the Legislature passed the California Global Warming Solutions Act (Assembly Bill 32), which created a comprehensive, multi-year program to reduce greenhouse gas (GHG) emissions in California. In the subsequent Scoping Plans, intended to describe the approach California will take to reduce GHGs, one of the primary methods identified is increasing efficiency in existing buildings. Senate Bill 32, passed in 2016, sets the goal of reducing GHG emissions to 40% below 1990 levels by 2030.

With so many headlines about electric vehicles, rooftop solar and other renewables, it's easy to forget how important energy efficiency is to the GHG reduction mix. Billions of square feet of existing commercial and residential properties, and the equipment and appliances vital to them, are in need of energy upgrades.

There is simply not enough government or ratepayer funding to pay for these upgrades.

With this awareness, the California Public Utilities Commission (CPUC) allocated funds to launch several pilot programs designed to attract private capital to finance energy efficiency (EE) upgrades in Decision (D.)13-09-044. In its guidance decision, the CPUC acknowledged that EE measures are important tools for addressing greenhouse gas emissions, and that lowering the barriers to EE retrofits and financing—particularly in underserved market sectors—is critical to reaching the state's goals of reduced energy consumption and spreading benefits to all Californians.

Regulatory Background

D.13-09-044 authorized a series of financing programs designed to attract private capital to finance EE upgrades and established the California Hub for Energy Efficiency Financing (CHEEF) to administer the new programs. The CPUC requested that the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) assume the administration of the CHEEF and directed the investor-owned utilities (IOUs) and CPUC staff to assist CAEATFA with implementation.

A core feature of the financing programs is to incentivize private finance companies to enter the EE market and improve terms or expand credit criteria for the financing of EE projects by providing a credit enhancement funded with IOU EE ratepayer funds. Financing that covers 100% of project costs removes the upfront cost barrier for Californians to undertake EE retrofits. A key objective is to test whether transitional ratepayer support for credit enhancements can lead to self-supporting EE finance programs in the future.

In D.17-03-026, the CPUC committed to continued funding for CAEATFA to administer the CHEEF Programs through the life of the pilots. In 2019 the Commission issued Resolution E-4900, transitioning the Residential Energy Efficiency Loan Assistance Program (now known as GoGreen Home Energy Financing) from a "pilot" to a "Program" and further clarifying the goals and metrics under which the CHEEF Programs would be evaluated. D.21-08-006 authorized up to \$75.2 million in incremental funding for the CHEEF Programs to support their administration through June 30, 2027, authorized CAEATFA to incorporate non-IOU ratepayer funds to support program expansion into non-IOU customer territories and imposed new reporting requirements.

This report is prepared in alignment with D.13-09-044 and D.21-08-006, which directs CAEATFA, in conjunction with the IOUs (Pacific Gas & Electric [PG&E], Southern California Edison [SCE], San Diego Gas & Electric [SDG&E] and SoCalGas [SCG]), to issue quarterly reports on the progress of the CHEEF Programs. These reports contain quarter highlights and other items to keep interested parties informed as to the Programs' challenges and successes.

Reporting Updates in Response to D.21-08-006

D.21-08-006 requires CAEATFA to report on several metrics and key performance indicators, including those previously outlined in Resolution E-4900 and new metrics explained in D.21-08-006. Many of these metrics, such as number of loans, total amount financed, analysis of participants (including underserved borrowers), growth rates, and mean APR and loan values, have already been included in CHEEF quarterly reports and [GoGreen Home monthly data summaries](#) prior to D.21-08-006. CAEATFA will continue to report on these metrics.

Although D.21-08-006 does not require CAEATFA to report on the new metrics until the start of the new budget period in July 2022, CAEATFA is working toward including many of these metrics earlier. For example, this report and the monthly data summaries for GoGreen Home now contain metrics such as median loan size, median interest rates, and expanded reporting on geographic distribution of loans and non-energy benefits for borrowers. Some of the requested new reporting measures require resource dedication and establishment of new processes before they can be implemented. For example, to report on estimated energy savings, CAEATFA must engage a third-party contractor with the capacity to measure these savings. To report on ethnicity and socioeconomic data, CAEATFA will need to institute a post-project survey and collect this data on a voluntary basis from participants.

These and other newly required metrics will be added to this Quarterly Report on a rolling basis as CAEATFA institutes the operational changes necessary to report the data. It is estimated that all metrics required by D.21-08-006 will be fully incorporated in CHEEF quarterly reports by Q4 2022. Please see Appendix 9 for a detailed breakdown of reporting requirements and CAEATFA's compliance status.

Program Name Changes

In Q2 2021, CAEATFA, the IOUs, and the Marketing Implementer developed new names for the three CHEEF Programs that align with their public-facing platform, GoGreen Financing. In addition to market research supporting the effectiveness of the selected new names, the transition is intended to eliminate complexity for Program participants (who in many cases organically refer to the Programs as "GoGreen Programs" or similar), better communicate their value to participants, and lend easier use in marketing communications.

The CHEEF Program names were updated as follows:

- **GoGreen Home Energy Financing**, or **GoGreen Home**, replaced the Residential Energy Efficiency Loan Assistance Program (REEL)
- **GoGreen Business Energy Financing**, or **GoGreen Business**, replaced the Small Business Energy Efficiency Financing Program (SBF)
- **GoGreen Affordable Multifamily Energy Financing**, or **GoGreen Multifamily**, replaced the Affordable Multifamily Energy Efficiency Financing Program (AMF)

The Program names were updated in public-facing materials in Q3 2021, including all Program forms and resources, information on the State Treasurer's Office website, and the GoGreen Financing website. Updates to the materials and websites used by participating finance companies, contractors, utilities, and other channel partners will follow on a rolling basis, with a full transition to the new Program names across all channels expected by Q1 2022. Additionally, CAEATFA staff have worked with the Attorney General's Office to submit a request for trademark registration of the GoGreen Financing logo, which will support opportunities for co-branding with IOUs and other entities.

Executive Summary – Q3 2021

Outreach Highlights

- **CAEATFA staff participated in several webinars and outreach events to promote the CHEEF Programs.** These events included a seminar hosted by State Treasurer Fiona Ma for the Downtown Santa Barbara and the Economic Development Collaborative and a presentation at the annual California Climate and Energy Collaborative Forum. CAEATFA also participated in the California Energy Commission’s 2021 Integrated Energy Policy Report Commissioner Workshop on Building Decarbonization, presenting on financing decarbonization measures through the CHEEF to a panel of commissioners, as well as serving on the dais to provide unique insight and commentary throughout the workshop.

GoGreen Home Energy Financing Program Developments

- **A total of 1,559 loans worth \$26,176,292 have been enrolled in the Program.** This represents two milestones for GoGreen Home: the enrollment of 1,500 loans and more than \$25 million in financing. Both milestones were achieved in September, bringing a record-setting busy summer season for the Program to a close.
- **A new financing option for microloans via utility marketplaces launched.** Marketplace platform administrator Enervee partnered with One Finance to offer GoGreen Home loans of \$200-\$5,000 to SoCalGas marketplace customers for appliance purchases at the point of sale. The first batch of 14 microloans¹ from the marketplace was enrolled at the end of September. This financing is expected to be offered through Southern California Edison’s marketplace in 2022.

GoGreen Business Energy Financing Program Developments

- **A San Diego County seafood market became the first customer to benefit from a pilot interest rate buy-down promotion.** The contractor on the project, who installed \$25,000 worth of refrigeration measures at the market, leveraged the promotion to buy the project interest rate down to 0%, making it feasible for the business owner to complete. The project was enrolled in August.
- **On-Bill Repayment functionality was added to the GoGreen Business regulations.** Regulations went into effect on July 19, 2021 after the completion of a public workshop, comment period, and approval from the CAEATFA Board in Q2. These regulations will enable On-Bill Repayment (OBR) functionality, add new eligible efficiency measures, and make changes that will better facilitate microlending opportunities through the Program.

CHEEF Infrastructure Developments

- **The CPUC released a [Decision Extending California Hub for Energy Efficiency Financing Programs \(D.21-08-006\)](#).** The Decision authorized up to \$75.2 million in incremental funding to support continued administration of the CHEEF Programs from July 1, 2022 through June 30, 2027. The Decision also conditionally approved CAEATFA to incorporate non-IOU ratepayer funding to begin offering the Programs to non-IOU customers.
- **Program name changes were successfully rolled out across multiple platforms.** The new CHEEF Program names (GoGreen Home, GoGreen Business and GoGreen Multifamily) were introduced using a phased approach throughout the quarter, beginning with financing enrollment materials and progressing to content on the State Treasurer’s Office and GoGreen Financing websites. Additionally, CAEATFA staff worked with the Attorney General’s Office to submit a request for trademark registration of the GoGreen Financing logo, which will support opportunities for co-branding with IOUs and other entities as well as for the GoGreen Financing website to feature the State of California seal.

¹ Microloans are reported separately from standard loans. These 14 loans were enrolled in addition to 1,560 standard loans enrolled in the Program as of September 30, 2021.



GoGreen Home customer Juliana Maziarz in front of her Los Angeles home

GoGreen Home Energy Financing Program

Key GoGreen Home Metrics – Q3 2021 (July 1-September 30, 2021)

Standard Loans

235 New Loans Enrolled	\$16,641 Average Loan Size	\$3,910,653 Amount Financed
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Marketplace Microloans

14 New Microloans Enrolled	\$1,359 Average Microloan Size	\$19,021 Amount Financed
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View the latest [monthly data summaries](#) for GoGreen Home.

GoGreen Home Updates

The third quarter of each year typically brings the highest volume annually for GoGreen Home, and Q3 2021 was no exception. The number of loans enrolled and total amount financed during the quarter, at 235 and \$3.91 million respectively, are the highest recorded in a single quarter since Program inception; Q3 2020, which previously held the record for the highest-volume quarter, saw 183 loans enrolled and \$2,592,444 financed. More than \$1 million in new financing was enrolled in each of the three months of the quarter. This brought the total number of standard loans enrolled in the Program to 1,559 and the total financed amount to \$26,176,292 by the quarter's end.

Enervee and One Finance launched their Eco Financing product on the SoCalGas online marketplace and enrolled their first batch of loans through the Program at the end of Q3. This product offers loans of up to \$5,000 at the point of sale to customers purchasing energy efficient equipment through their utility's online marketplace. In its first quarter, 14 of these loans were enrolled, with a total financed amount of \$19,021 and an average loan size of \$1,359. These initial results showed promise in the product's ability to reach underserved borrowers: property renters took out 50% of the microloans enrolled, and 64% of borrowers had credit scores between 580-640. The financing option is expected to expand to additional IOU marketplaces in 2022.

GoGreen Home Outreach

Outreach to Customers

Overall traffic on GoGreenFinancing.com, the public platform for the CHEEF Programs, remained consistent in Q3: the website saw 19,397 total users throughout the quarter, compared with 18,348 users in Q2. The average session duration time remained high at nearly 3 minutes, indicating higher levels of engagement among visitors and pointing toward marketing efforts reaching individuals who are interested in exploring their financing

options. The GoGreen Home customer-facing landing page remained the highest-viewed page on the website, with 5,966 total pageviews over the course of the quarter.

Customer-facing marketing campaigns led by the IOUs and the Marketing Implementer remained limited in Q3 due to budget constraints and as the marketing strategy development process continued. Stoke Strategy delivered a new messaging matrix and marketing recommendations based on results from the market research that had been conducted by Lux Insights earlier in the year. For GoGreen Home, these recommendations included developing new marketing materials, such as customer testimonials, how-to videos, and interactive web tools to help customers navigate financing options. The Marketing Implementer, in coordination with CAEATFA staff and the IOUs, will design an implementation plan for these new tactics in Q4 that is expected to begin in earnest early in 2022.



Outreach to Contractors

A total of 542 contractors were enrolled in GoGreen Home at the end of Q3 2021. Over the course of the quarter, 23 new contractors joined the Program. One contractor was removed from enrolling new projects due to a suspension of their Contractors State License Board (CSLB) license.

Outreach to contractors during Q3 included monthly newsletters, which reminded them of updates to measure codes and paperwork that occurred as part of a regulations update earlier in the year. The Contractor Manager will conduct a calling campaign in Q4 to enhance contractor outreach efforts in the Central Valley and encourage Participating Contractors to use the new Program name in their marketing materials.

For information about GoGreen Home program structure and eligibility, see Appendix 1.

GoGreen Home Reporting

Data reported on pages 10-16 represents standard GoGreen Home loans enrolled through one of the eight participating credit union lenders. For data on marketplace microloans, see page 17.

Project Enrollment and Activity Data

Table 1: GoGreen Home Financing Activity

	Q3 2021		All Time ²	
Loans Enrolled	235		1,559	
Total Amount Financed	\$3,910,653		\$26,176,292	
	Average	Median	Average	Median
Loan Size	\$16,641	\$13,792	\$16,790	\$13,838
Term Length in Months	98	120	107	120
Interest Rate³	4.3%	3.99%	5.7%	5.9%
Finance-Only Projects⁴	93%		88%	

Table 2: Top Energy Efficiency Measures Installed through GoGreen Home (Q3 2016 – Q3 2021)

 HVAC Equipment 1021 Projects	 Windows 409 Projects	 HVAC Ductwork 333 Projects	 Insulation 263 Projects	 Cool Roofs 215 Projects
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Table 3: Heat Pump Measures Installed through GoGreen Home (Q3 2016 – Q3 2021)

 Heat Pumps	
Space Heating 132 Projects	Water Heating 12 Projects

Table 4: GoGreen Home Loans Enrolled by IOU⁵

Utility	Loans Enrolled	
	Q3 2021	All Time
Pacific Gas & Electric	167	922
San Diego Gas & Electric	8	91
Southern California Edison	56	494
Southern California Gas	60	543

² The date of Program inception is marked by the first loan enrollment in GoGreen Home (July 2016).

³ GoGreen Home interest rates are currently equivalent to the Annual Percentage Rate (APR) as no additional fees, such as origination fees, are charged by participating lenders for these loans. Some lenders charge a membership fee, which tends to be around \$5 and is de minimis for reporting APR.

⁴ Cases in which a borrower made upgrades using GoGreen Home without a rebate or incentive.

⁵ Some properties are served by more than one IOU, meaning the total of loans enrolled per IOU will not match the total number of loans enrolled. Loans enrolled by IOU are reported regardless of what measures are installed.

Table 5: GoGreen Home Loan Enrollment Volume (Q3 2016 - Q3 2021)

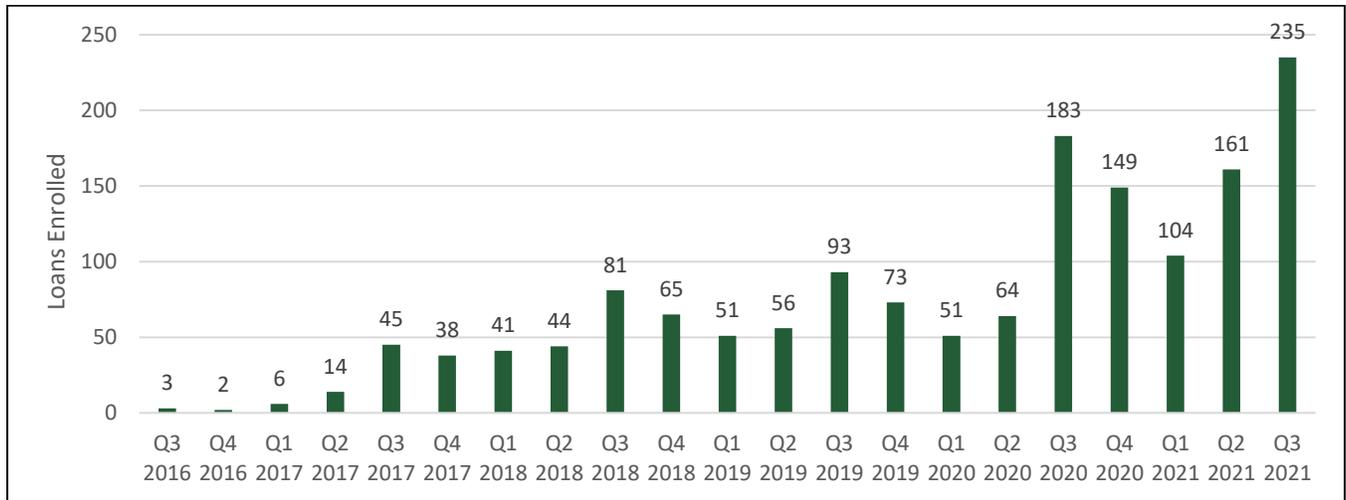


Table 6: GoGreen Home Loan Enrollment Volume Comparison (Q3 2019, Q3 2020 and Q3 2021)

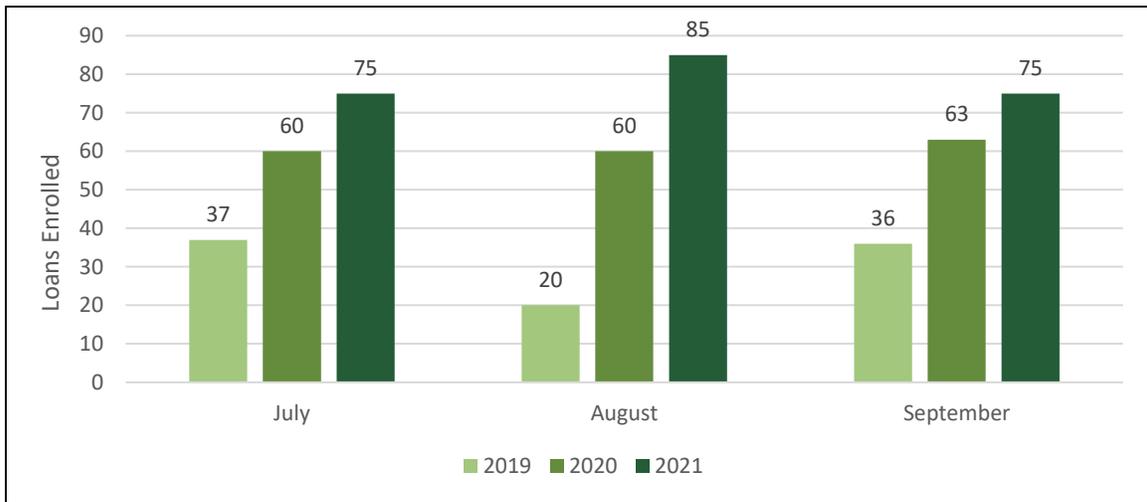


Table 7: GoGreen Home Loan Enrollments by Participating Lender

Lender	Loans Enrolled		Total Amount Financed	
	Q3 2021	All Time	Q3 2021	All Time
California Coast Credit Union	105	876	\$1,812,803	\$13,901,536
Desert Valleys Federal Credit Union	5	31	\$71,697	\$521,759
Eagle Community Credit Union	0	11	\$0	\$193,159
First US Community Credit Union	48	141	\$632,791	\$1,935,145
Matadors Community Credit Union	33	412	\$723,276	\$8,324,018
Pasadena Service Federal Credit Union	0	3	\$0	\$55,824
Travis Credit Union	43	51	\$656,439	\$770,001
Valley Oak Credit Union	1	34	\$13,647	\$474,850
	235	1,559	\$3,910,653	\$26,176,292

Financing Data and Loan Portfolio Report

Table 8: Summary of Active GoGreen Home Loans by Status through September 30, 2021

	Number of Loans	Original Total Principal Amount	Outstanding Total Principal Amount
Paid in Full	335	\$5,273,878	\$0
California Coast Credit Union	203	\$2,963,731	\$0
Desert Valleys Federal Credit Union	12	\$142,367	\$0
Eagle Community Credit Union	3	\$35,956	\$0
First US Community Credit Union	19	\$221,004	\$0
Matadors Community Credit Union	93	\$1,851,137	\$0
Pasadena Service Federal Credit Union	1	\$19,319	\$0
Travis Credit Union	1	\$11,699	\$0
Valley Oak Credit Union	3	\$28,666	\$0
Current	1,198	\$20,451,482	\$17,685,128
California Coast Credit Union	652	\$10,560,565	\$9,023,087
Desert Valleys Federal Credit Union	18	\$347,083	\$291,421
Eagle Community Credit Union	8	\$157,204	\$121,218
First US Community Credit Union	120	\$1,691,341	\$1,516,244
Matadors Community Credit Union	317	\$6,454,299	\$5,627,625
Pasadena Service Federal Credit Union	2	\$36,505	\$31,323
Travis Credit Union	50	\$758,302	\$732,837
Valley Oak Credit Union	31	\$446,184	\$341,373
30 Days Past Due	6	\$91,913	\$80,713
California Coast Credit Union	4	\$50,011	\$44,275
Desert Valleys Federal Credit Union	1	\$32,310	\$30,421
Matadors Community Credit Union	1	\$9,592	\$6,017
60 Days Past Due	1	\$1,989	\$1,768
California Coast Credit Union	1	\$1,989	\$1,768
Total	1,540	\$25,819,262	\$17,767,609

Table 9: Summary of GoGreen Home Charge-Offs, Claims Paid and Recoveries through September 30, 2021

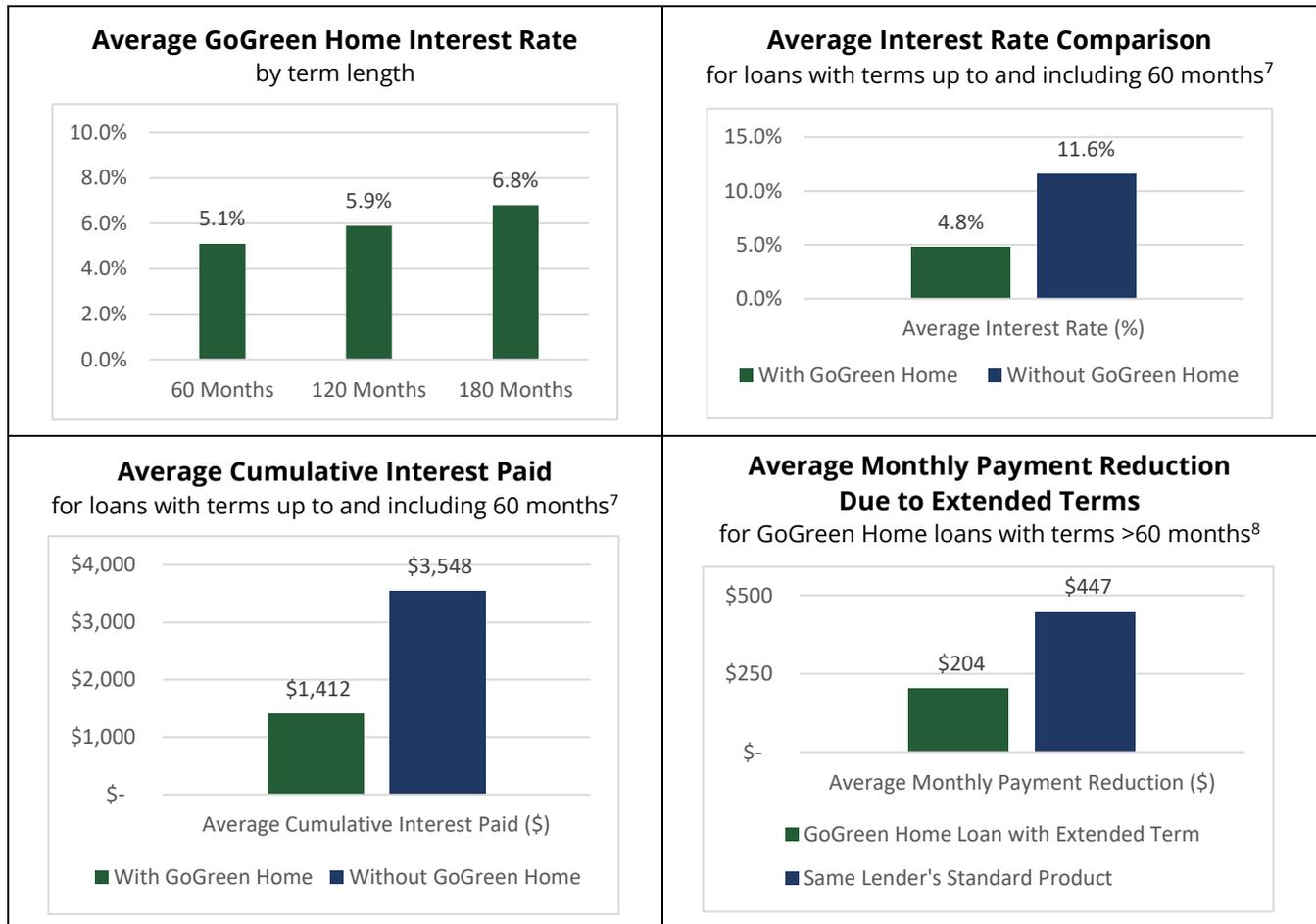
	Number of Loans	Charge-Off Amount at Time of Claim	Claims Paid ⁶	Recoveries Paid to Program
Charged Off	19	\$323,097	\$269,828	(\$91,398)
California Coast Credit Union	16	\$293,038	\$242,774	(\$91,398)
First US Community Credit Union	2	\$21,527	\$19,375	\$0
Matadors Community Credit Union	1	\$8,532	\$7,679	\$0
Net Credit Enhancement Funds Expended (Claims Paid minus Recoveries Paid to Program)				\$178,430

⁶ Through GoGreen Home, participating lenders may submit a claim for reimbursement for up to 90% of a charge-off of the outstanding Claim-Eligible Principal Amount. The Claim-Eligible Principal amount may be less than the Total Principal Amount. The Claims Paid column reflects the amount that GoGreen Home Lenders were paid on the claim.

Table 10: GoGreen Home Loan Loss Reserve Contributions Metrics

	Q3 2021	All Time
Total Loan Loss Reserve Contributions <i>All contributions made by CAEATFA to loan loss reserve accounts for all enrolled loans.</i>	\$609,236	\$3,995,603
Average Loan Loss Reserve Contribution <i>The average contribution made by CAEATFA to a loan loss reserve account upon loan enrollment.</i>	\$2,592 per loan	\$2,563 per loan
For every \$1 of ratepayer-funded credit enhancement, the amount of private capital leveraged is:	\$6.42	\$6.55

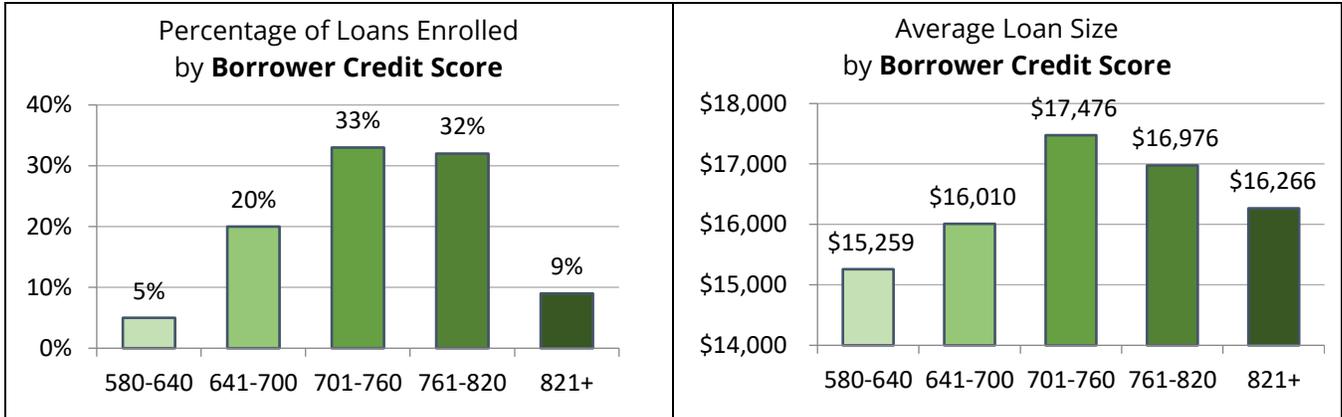
Table 11: Interest Rate and Monthly Payment Benefits for GoGreen Home Borrowers (Q3 2016 – Q3 2021)



⁷ These charts compare interest rates between GoGreen Home loans and the equivalent non-GoGreen Home signature products offered by the Program’s participating lenders, using a data set for loans with terms up to 60 months for borrowers who would have qualified for non-GoGreen Home loans.

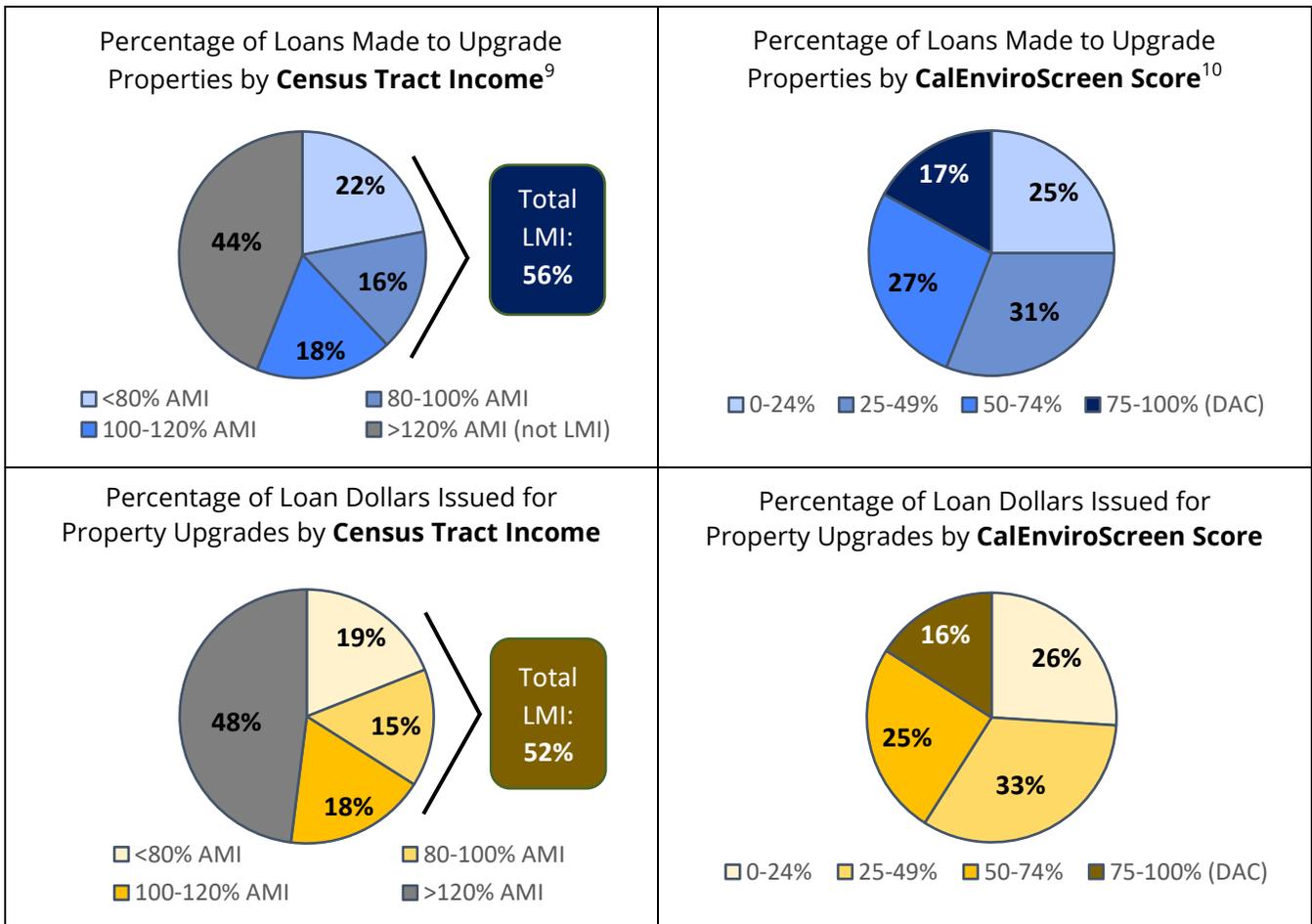
⁸ This chart compares monthly payments between GoGreen Home loans with terms greater than 60 months and what monthly payments would have been if the borrower had used the same lender’s non-GoGreen Home signature product limiting them to shorter term lengths. Loans from one participating lender who currently offers signature products with terms greater than 60 months are excluded from this comparison.

Table 12: GoGreen Home Borrower Credit Score Metrics



How GoGreen Home Serves the Underserved

Table 13: Loan Activity by Census Tract Income and CalEnviroScreen Score



⁹ Low-to-Moderate Income (LMI) census tracts, for the purpose of this reporting and providing a 20% loss reserve contribution for the lender, includes tracts with median income that falls below 120% of the Area Median Income (AMI). 56% of loans have been made to properties in LMI census tracts and 52% of total loan capital has gone to properties in LMI census tracts.

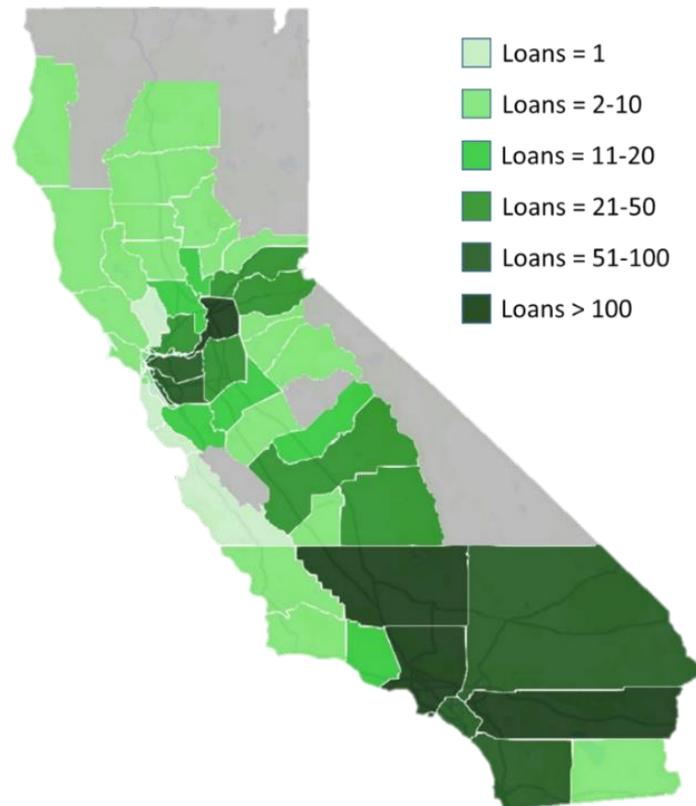
¹⁰ [CalEnviroScreen](#) is a pollution burden mapping tool that uses environmental, health, and socioeconomic data to produce scores for every census tract in California; CAEATFA is reporting loans for properties in tracts scoring in the top quartile (75-100%) as loans for projects in disadvantaged communities (DACs). This data uses the most recent version of CalEnviroScreen available at the time of publication.

Table 14: GoGreen Home Financing Feasibility Metrics

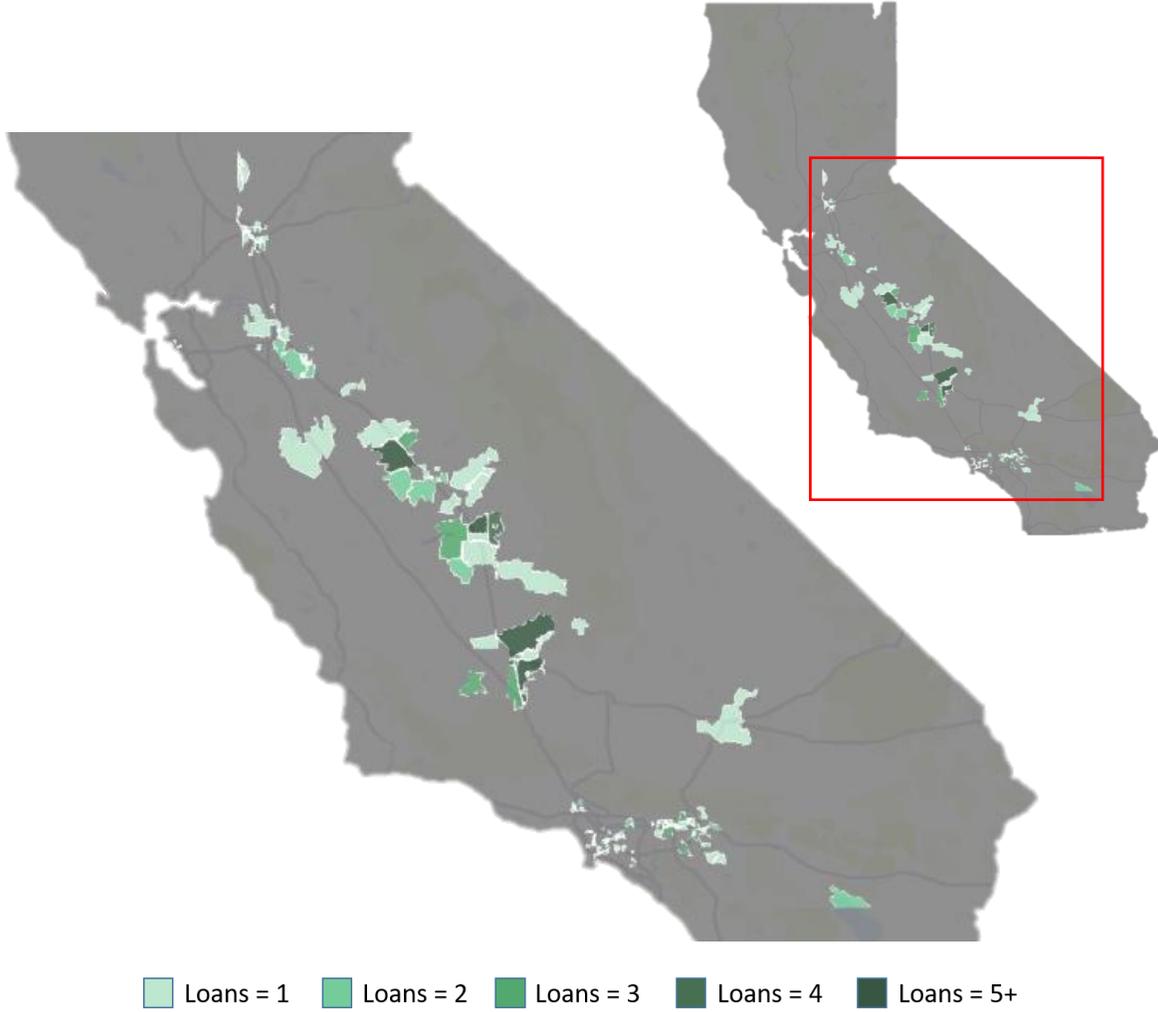
<p>Access to Credit: Borrower Credit Score of 580-640 Lenders typically require borrowers to have a minimum credit score of around 640 for unsecured loans of any significant value. Through GoGreen Home, lenders are able to approve loans for borrowers with credit scores as low as 580.</p>	Loans Enrolled to Borrowers with <640 Credit Score	
	<p>10 Q3 2021</p>	<p>83 All Time</p>
<p>Affordable Monthly Payments: Term Lengths >5 Years The vast majority of lenders typically offer a maximum term length of 5 years for unsecured loans. Through GoGreen Home, lenders are able to extend terms out to 15 years, which significantly lowers monthly payments for borrowers.</p>	Loans Enrolled to Borrowers with Term Lengths >5 Years	
	<p>132 Q3 2021</p>	<p>959 All Time</p>
<p>Access to Capital: Loan Amounts >\$25,000 Sufficient access to capital is needed for deeper energy retrofits. While lenders typically limit unsecured loans to about \$25,000, most lenders are able to offer up to \$50,000 for all borrowers through GoGreen Home.</p>	Loans Enrolled to Borrowers with Total Financed Amount >\$25,000	
	<p>29 Q3 2021</p>	<p>238 All Time</p>

Maps

Map of GoGreen Home Loans Enrolled by County (Q3 2016 – Q3 2021)



Map of GoGreen Home Loans for Properties in Disadvantaged Communities¹¹ by Zip Code (Q3 2016 – Q3 2021)



¹¹ For reporting purposes, CAEATFA considers properties in zip codes in the top quartile (75-100%) of CalEnviroScreen scores to be disadvantaged communities (DACs). This data uses the most recent version of CalEnviroScreen available at the time of publication.

Marketplace Microloan Reporting

This section reports on microloans enrolled by One Finance and Enervee through their Eco Financing product, which finances loans for customers purchasing appliances through online utility marketplaces. Microloans, per the GoGreen Home regulations, are limited to \$5,000 and are reported on separately so as not to skew data presented for standard loans. As of Q3 2021, Eco Financing is available for customers in SoCalGas territory with a 60-month term length and a single interest rate for all borrowers; in Q3 2021, the interest rate was 8.98%.

Table 15: Microloan Financing Activity

	Q3 2021			All Time		
Loans Enrolled	14			14		
Total Amount Financed	\$19,021			\$19,021		
Loan Size	\$1,359 <i>Mean</i>	\$1,066 <i>Median</i>		\$1,359 <i>Mean</i>	\$1,066 <i>Median</i>	
Borrower Relationship to Property	7 <i>Owner Occupied</i>	7 <i>Renter or Lessee</i>		7 <i>Owner Occupied</i>	7 <i>Renter or Lessee</i>	
Total Loan Loss Reserve Contributions	\$3,721			\$3,721		
Average Loan Loss Reserve Contribution	\$266			\$266		
Top 3 Appliances Purchased	7 <i>Clothes Washer</i>	6 <i>Clothes Dryer</i>	2 <i>Dish-washer</i>	7 <i>Clothes Washer</i>	6 <i>Clothes Dryer</i>	2 <i>Dish-washer</i>

Table 16: Microloan Borrower Credit Score Metrics

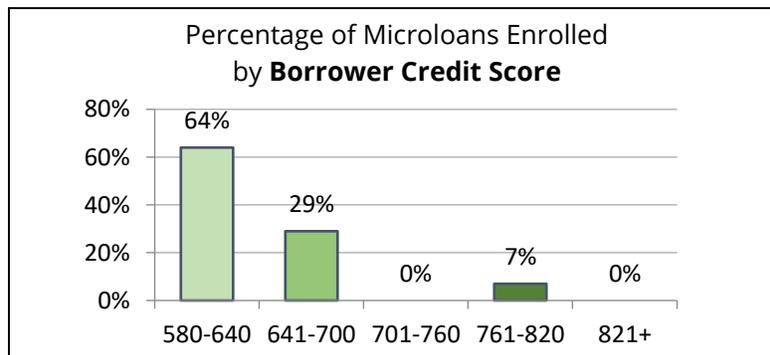


Table 17: Marketplace Microloan Portfolio Performance

Microloan Portfolio Summary as of September 30, 2021			Claims and Charge-Off Summary as of September 30, 2021	
Paid in Full	0 Loans	\$0	Loss Ratio ¹²	0%
Current Outstanding ¹³	14 Loans	\$18,571	Claims Paid	\$0
30-60 Days Past Due	0 Loans	\$0	Recoveries ¹⁴	\$0
Charged Off	0 Loans	\$0	Net CE Funds Expended ¹⁵	\$0

¹² Microloan dollars charged off, reflected as a percentage of the total original microloan principal across the portfolio. Loss Ratio does not reflect recoveries.

¹³ Reflects the outstanding, unpaid principal balance for the 14 microloans.

¹⁴ Recoveries reimbursed to GoGreen Home from One Finance, the participating microlender.

¹⁵ Net credit enhancement (CE) funds expended is calculated as Claims Paid less Recoveries.



Image from GoGreen Financing digital campaign

GoGreen Business Energy Financing Program

Key GoGreen Business Metrics – Program Inception through Q3 2021

10 Total Projects Enrolled	\$1,681,851 Total Amount Financed	83 Participating Contractors and Project Developers	5 Participating Finance Companies
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GoGreen Business Updates

Two new GoGreen Business financing agreements were enrolled in Q3 2021. One project, which was pre-approved in Q1 of this year, was comprised of refrigeration measures on a dairy farm in Kings County. The second project, which was pre-approved during the current quarter, also included refrigeration measures and was completed by a seafood company in San Diego County. This project was the first to benefit from the ongoing interest rate buy-down (IRBD) promotion being piloted through the Program, with the contractor using \$2,602.50 in available promotional funds to reduce the customer’s interest rate from 9.98% to 0%. These projects represent a combined value of \$186,961, bringing the total amount financed through the Program to \$1,681,851.

To be responsive to initial feedback from participating Finance Companies and Contractors, staff worked with the Contractor Manager to update the eligibility criteria for the pilot IRBD promotion that was launched in Q2. Changes were recommended to increase flexibility and open the door for more energy retrofits to qualify. Limits on project size and term length were removed, instead allowing finance companies to apply IRBD funds and reduce interest rates on any eligible project. The structure allows for a maximum of \$4,500 in promotional funds to be applied to a contractor’s first project enrolled using the promotion, with a maximum of \$3,600 for subsequent projects. Contractors will be informed of these changes through marketing communications in Q4.

Significant progress was made to prepare for implementation of On-Bill Repayment (OBR) functionality through GoGreen Business in Q3; for more information, see the On-Bill Repayment section on page 21.

Regulations Modifications

On July 19, the Office of Administrative Law approved amendments to the GoGreen Business regulations. These modifications enable On-Bill Repayment (OBR) functionality, add new eligible efficiency measures, and make changes that will better facilitate microlending opportunities through the Program. This approval follows a public workshop, comment period, and approval from the CAEATFA Board in Q2. This version of the emergency regulations will remain effective until January 19, 2022, prior to which staff will work to readopt the emergency regulations.

GoGreen Business Outreach

While there were few IOU-led marketing campaigns in Q3, the Marketing Implementer continued to devote its paid statewide digital communications efforts entirely to GoGreen Business. Tactics included paid search (which directs customers who enter relevant terms, such as “commercial HVAC,” in a search engine to GoGreenFinancing.com) and organic social media posts.

Stoke Strategy delivered a new messaging matrix and marketing initiative recommendations based on results from the market research that had been conducted by Lux Insights earlier in the year. For GoGreen Business, these recommendations included developing new marketing materials, such as customer testimonials, and targeted marketing to small businesses with specific interest in energy efficiency through tactics like earned media. The Marketing Implementer, in coordination with CAEATFA staff and the IOUs, will design an implementation plan for these new tactics in Q4.

Table 18: GoGreen Business Finance Agreement Status by Lender as of September 30, 2021

	Finance Agreements Enrolled	Total Amount Financed
Accessity¹⁶	0	\$0
Alliance Funding Group	0	\$0
Ascentium Capital	6	\$537,852
DLL Financial Solutions Partner	4	\$1,143,999
Renew Energy Partners	0	\$0
	10	\$1,681,851

For information about GoGreen Business program structure and eligibility, see Appendix 1.

¹⁶ Accessity enrolled in GoGreen Business as a Participating Finance Company in Q2 2021. Accessity will offer loans through the Program via an affiliation with an IOU program in SDG&E territory that plans to incorporate financing. As of Q3 2021, the SDG&E program is pending CPUC approval for incorporation of measures that would warrant a need for financing.



Image from GoGreen Financing digital campaign

GoGreen Affordable Multifamily Financing Program

GoGreen Multifamily Updates

After two years of outreach to the affordable multifamily market, CAEATFA staff finds that due to very tight operating margins, interest rates offered through the Program (even if reduced because of the credit enhancement) are still precluding some property owners from moving forward with financing. Staff have thus determined that the credit enhancement alone does not sufficiently reduce interest rates to make energy efficiency projects feasible for these types of properties. D.21-08-006, issued by the CPUC in August, allows CAEATFA to incorporate additional “complex financing mechanisms” into GoGreen Multifamily and requires CAEATFA to submit an informational letter outlining plans within 60 days of the Decision.

CAEATFA staff initially suggested several types of financing mechanisms, including interest rate buy-downs (IRBDs), subordinate debt, and co-lending, as possible options to reduce interest rates. CAEATFA plans to express its intent to launch an IRBD promotion for GoGreen Multifamily in 2022, as this option will likely afford faster implementation than other mechanisms and is the most direct path to reducing interest rates. Unlike credit enhancements, IRBDs are expensed rather than revolved; however, like credit enhancements, IRBDs are only utilized when a financing agreement is made and IRBDs can be directly correlated to an amount of private capital leveraged. It is important to note that CAEATFA considers IRBDs to be a promotional expense or incentive rather than a complex financing mechanism as characterized in D.21-08-006, primarily because IRBDs do not change lenders’ underwriting or credit decisions. For this reason, CAEATFA plans to use funds from the statewide marketing budget to support this and future IRBD promotions.

Staff will continue researching IRBDs and other potential options for reducing interest rates through the Program and submit the required informational letter to the CPUC in Q4.

Challenges

Property owners in the affordable multifamily sector must navigate complex debt structures and arduous project development processes to complete energy efficiency upgrades. In Q4 2020, the CPUC extended the pilot period for the Program through mid-2022. Staff hoped that the additional time allowed in the pilot phase would facilitate projects or help reveal additional needs for property owners that the Program is not able to fulfill. Indeed, as noted above, challenges with interest rates continue to hamper project feasibility.

For information about GoGreen Multifamily program structure and eligibility, see Appendix 1.



Photo by Allyunion at English Wikipedia

Nonresidential Program

The Nonresidential Program is not being actively developed at this time. Launch of the Nonresidential Program is dependent upon the development of On-Bill Repayment (OBR), a complex feature that is moving toward implementation. CPUC Decision 17-03-026 required all pilots to be launched by the end of 2019, and since OBR was not yet developed at that time, CAEATFA staff made the decision in 2019 to redirect resources to the GoGreen Business and GoGreen Multifamily Programs.

The Nonresidential Program was originally authorized as an OBR program for large commercial or public buildings, with no credit enhancement. In the event that CAEATFA is authorized to develop the Nonresidential Program in the future, prior work can be leveraged to ultimately establish this program. While developing program design and regulations for GoGreen Business, CAEATFA staff anticipated how the Nonresidential Program would be incorporated into the CHEEF's offerings.

On-Bill Repayment (OBR)

As noted in the GoGreen Business section above, in July, the GoGreen Business regulations were modified to allow for OBR. CAEATFA staff worked with the IOUs to develop a statewide On-Bill Authorization Form to standardize program documentation. The IOUs are expected to file the form as part of updated OBR Tariffs in Q4 2021. Staff began discussions on OBR structure with several GoGreen Business Participating Financing Companies, who are expected to offer OBR as part of their participation in the Program. Staff continued work with the Master Servicer to design the on-bill communication infrastructure with Participating Finance Companies and to develop requirements for the web-based interface to facilitate OBR enrollment. The final stages of implementation with the IOUs and Finance Companies are expected to continue through the end of the year, and OBR is projected to launch to the public in 2022.

As part of the CPUC's Clean Energy Financing Proceeding (R.20-08-022), there has been much discussion of potential future "Tariffed On-Bill" (TOB) financing programs. The Tariffed On-Bill concept is distinct from the CHEEF's "On-Bill Repayment" (OBR) program, which was authorized in D.13-09-044 for eligible private capital, third-party lending programs. OBR functionality will allow borrowers to repay energy efficiency financing through their utility bills, a convenience that many business owners find attractive. The CPUC considers OBR functionality to be a critical component of the CHEEF Programs to test its potential for encouraging program uptake and reducing default rates.

CHEEF Infrastructure

Updates on CPUC Clean Energy Financing Proceeding

During Q3, the CPUC issued its Decision Extending California Hub for Energy Efficiency Financing Programs and Conditionally Approving Use of Platform for Non-Ratepayer Funded Programs (D.21-08-006). The Proposed Decision was issued in July, followed by a period of public comment and revision before the Final Decision was issued on August 9, 2021.

The Decision authorizes up to an additional \$75.2 million in ratepayer funding to support implementation of the CHEEF Programs from July 1, 2022 to June 30, 2027. The CPUC also conditionally authorized CAEATFA to expand the CHEEF Programs to non-IOU customers, so long as IOU ratepayer energy efficiency funding is not used to support loans for customers who do not receive any energy services from IOUs or administrative and technical costs associated with expansion to these customers.

In response to this Decision, CAEATFA and the IOUs will jointly submit a Tier 2 Advice Letter outlining the proposed budget through 2027. CAEATFA and the IOUs will also hold a joint workshop on marketing, education and outreach by November 1, 2021 to be followed by a written summary of the workshop and future plans that will be delivered to parties to the Proceeding by December 1, 2021. CAEATFA will prepare an informational letter describing plans for additional financing mechanisms to be deployed through GoGreen Multifamily, as described the GoGreen Multifamily section above. These submissions will occur in Q4 2021, while submission of a plan to incorporate non-IOU ratepayer funding into the CHEEF will be submitted to the CPUC in 2022. Additionally, CAEATFA and CPUC Energy Division staff have begun work to update the CAEATFA-CPUC Memorandum of Understanding to reflect the new Decision.

The Decision also requires several updates to reporting requirements, which staff plan to address on an ongoing basis; these requirements are described in this report's introduction and in Appendix 9. Some components of the Decision, namely whether the CHEEF may incorporate energy measures such as solar and storage into the Programs, were deferred to a future track of the Clean Energy Financing Proceeding.

Appendices

Appendix 1: Budget

Budget authorization information and end notes follow on the subsequent page.

Table 19: Budget for CHEEF Expenditures (September 2014 through September 30, 2021)

Item	Original Authorized Budget
CHEEF Administration (CAEATFA)	
<i>Start-up costs, CHEEF administration, direct implementation, outreach and training</i>	
Allocation per D.13.09.044 for CAEATFA implementation	5,000,000
CAEATFA outreach and training to finance companies and contractors	2,000,000
Reserve fund allocation to CAEATFA in November 2016 ¹	8,360,000
Credit Enhancement funds allocated to CAEATFA for FYs 20-22, if needed, per Resolution E-5072	7,700,000
Subtotal allocated to CHEEF administration costs (CAEATFA)	23,060,000
Expended through 9/30/21 ²	(14,638,922)
CHEEF Administration funds remaining	8,421,078
Marketing, Education, Outreach (MEO)	
Statewide MEO plan initial allocation ³	8,000,000
Expended through 9/30/20 ⁴	(7,954,727)
ME&O funds remaining	45,273
Credit Enhancement	
Initial allocation per D.13.09.044	42,900,000
Earmarked by IOUs for Admin and Direct Implementation per PIPs ⁵	(9,863,976)
Funds allocated to CAEATFA for administration, if needed, for FYs 20-22, per Res. E-5072 ⁶	(7,700,000)
Subtotal Credit Enhancement funds after administration	25,336,024
Funds expensed as claims payments to lenders (less recoveries)	(178,430)
Credit Enhancement funds remaining in budget	25,157,594
Currently encumbered as of 9/30/21 ⁷	(3,393,373)
Unencumbered Credit Enhancement funds available	21,764,221
IOU Administration	
<i>Start-up costs, On Bill Repayment (OBR) build-out, direct implementation</i>	
Administration, general overhead and direct implementation per PIPs	9,863,976
IT costs	8,000,000
Subtotal allocated for IOU Administration	17,863,976
Expended ⁸	(17,863,976)
IOU Administration funds remaining	-
CHEEF Pilot Reserve	
Initial allocation	9,344,931
Allocated to CAEATFA for administration in November 2016	(8,360,000)
Reserve funds remaining after administrative allocation	984,931
Total Original Authorized Budget (total of gray rows)	75,244,931
Total of Original Budget Expended	(40,636,055)
Total Original Budget Remaining	34,608,876

Budgetary Authorization

D.13-09-044 directed the IOUs to allocate a total of \$75.2 million to finance the programs over the initial period. Table 14 provides an itemized breakdown of these allocations, current expenditures and remaining balance. As of September 30, 2021, CAEATFA had expended \$14,638,922 of the \$23.1 million allocated for CHEEF Administration, Direct Implementation, and outreach to finance companies and contractors. D.21-08-006 authorized up to an additional \$75.2 million budget for the Programs beginning in July 2022. None of that funding is captured in this budget, as it is for future years.

Budget End Notes

1. Funds were authorized per the Joint Ruling of Assigned Commissioner and Administrative Law Judge on Financing Pilots and Associated Marketing Education and Outreach Activities, November 2016.
2. Quarterly expenditures are based on good faith estimates due to a lag in invoice submittals.
3. The initial allocation for ME&O also included \$2 million to CAEATFA for outreach to finance companies and contractors, and is depicted in the Subtotal Allocated to CHEEF Administration Costs (CAEATFA).
4. The contract for the statewide Marketing Implementer is administered by SoCalGas, and numbers reflect data reported to CAEATFA. The previous contract for the Marketing Implementer ended on 9/30/20. Resolution E-5072 permitted a new contract to be issued, keeping spending at current levels with funding from energy efficiency funding already approved and unutilized. From October 1, 2020 through September 30, 2021, the Marketing Implementer spent \$809,271; \$174,582 was spent in Q4 2020, \$225,503 was spent in Q1 2021, \$232,646 was spent in Q2 2021, and \$176,540 was spent in Q3 2021.
5. Program Implementation Plans (PIPs) were filed by the IOUs and CHEEF in 2014 and 2015.
6. Resolution E-5072 allows CAEATFA to re-allocate up to \$7.7 million of Credit Enhancement funds for administrative purposes should funding become exhausted before a new long-term budget is allocated by the CPUC.
7. Credit Enhancement funds are allocated to Lender Loss Reserve accounts and recaptured when loans are paid off. They may also be paid out if a lender submits a claim for a default. For more detail, see Table 9 (Summary of Charge-Offs, Claims Paid and Recoveries) and Appendix 2.
8. CAEATFA does not have access to IOU expense details and assumes that all originally allocated administration funds have been spent. Decision 17.03.026 approved additional expenditures of up to \$500,000 per year, per IOU (and \$800,000 for SoCalGas) from 2017 through 2020, using funding from energy efficiency funding already approved or for incremental funding, subject to the Advice Letter process. Resolution E-5072 authorized the IOUs to continue supporting the CHEEF Programs using their Annual Budget Advice Letter or separate advice letter processes and include funds in future business plan filings.

Appendix 2: Loss Reserve Account Beginning and Ending Balances

IOU Holding Accounts

The IOUs release funds into their respective holding accounts upon approval of CAEATFA staff request. CAEATFA staff coordinates with the IOUs to ensure acceptance of the funds from the IOUs and transfer of these funds to the appropriate Program account. No additional funds were requested for release to IOU Holding Accounts during Q3 2021.

Table 20: Balance of IOU Holding Accounts

	SCG	PG&E	SCE	SDG&E
Beginning Balance (7/1/2021)	\$744.39	\$732.54	\$731.07	\$736.29
Release of CE Funds from IOUs	\$0.00	\$0.00	\$0.00	\$0.00
Interest Accrued	\$0.20	\$0.20	\$0.20	\$0.20
Ending Balance (9/30/2021)	\$744.59	\$732.74	\$731.27	\$736.49

GoGreen Home-Related Accounts

There are two GoGreen Home-related accounts administered by CAEATFA:

- The **GoGreen Home Program Account** holds the available portion of the requested CE funds that are used to credit enhance projects enrolled in the Program. Once a project is enrolled in the Program, the CE portion of the Claim Eligible Amount is transferred to the Participating Lender's Loan Loss Reserve (LLR) Account. The IOUs hold additional funds budgeted for the Program, and those funds are available to be released to the holding account when needed, then transferred to the Program account.
- The **GoGreen Home Interest Account** holds the interest swept from the GoGreen Home Program Account and all the GoGreen Home Lender Loan Loss Reserve Accounts.

Table 21: Balance of GoGreen Home-Related Accounts

	GoGreen Home Program	GoGreen Home Interest
Beginning Balance (7/1/2021)	\$585,898.81	\$7,782.45
Contributions to Lender Loss Reserve Accounts	(\$617,370.48)	\$0.00
Funds Recaptured from Recoveries	\$36,769.85	\$0.00
Funds Recaptured from Annual Rebalance	\$363,182.35	\$0.00
Net Interest Earned	\$164.90	\$2.22
Net Interest Swept¹⁷	(\$164.90)	\$991.82
Ending Balance (9/30/21)	\$368,480.53	\$8,776.49

¹⁷ Interest earned in all GoGreen Home-related accounts is swept on a monthly basis into the GoGreen Home Interest account. For Q3 2021, interest earned on GoGreen Home -related accounts totaled \$994.04, of which \$164.90 was earned and swept from the GoGreen Home Program account, \$826.92 was earned and swept from the eight GoGreen Home Lender LLR accounts, and \$2.22 was earned in the GoGreen Home Interest account.

GoGreen Home Lender Loan Loss Reserve Accounts

Each time a lender enrolls a project, a loss reserve contribution of either 11% or 20% (depending on whether or not the loan was made to an underserved borrower) is transferred from the GoGreen Home Program Account into the respective lender's LLR Account. The ending balance on the table below shows the amount the lender has available to offset a borrower defaulting on a loan.

Annual Rebalance of Lender Accounts

D. 13-09-44 directs CAEATFA to recapture funds periodically when loans are paid off to meet the goal of developing a sustainable program, and D. 17-03-026 gives CAEATFA the ability to true up its credit enhancement funds at its discretion. CAEATFA has chosen to complete the recapture of Credit Enhancement funds through an annual rebalance. The rebalance occurs annually in August for the previous fiscal year running July 1-June 30. In August 2021, CAEATFA recaptured \$363,182.35 in credit enhancement funds associated with the 169 GoGreen Home loans that were fully paid off during FY 2020-2021. Recaptured funds are transferred from the Lenders' LLR Accounts back to the Program Account. Claims made by a Lender during the fiscal year reduce the amount of funds recaptured.

Table 22: Balance of GoGreen Home Lender Loss Reserve Accounts

	California Coast Credit Union	Desert Valleys Federal Credit Union	Eagle Community Credit Union	First U.S. Community Credit Union	Matadors Community Credit Union	One Finance	Pasadena Service Federal Credit Union	Travis Credit Union	Valley Oak Credit Union
Beginning Balance 7/1/2021	\$1,557,587	\$52,794	\$29,317	\$204,762	\$1,064,741	\$0	\$9,206	\$17,301	\$79,824
Claims Paid	\$0	\$0	\$0	(\$8,952)	(\$7,679)	\$0	\$0	\$0	\$0
Recaptured Funds from Paid-Off Loans	(\$172,419)	(\$10,327)	(\$1,153)	(\$23,309)	(\$148,337)	\$0	(\$1,905)	\$0	(\$5,733)
Loss Reserve Contributions	\$284,139	\$7,887	\$0	\$99,183	\$106,639	\$3,721	\$0	\$113,073	\$2,729
Net Interest Earned	\$423	\$14	\$8	\$60	\$288	\$0	\$2	\$10	\$22
Net Interest Swept	(\$423)	(\$14)	(\$8)	(\$60)	(\$288)	\$0	(\$2)	(\$10)	(\$22)
Ending Balance 9/30/2021	\$1,669,307	\$50,354	\$28,165	\$271,683	\$1,015,364	\$3,721	\$7,301	\$130,374	\$76,820

GoGreen Business-Related Accounts

Loss reserve accounts for GoGreen Business operate under a similar process as those for GoGreen Home loss reserve accounts. Each time a finance company enrolls a project, 20% of the first \$50,000 of the agreement and 5% of the next \$950,000 is transferred from the GoGreen Business Program account into the respective finance company's loss reserve account. The ending balance on the table below shows the amount the finance company has available in the loss reserve to offset a customer defaulting on a finance agreement.

Table 23: Balance of GoGreen Business -Related Accounts

	GoGreen Business Program	GoGreen Business Interest
Beginning Balance 7/1/2021	\$280,314.89	\$1,021.50
Contributions to Loss Reserve Accounts	(\$20,598.05)	\$0.00
Net Interest Earned	\$76.58	\$0.29
Net Interest Swept¹⁸	(\$76.58)	\$109.43
Ending Balance 9/30/2021	\$259,716.84	\$1,131.22

Table 24: Balance of GoGreen Business Lender Loss Reserve Accounts¹⁹

	Ascentium Capital	DLL Financial Solutions Partner
Beginning Balance 7/1/2021	\$37,617.24	\$82,067.87
Claims Paid	\$0.00	\$0.00
Contributions to Loss Reserve Accounts	\$20,598.05	\$0.00
Net Interest Earned	\$10.50	\$22.35
Net Interest Swept	(\$10.50)	(\$22.35)
Ending Balance 9/30/2021	\$58,215.29	\$82,067.87

¹⁸ Interest earned in all GoGreen Business-related accounts is swept on a monthly basis into the GoGreen Business Interest account. For Q3 2021, interest earned on GoGreen Business-related accounts totaled \$109.72, of which \$76.58 was earned and swept from the GoGreen Business Program account, \$32.85 was earned and swept from the two funded GoGreen Business Finance Company LLR accounts, and \$0.29 was earned in the GoGreen Business Interest account.

¹⁹ Loss reserve accounts exist for all five Finance Companies participating in GoGreen Business. Account activity will be reported for the remaining Finance Companies upon enrollment of their first financing agreement with the Program.

Appendix 3: Impact of the Credit Enhancement

The credit enhancement mitigates risk for lenders, yielding better loan terms for customers and encouraging more energy efficiency lending that will help California achieve its greenhouse gas reduction goals. The information below is based on GoGreen Home, the longest-running CHEEF Program.

Based on CAEATFA’s agreements with GoGreen Home lenders, the credit enhancement has resulted in better terms and approval rates for customers. When interested financial institutions submit an application to become a lender, CAEATFA asks them to describe their most similar loan product (typically an unsecured personal loan) and to describe their current interest rate, minimum credit scores, maximum loan amounts and maximum terms for these loans. With this information, CAEATFA is able to ensure that the final and approved GoGreen Home product offers appropriate benefits for borrowers in exchange for lender access to the credit enhancement.

How the Credit Enhancement Makes Financing Feasible for Borrowers

Lenders have made improvements to their existing underwriting criteria as a result of the credit enhancement (which takes the form of a loan loss reserve) that significantly benefit potential borrowers. Private capital leveraged through the Program not only offers improved rates and terms, but often renders energy efficiency projects feasible. Monthly payments are reduced by more than \$300 on average for borrowers who take advantage of the 15-year term length offered by the majority of participating lenders, when compared with a standard 5-year unsecured loan. Coupled with lower interest rates and broader approval criteria, this greatly enhances the appeal and viability of financing for most borrowers and frequently makes the difference between completing or not completing an energy retrofit. This example illustrates these features in practice, using current rates and terms from a Participating Finance Company:

	Without GoGreen Home	With GoGreen Home
Loan Details	Borrower has a credit score of 600 and seeks \$15,000	
Financing Product	Unsecured personal loan	GoGreen Home Energy Loan
Interest Rate	20.88%	6.38%
Term Length	5 years	15 years
Monthly Payment	\$405	\$130

Feasibility of financing is measured in a number of ways:

- **Access to credit:** Lenders typically require borrowers to have a minimum credit score of around 640 for unsecured loans of any significant value. Through GoGreen Home, lenders are able to approve loans for borrowers with credit scores as low as 580.
- **Affordable monthly payments:** The vast majority of private lenders typically offer a maximum term length of 5 years for unsecured loans. Through GoGreen Home, lenders are able to extend terms out to 15 years, which significantly lowers monthly payments for borrowers.
- **Access to capital:** Sufficient access to capital is needed for deeper energy retrofits. While lenders typically limit unsecured loans to about \$25,000, most lenders are able to offer up to \$50,000 for all borrowers through GoGreen Home.

See Table 14 (Financing Feasibility Metrics) in the GoGreen Home reporting section for tracking of GoGreen Home loans enrolled that demonstrate these criteria.

Table 25: Impact of the Credit Enhancement on Loan Terms by GoGreen Home Lender

Because lenders are free to set their own underwriting criteria within program guidelines, individual products vary from lender to lender. The table below provides some highlights of changes that resulted from the credit enhancement. When a range is stated below, it generally ties back to the borrower’s credit score.

	Interest Rate	Minimum Credit Score	Maximum Loan Amount	Maximum Loan Term
STATEWIDE LENDERS				
California Coast Credit Union	<i>Reduced by:</i> 690 – 1650 basis points (bps) ²⁰	No change from existing 600	<i>Increased:</i> \$30,000 to \$50,000	<i>Increased:</i> 5 years to 15 years
Matadors Community Credit Union	<i>Reduced by:</i> 641 – 891 bps	<i>Reduced:</i> 660 to 580	<i>Increased:</i> \$15,000 to \$50,000	<i>Increased:</i> 5 years to 15 years
REGIONAL LENDERS				
Desert Valleys Federal Credit Union	<i>Reduced by:</i> 949 – 1200 bps	No change from existing 580	<i>Increased:</i> \$15,000 to \$50,000	<i>Increased:</i> 5 years to 15 years
Eagle Community Credit Union	<i>Reduced by:</i> 704 – 1179 bps	No change from existing 580	<i>Increased:</i> \$25,000 to \$50,000	<i>Increased:</i> 5 years to 15 years
First US Community Credit Union	<i>Reduced by:</i> 280 – 1100 bps	<i>Reduced:</i> 640 to 580	<i>Increased:</i> \$25,000 to \$50,000	<i>Increased:</i> 5 years to 15 years
One Finance	<i>Reduced by:</i> 602 bps	<i>Reduced:</i> 640 to 580	No change from existing \$5,000	No change from existing 5 years
Pasadena Service Federal Credit Union	<i>Reduced by:</i> 450 – 850 bps	No change from existing 600	<i>Increased:</i> \$20,000 to \$30,000	<i>Increased:</i> 5 years to 15 years
Travis Credit Union	<i>Reduced by:</i> 200 – 300 bps	<i>Reduced:</i> 680 to 600	<i>Increased:</i> \$35,000 to \$50,000	No change from existing 15 years
Valley Oak Credit Union	<i>Reduced by:</i> 333 – 783 bps	No change from existing 580	<i>Increased:</i> \$20,000 to \$50,000	<i>Increased:</i> 5 years to 15 years
<i>The interest rates reflected in this table are effective as of September 30, 2021.</i>				

²⁰ “bps” = Basis point, a common unit of measure for interest rates. A single basis point is equal to 1/100th of 1% (e.g., 100 bps = 1%).

How the Credit Enhancement Helps Achieve Program Goals

The credit enhancement is more than just a financial mechanism. For CHEEF Programs, it means the difference between achieving program goals—increasing the availability of attractive financing for energy investments throughout California, including for underserved borrowers—and not. The table below demonstrates the impact of the credit enhancement in several scenarios:

Table 26: Impact of the Credit Enhancement on Achieving Program Goals

	Without GoGreen Home	With GoGreen Home
Borrower has a credit score of 600:	Borrower would be unlikely to qualify for a personal loan.	Borrower may qualify for a GoGreen Home loan with a term of 5, 10 or 15 years, paying an interest rate as low as 3.49% for a 5-year term and 5.49% for 15 years.
Borrower wants a 5-year repayment term:	Assuming a credit score of 600, borrower could take out a personal loan with a rate of 20.88% ²¹ using a GoGreen Home lender’s market-rate product. The resulting payment on a \$25,000 loan would be \$675 per month. Borrower may not be able to afford the high monthly payment.	Assuming a credit score of 600, borrower could qualify for a GoGreen Home loan with interest as low as 4.38% for a 5-year term, using the same lender’s GoGreen Home product. Borrower’s payment on a \$25,000 loan would be \$465 each month, a \$210 monthly savings from the lender’s market-rate product.
Borrower wants the lowest monthly payment:	Unsecured personal loans with 15-year terms are largely unavailable in today’s market.	Borrowers can spread out monthly payments up to 15 years through GoGreen Home. Assuming a credit score of 600, a \$25,000 loan with a 15-year term could receive a rate as low as 6.38% from the same GoGreen Home lender, resulting in payments of only \$216 per month, a reduction of \$459 per month from the lender’s 5-year market-rate product.

²¹ The rate of the equivalent non-GoGreen Home signature loan product offered by a Participating Finance Company.

Appendix 4: Participating Finance Company Overview

All CHEEF Programs leverage private capital through participating Finance Companies. Each Finance Company enrolls in a CHEEF Program through an application process and subsequently receives credit enhancements for the financing they enroll that meets program criteria. There are currently:

- **9 participating GoGreen Home Lenders:** California Coast Credit Union, Desert Valleys Federal Credit Union, Eagle Community Credit Union, First US Community Credit Union, Matadors Community Credit Union, One Finance, Pasadena Service Federal Credit Union, Travis Credit Union, and Valley Oak Credit Union
- **5 participating GoGreen Business Finance Companies:** Accessity, Alliance Funding Group, Ascentium Capital, DLL Financial Solutions Partner, and Renew Energy Partners
- **2 participating GoGreen Multifamily Finance Companies:** Ascentium Capital and Renew Energy Partners

Table 27: Participating GoGreen Home Lenders

	Date Enrolled	Areas Served	Type of Institution	Total Loans Enrolled	Loans Enrolled in Q3 2021
	September 2016	Statewide	Credit Union (185,000 members)	876	105
	September 2016	Portions of Inyo, Kern, and San Bernardino Counties	Credit Union (4,000 members)	31	5
	March 2018	Orange County	Credit Union (20,000 members)	11	0
	August 2021	SoCalGas territory, with additional territories expected	FinTech	14	14
	June 2018	12 Counties in Northern California	Credit Union (25,000 members)	141	48
	March 2016	Statewide	Credit Union (20,000 members)	412	33
	April 2018	Pasadena County, statewide federal employees	Credit Union (11,000 members)	3	0
	April 2021	12 Counties in Northern California	Credit Union (135,000 members)	51	44
	August 2015	Madera and Tulare Counties, employer groups in Kings & Fresno	Credit Union (6,700 members)	34	1

Table 28: Participating GoGreen Business Finance Companies

	Date Enrolled	Areas Served	Type of Institution	Products Offered	Financing Limits	Total Projects Enrolled
	May 2021 ²²	Southern California (San Diego County)	Community Development Financial Institution (CDFI)	Loans	\$500 - \$5,000	0
	May 2019	Statewide	Equipment Financing Company	Equipment leases	\$10,000 - \$5 million	0
	March 2019	Statewide	Equipment Financing Company	Equipment finance agreements	\$10,000 - \$2 million	4
	March 2019	Statewide	Finance Company	Equipment leases, service agreements, loans	\$5,000 - \$5 million	6
	January 2021	Statewide	Energy Service Agreement Provider	Efficiency service agreements	\$250,000 - \$5 million	0

Table 29: Participating GoGreen Multifamily Finance Companies

	Date Enrolled	Areas Served	Type of Institution	Products Offered	Financing Limits	Total Projects Enrolled
	September 2020	Statewide	Equipment Finance Company	Equipment finance agreements	\$10,000 - \$250,000	0
	August 2019	Statewide	Energy Service Agreement Provider	Efficiency service agreements	\$250,000 - \$10 million	0

²² Accessity will begin offering loans in the Program via a third party-implemented utility program in SDG&E territory in 2022, pending CPUC approval of measures to be incorporated into the program that are suitable for financing.

Appendix 6: Enrolled Finance Company Product Features
Table 30: Enrolled GoGreen Home Lender Product Features

		GoGreen Home Energy Financing <i>Lending options for residential energy upgrades</i>				
✓ No closing costs or annual fees ✓ No collateral required ✓ Terms up to 15 years Start today! GoGreenFinancing.com						
	Lending Area	APR ¹ (09/13/2021)	Loan Size	Minimum Credit Score	Pre-Approval	Contact Info
STATEWIDE LENDERS		Available to borrowers in:				
	Anywhere in California	2.98% - 6.38% 2.98% rate limited to \$30,000 and 30-month term	\$2,500 - \$50,000	600	Instant pre-approval for qualified borrowers (up to \$25,000)	(858) 495-1637 CCCU Energy Group: Ray, Zak, Bill & Katya energy@calcoastcu.org
	Anywhere in California	3.49% - 5.49% Limited-time offer: \$200 cash back on Energy Efficiency loans	\$2,500 - \$50,000	580	Within one business day	(818) 993-6328, option 4 MCCU Consumer Lending energy@matadors.org
REGIONAL LENDERS		Available to borrowers in:				
	Indian Wells Valleys, Searles Valley, Kern River Valley, Bishop, Barstow, and parts of Kern and Inyo counties	4.00% - 8.00%	\$2,500 - \$50,000	580	Within one business day	(866) 743-6497 Eric Bruen REEL@desertvalleys.org
	Orange County	3.95% - 7.95%	\$2,500 - \$50,000	580	Within one business day	(949) 639-7819 Bob Thompson bthompson@eaglecu.org
	Sacramento, Placer, Nevada, El Dorado, Amador, Yuba, Yolo, Sutter, San Joaquin, Solano, Sierra, and Contra Costa counties ²	2.95% - 7.49% 2.95% rate limited to 36-month term	\$2,500 - \$50,000	580	Within one business day	(800) 556-6768 x2009 First US Consumer Lending energy@firstus.org
	Pasadena, Covina, Vernon, and the greater San Gabriel Valley	4.99% - 8.10%	\$2,500 - \$30,000	600	Within one business day	(877) 297-4707 PSFCU Lending lending@mypsfcu.org
	Alameda, Colusa, Contra Costa, Merced, Napa, Placer, Sacramento, San Joaquin, Solano, Sonoma, Stanislaus, and Yolo counties ³	3.99% - 7.99%	\$1,000 - \$50,000	600	Instant pre-approval for qualified borrowers	(707) 392-9277 Carla Eaton ceaton@traviscu.org
	Tulare County and Madera County ⁴	5.62% - 8.12%	\$1,500 - \$50,000	580	Within one business day	(559) 688-5996 x2315 Kiersty Vaughan kvaughan@valleyoak.org

¹ APR = Annual percentage rate. May include .5% auto-pay discount. Rates are subject to change at any time. Check with lender for the most up-to-date rate information. ² Existing and retired federal employees throughout the State of California are also eligible. ³ Available to homeowners who receive gas and electric service from PG&E. ⁴ Valley Oak can lend to select employee groups in Kings and Fresno counties. Please see Valley Oak's website for membership details.

09/13/2021

Table 31: Enrolled GoGreen Business Finance Company Product Features²³

		GoGreen Business Energy Financing <i>Energy efficiency financing options for commercial retrofits</i>			
					
		Equipment finance agreements	Equipment leases, service agreements ¹ , and loans	Equipment leases	Efficiency service agreements
Contact		Josh Patton (281) 902-1969 joshpatton@ascentiumcapital.com Ascentium.info/GoGreen19	Gillianne Daum (267) 637-9924 gdaum@leasedirect.com	David Goldstein (714) 450-1026 dgoldstein@alliancefunds.com	Michael Savage (888) 938-6256 x703 msavage@renewep.com
Amount available		\$10,000 - \$2,000,000	\$5,000 - \$5,000,000	\$10,000 - \$5,000,000	\$250,000 - \$5,000,000
Term		12 - 60 months <small>Up to 84 months if required for project cash flow</small>	12 - 84 months <small>Up to 120 months if required for project cash flow</small>	12 - 120 months	60 - 120 months
FEATURES					
Contractor prefunding		Prefunding up to 95% of financed amount ²	Progress payments up to 50%, escrow funding up to 90% ²	Progress payments up to 50%: 30% prior to delivery and 20% upon delivery	Prefunding up to 50%, milestone payments also negotiable
Generation and storage measures financeable		✓	✓		✓
Credit approval process		Approved within 2 business hours and no financials required (up to \$250,000)	Approval within 24 business hours (up to \$250,000) and no financials required (up to \$125,000)	Approval within 24 hours and no financials required (up to \$300,000)	Full underwrite required
Other features		• Payments as low as \$29 / month for the first 3 or 6 months of the term	• DLL can bill for and collect regular service and maintenance charges for contractor	• Cannabis operations may qualify • Lease reamortization option after 5 years	• Monthly payment is less than the savings, so project results in positive cash flow from day one • Ongoing service and maintenance included
On-bill repayment (coming soon)					
CUSTOMER ELIGIBILITY					
Tenant occupants permitted		✓	✓ ³	✓ ^{3,4}	✓
Minimum months in business		12 months (up to \$100,000) <small>Greater amounts require 18+ months in business</small>	18 months	12 months (up to \$300,000) <small>Greater amounts require 36+ months in business</small>	36 months
<small>¹ Service agreements require a minimum of \$50,000 and at least a 36-month term. ² Contractors must pass credit check. ³ If financing term is less than or equal to time remaining on occupancy lease. ⁴ Limited to measures not affixed to property.</small>					
					GoGreenFinancing.com <small>09/28/2021</small>

²³ While Accessity enrolled in GoGreen Business in Q2, their financing is not yet available as they will be offering it through an IOU third-party program in SDG&E territory that has not yet incorporated financing.

Table 32: Enrolled GoGreen Multifamily Finance Company Product Features

		GoGreen Affordable Multifamily Energy Financing <i>Helping affordable multifamily property owners invest in energy efficiency</i>	
			
		Equipment finance agreements	Efficiency service agreements
Amount available		\$10,000 - \$250,000	\$250,000 - \$10,000,000
Terms		12-84 months	60-120 months
Fees		\$195 (\$295 if prefunding)	No upfront fees Early termination fees apply
Features		<ul style="list-style-type: none"> Similar to a lease, but ownership resides with customer throughout term 48-hour credit approval 	<ul style="list-style-type: none"> Service payments based on savings Potential off-balance sheet treatment Installation and maintenance included
Collateral		UCC-1 Fixture Filing, no property lien	UCC-1 Fixture Filing, no property lien
What can be financed*			
Energy efficiency & demand response		✓	✓
Soft costs		✓	✓
Non-energy saving measures		✓	✓
Distributed generation & battery storage		✓	✓
Contact			
		Josh Patton 281-902-1969 joshpatton@ascentiumcapital.com	Michael Savage 888-938-6256 x703 msavage@renewep.com
<small>*All financing is subject to credit approval and compliance with the program terms. Rates and terms are subject to change. Please contact the finance company representatives above for up-to-date information.</small>			
09/10/2021		GoGreenFinancing.com	

Appendix 6: CHEEF Infrastructure

CAEATFA is creating a statewide platform for finance companies and contractors to participate in the uptake of energy efficiency projects through increased access to financing. As the administrator of the CHEEF, CAEATFA is responsible for developing uniform program requirements, standardized documentation and processes, and acting as a central entity to facilitate investment in energy efficiency projects and implementation of the programs.

Key infrastructure elements needed to implement the CHEEF include a Master Servicer, Trustee Bank, Contractor Manager, Marketing Implementer, and Technical Advisors. Below are descriptions of each of these roles and information regarding their current status.

Master Servicer

<i>Organization</i>	Concord Servicing Corporation
<i>Duties</i>	The Master Servicer plays a key role in the daily administration of the programs, accepting loan enrollment applications and processing on-bill repayment transactions.
<i>Contract Term</i>	10/22/20 – 7/31/22
<i>Notes</i>	Option for two one-year extensions.

Trustee Bank

<i>Organization</i>	Zions Bank
<i>Duties</i>	The Trustee Bank holds the ratepayer funds provided by the IOUs to serve as Credit Enhancements under the various programs. CAEATFA provides direction to the Trustee Bank to transfer CE funds between various accounts.
<i>Contract Term</i>	1/1/21 – 12/31/23
<i>Notes</i>	No option for extension.

Contractor Manager

<i>Organization</i>	Frontier Energy
<i>Duties</i>	The Contractor Manager recruits, enrolls, trains, and supports contractors and conducts quality control oversight of projects not participating in an IOU rebate/incentive program.
<i>Contract Term</i>	6/4/19 – 5/28/22
<i>Notes</i>	A one-year, no-cost extension of the contract was approved on 5/24/21.

Marketing Implementer

<i>Organization</i>	Center for Sustainable Energy
<i>Duties</i>	The Marketing Implementer is responsible for leading statewide marketing campaigns and administers GoGreen Financing, the customer-facing platform for information on CHEEF programs. The contract for the Marketing Implementer is held by SoCalGas and is not administered by CAEATFA nor represented in CAEATFA’s administrative costs. However, the Marketing Implementer works closely with CAEATFA and the IOUs to manage customer marketing for the programs. The Center for Sustainable Energy (CSE) has served as the Marketing Implementer since 2014.
<i>Contract Term</i>	10/1/20 – 9/30/22
<i>Notes</i>	The CPUC’s Resolution E-5072 approved continued marketing activity for the CHEEF Programs. This contract has an option for a one-year extension.

Technical Advisor

The Technical Advisor provides expertise to CAEATFA in the development and implementation of the CHEEF programs.

<i>Organization</i>	Energy Futures Group (EFG)
<i>Duties</i>	Provides technical assistance for program research development and implementation.
<i>Contract Term</i>	3/13/19 – 3/13/22
<i>Notes</i>	A one-year, no-cost extension of the contract was approved on 3/10/21. There are no additional extensions remaining.

Appendix 7: Program Design

GoGreen Home Energy Financing

The GoGreen Home Energy Financing Program (GoGreen Home) provides attractive financing to owners and renters of existing residential properties who select from a broad list of energy efficiency measures intended to reduce energy consumption. Customers may upgrade a single-family home, townhome, condo, duplex, triplex, fourplex or manufactured home. Renovations for up to four units can be bundled into the same loan.

As with all CHEEF programs, eligibility requires that the property receive electric or natural gas service from at least one of the IOUs: PG&E®, SDG&E®, SCE® or SoCalGas®. Properties in areas served by community choice aggregators (CCAs) or electric service providers (ESPs) qualify. Those in areas served by publicly owned utilities (POUs) qualify only if they also receive energy service from an IOU (for example, electricity from the Sacramento Municipal Utility District and natural gas from PG&E). For financing to be considered “claim-eligible” in the case of a default, 70% of that financing must be used to fund the installation of measures that use the type of energy that the IOU delivers.

CHEEF staff strive to make GoGreen Home financing available to underserved borrowers while also ensuring that credit is extended appropriately and without unintended negative consequences for the borrower. GoGreen Home loans are approved for customers with the cash flow to repay them, and customers who are eligible for free services are directed to them rather than encouraged to take on debt.

In keeping with the CPUC’s directive that a third of credit enhancement funds should support loans to Low-to-Moderate Income (LMI) customers, when GoGreen Home launched, the program provided a 20% loan loss reserve contribution for loans to LMI borrowers and an 11% loan loss reserve contribution to non-LMI borrowers. In 2018, reflecting the fact that lenders had a difficult time determining “household” income and lenders were more sensitive to credit scores than income status when approving or not approving loans, CAEATFA added an additional methodology to determine LMI eligibility and offered the 20% loan loss reserve contribution to credit-challenged customers. Currently, a 20% credit enhancement is provided for loans in which:

- **Property is in a LMI Census Tract** – Area Median Income (AMI) of the property census tract does not exceed 120% of the AMI for the Metropolitan Area, County, or State.
- **Borrower’s Household Income is Low-to-Moderate**– Borrower’s household income is at or below 120% of the AMI for the Metropolitan Area, County, or State.
- **Borrower is Credit-Challenged** – A borrower whose credit score is less than 640 (if the lender has opted in to the Credit-Challenged facility by demonstrating additional benefits to credit-challenged borrowers).

At the same time that the Program seeks to make financing available to underserved customers, GoGreen Home is a debt program, and borrowers, no matter their income or credit score, need to have adequate monthly cash flow to repay loans to avoid negative consequences. This is achieved through required debt-to-income limits and the fact that lenders have “skin in the game” on every loan that they issue. Lenders are able to access up to 90% of the claim-eligible charged-off principal amount in the event of a default provided they have the funds in their loss reserve account.

GoGreen Home launched in July 2016, and the current Program regulations were adopted in May 2021. Program regulations may be viewed on [the CAEATFA website](#).

GoGreen Business Energy Financing

The GoGreen Business Energy Financing Program (GoGreen Business) provides financing to help small business property owners and tenants upgrade their equipment or buildings. Financing through GoGreen Business is available to small businesses, nonprofits and market rate multifamily properties (5 or more units) that meet at least one of the following business size requirements: Employ 100 or fewer individuals; receive annual revenue of less than \$15 million; and/or fall within SBA size guidelines (annual revenue limits up to \$41.5 million, depending on industry).

Business owners are able to finance 100% of project costs and may finance a single measure project or a comprehensive and deep energy retrofit. There are three methods of project qualification for GoGreen Business:

1. The Program has published a searchable and downloadable [list of pre-qualified energy saving measures \(ESMs\)](#). Measures on the ESM list can be financed without any additional approval. This includes any measure that qualifies for an IOU, REN or CCA program.
2. Any measure approved by an IOU, REN, or CCA custom incentive program for the property within the last 24 months is eligible.
3. For any measures that are not listed on the ESM list or tied to a custom incentive program, an Energy Professional can certify that the installation of the measure will result in energy savings compared to existing conditions. For GoGreen Business, an eligible Energy Professional is a California licensed Professional Engineer (PE) or an Association of Energy Engineers Certified Energy Manager (CEM).

As with all CHEEF Programs, eligibility requires that the property receive electric or natural gas service from at least one of the IOUs: PG&E®, SDG&E®, SCE® or SoCalGas®. Properties in areas served by community choice aggregators (CCAs) or electric service providers (ESPs) located within IOU territories qualify. Those in areas served by publicly owned utilities (POUs) qualify only if they also receive energy service from an IOU.

To best accommodate the small business energy efficiency market, GoGreen Business facilitates a variety of financing instruments for potential customers to consider, including loans, equipment leases, service agreements and savings-based payment agreements; each participating Finance Company offers products from this menu of authorized instruments. Small business owners may finance up to \$5 million. Available financing options are viewable on the [GoGreen Financing website](#).

For participating finance companies, up to \$1 million of the financed amount is eligible to receive a credit enhancement in the form of a loss reserve contribution, as follows:

- The first \$50,000 of claim-eligible financing will receive a loss reserve contribution at 20%
- Remainder (up to an additional \$950,000) will receive a loss reserve contribution at 5%
- Maximum loss reserve contribution per agreement will be \$57,500

Lenders are able to access up to 90% of the claim-eligible charged-off principal amount in the event of a default provided they have the funds in their loss reserve account.

GoGreen Business launched in July 2019, and current Program regulations went into effect in July 2021. Program regulations may be viewed on [the CAEATFA website](#).

GoGreen Affordable Multifamily Energy Financing

GoGreen Affordable Multifamily Energy Financing (GoGreen Multifamily) seeks to facilitate energy efficiency retrofits in multifamily properties of five or more units where at least 50% of the units are income-restricted at low to moderate (80-120% of area median income). To be eligible, properties must remain affordable for at least five years.

GoGreen Multifamily will fund any energy efficiency or demand response measure approved for rebate and incentive by any IOU, REN or CCA, as well as any measure from the Energy Saving Measures list developed for use in GoGreen Business. In-unit as well as common area measures are eligible. The financed amount may include non-energy efficiency improvements; solar photovoltaic and distributed generation may be financed but will not receive a credit enhancement.

Key GoGreen Multifamily features include:

- No minimum or maximum financing size
- The first \$1 million of each financed project will be credit enhanced at 15% of the claim-eligible amount
- Fixed or variable rates allowed
- No underwriting requirements imposed on the Finance Company; underwriting is based on participating Finance Company requirements
- Designed to integrate with existing affordable multifamily housing energy programs such as the Low-Income Weatherization Program (LIWP) and Solar On Multifamily Affordable Homes (SOMAH)

Like GoGreen Business, GoGreen Multifamily supports traditional loans and leases as well as energy service agreements and savings-based payment agreements. Available financing options are viewable on the [GoGreen Financing website](#).

As with all CHEEF Programs, eligibility requires that the property receive electric or natural gas service from at least one of the IOUs: PG&E®, SDG&E®, SCE® or SoCalGas®. Properties in areas served by community choice aggregators (CCAs) or electric service providers (ESPs) located within IOU territories qualify. Those in areas served by publicly owned utilities (POUs) qualify only if they also receive energy service from an IOU.

GoGreen Multifamily regulations went into effect in June 2020. Program regulations may be viewed on [the CAEATFA website](#).

Nonresidential Program

Like all the CHEEF financing programs, the Nonresidential Program is intended to encourage growth in private market lending to support energy efficiency improvements, in this case for public and large commercial buildings. Though a credit enhancement will not be provided, the Program will be designed to provide financing, which will be repaid on the utility bill, for building energy efficiency, distributed generation, battery storage and demand response projects. The flexibility of the program will allow the combination of financing with IOU rebates and other incentives.

The Nonresidential Program is not being developed at this time. Launch of the Nonresidential Program is dependent on the development of On-Bill Repayment (OBR) functionality.

Appendix 8: Customer-Facing Products

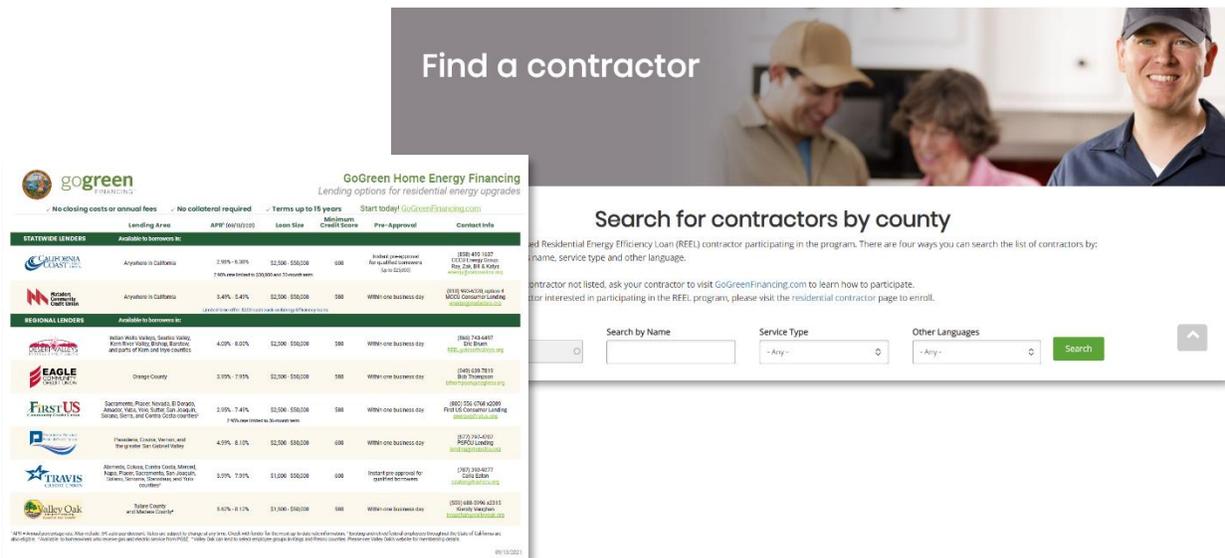
Customer-facing products are discussed throughout this report, but this Appendix functions as a summary.



Designed and implemented by the Marketing Implementer, the Center for Sustainable Energy (CSE), with input and direction from CAEATFA and the IOUs, GoGreen Financing (www.gogreenfinancing.com) serves as the primary customer-facing platform for the financing programs. The platform was translated into Spanish in November 2020 (www.gogreenfinancing.com/es).

GoGreen Financing contains information for end users (customers), contractors, finance companies and partners for each of the programs. Some of the resources on the website include:

- Pages that allow potential GoGreen Home borrowers to find a local participating Contractor, review the rates of participating Lenders and apply for a GoGreen Home loan online through the participating Lender’s website
- Pages that allow potential GoGreen Business customers to find a participating Contractor or Project Developer, review the products offered by participating Finance Companies and apply for a GoGreen Business finance agreement through the participating Finance Company’s website
- Program descriptions and benefits of GoGreen Multifamily and information about products offered by participating Finance Companies
- Partner resources for interested contractors, finance companies, local governments and nonprofits (some of which are available to these organizations to co-brand), including:
 - Customer-facing flyers, available in both English and Spanish
 - Finance company comparison charts
 - PowerPoint Presentations
 - Partner talking points
 - GoGreen Home case studies



Screenshots of the GoGreen Home lender chart and Find a Contractor tool from GoGreenFinancing.com

Appendix 9: Reporting Requirements

CPUC Decision 21-08-006 requires CAEATFA to report on metrics and key performance indicators from the CHEEF Programs, including performance metrics previously adopted for financing evaluations in Attachment 1 of Resolution E-4900. While most of the requested reporting has been included in these reports for several years prior to these requirements being issued, some aspects require significant capacity to implement and will need to be incorporated into quarterly reports on a rolling basis through Q4 2022. The tables below outline these reporting requirements and CAEATFA’s compliance with them.

Table 33: CHEEF Program Reporting Requirements from Resolution E-4900, Attachment 1

	Current Reporting Status	Target Reporting Timeframe	Notes
Number of loans issued: <ul style="list-style-type: none"> Monthly growth Total amount financed Geographic distribution of loans 	Included in quarterly reports and monthly data summaries	Reporting pre-dates requirement	New reporting requirements from D.21-08-006 are intended to provide insights into how the Programs serve underserved populations. View current reporting on how GoGreen Home serves the underserved on pages 14-16.
Private capital participation: <ul style="list-style-type: none"> Number of participating lenders Types of financial institutions participating Amount of private capital attracted 	Included in quarterly reports and monthly data summaries	Reporting pre-dates requirement	
Reach to underserved Californians: <ul style="list-style-type: none"> Credit scores of loan recipients Payback term length Percentage of participants deemed “underserved” by CalEnviroScreen data Whether participants would have qualified for or been able to accept loans from existing programs 	Included in quarterly reports and monthly data summaries	Reporting pre-dates requirement; additional data on participant qualification added in Q3 2021	New data has been added to the quarterly reports and monthly data summaries as of September 2021 to provide insight into whether financing would have been feasible for borrowers without the program and the products borrowers would have been able to qualify for from participating lenders without the CHEEF Programs.
Energy savings²⁴: <ul style="list-style-type: none"> Through customer meter data Through NMEC analysis Comparison of energy savings from other loan programs 	Not currently reported	Q4 2022	This requirement demands external resources to implement, as recognized in D.21-08-006. Staff are currently exploring possible methods for reporting this data. CAEATFA will not be able to provide NMEC analysis without the IOUs sharing energy consumption data with a vendor who will calculate savings.

²⁴ D.21-08-006 allows for flexibility in how CAEATFA reports on this metric; while all three metrics adopted in Resolution E-4900 are required for formal evaluations of the Programs, D.21-08-006 asks CAEATFA to report on “annual estimated energy savings from installed measures.”

Table 34: CHEEF Program Reporting Requirements from D.21-08-006

	Current Reporting Status	Expected Reporting Timeframe	Notes
Customer participation	Included in quarterly reports	Reporting pre-dates requirement	Several data points are provided, including loan volume and enrollment maps.
Loan performance statistics	Included in quarterly reports and monthly data summaries	Reporting pre-dates requirement	Currently reported for GoGreen Home, as other programs have not yet experienced any defaults or recoveries.
Costs associated with service of non-IOU customers	Not currently reported	TBD	Reporting will begin when a non-IOU funding source is successfully secured. Reporting will include the ratepayer funding spend percentage for all Programs and for shared fuel measures.
Administrative costs of the CHEEF (in nominal dollars and as a % of program spending)	Included in quarterly reports	Reporting pre-dates requirement for nominal dollars; improvements coming in 2022	Administrative costs have been reported as part of the budget table in Appendix 1. Administrative costs as a percentage of Program spending can be derived from the budget table, but will be shown more clearly as new budget reporting is developed.
Annual estimated energy savings from installed measures	Not currently reported	Q4 2022	This requirement demands external resources to implement, as recognized in D.21-08-006. Staff are currently exploring possible methods for collecting and reporting on this data.
Annual estimated non-energy benefits from installed measures	Financial benefits are currently reported	Q2 2022	Interest rate savings and monthly payment reductions due to the credit enhancement are currently reported for GoGreen Home (see table 11). Staff plan to launch a post-project customer survey to collect information about other non-energy benefits in 2022.
Geographic breakdown of financing that includes, to the extent possible, ethnicity and socioeconomic data of loan recipients	Not currently reported	Q2 2022	Staff plan to launch a post-project customer survey to collect this data (to the extent possible) beginning in 2022.
Mean and median loan values	Included in quarterly reports and monthly data summaries	Reporting pre-dates requirement for mean values; median values included as of Q3 2021	
Mean and median Annual Percentage Rates (APRs)	Included in quarterly reports and monthly data summaries	Reporting pre-dates requirement for mean values; Q3 2021 for median values	GoGreen Home interest rates are currently equivalent to the APR as no additional fees are charged by participating lenders for these loans.