

# State of California Office of Administrative Law

In re:  
California Alternative Energy and Advanced  
Transportation Financing Au

Regulatory Action:

Title 04, California Code of Regulations

Amend sections: 10092.1, 10092.2, 10092.5,  
10092.7, 10092.8, 10092.9

## NOTICE OF APPROVAL OF EMERGENCY REGULATORY ACTION

Government Code Sections 11346.1 and  
11349.6

OAL Matter Number: 2025-1027-01

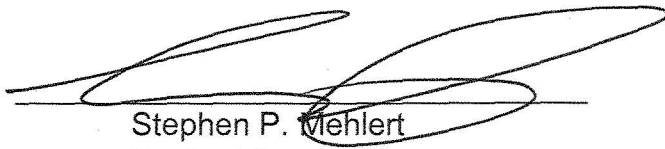
OAL Matter Type: Emergency (E)

This emergency rulemaking action by the California Alternative Energy and Advanced Transportation Financing Authority amends GoGreen Business Energy Financing Program regulations. Specifically, the amendments concern Multifamily Property projects and include revising the definition of "Multifamily Property" to encompass properties with multiple buildings, extending the final funding deadline to 12 months for Multifamily Property projects, allowing Finance Provider Entities to take a security interest in real property, excluding Multifamily Property projects from cost maximums for non-lighting measures qualifying via the Eligible Energy Measures List, and streamlining the calculation for loss reserve contributions. Moreover, this action is deemed an emergency pursuant to Public Resources Code section 26009.

OAL approves this emergency regulatory action pursuant to sections 11346.1 and 11349.6 of the Government Code.

This emergency regulatory action is effective on 11/6/2025 and will expire on 5/6/2026. The Certificate of Compliance for this action is due no later than 5/5/2026.

Date: November 6, 2025



Stephen P. Mehlert  
Senior Attorney

For: Kenneth J. Pogue  
Director

Original: Christina Sarron, Executive  
Director

Copy: Jonathan Verhoef

**NOTICE PUBLICATION/REGULATION SUMMARY**

STD. 400 (REV. 10/2019)

# EMERGENCY

For use by Secretary of State only

|                                                    |                                        |                                                        |                                     |
|----------------------------------------------------|----------------------------------------|--------------------------------------------------------|-------------------------------------|
| <b>OAL FILE NUMBERS</b>                            | <b>NOTICE FILE NUMBER</b><br><b>Z-</b> | <b>REGULATORY ACTION NUMBER</b><br><b>2025-1027-01</b> | <b>EMERGENCY NUMBER</b><br><b>E</b> |
| For use by Office of Administrative Law (OAL) only |                                        |                                                        |                                     |
| NOTICE                                             |                                        | REGULATIONS                                            |                                     |

**ENDORSED - FILED**  
in the office of the Secretary of State  
of the State of California

NOV 06 2025

1:58 pm

NM

OFFICE OF ADMIN. LAW  
2025 OCT 27 PM 1:29

AGENCY WITH RULEMAKING AUTHORITY

California Alternative Energy and Advanced Transportation Financing Authority

AGENCY FILE NUMBER (if any)

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

|                                                                                                                                            |                                                                                                                                                                          |                          |                        |                               |
|--------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|------------------------|-------------------------------|
| 1. SUBJECT OF NOTICE                                                                                                                       |                                                                                                                                                                          | TITLE(S)                 | FIRST SECTION AFFECTED | 2. REQUESTED PUBLICATION DATE |
| 3. NOTICE TYPE<br><input type="checkbox"/> Notice re Proposed<br><input type="checkbox"/> Regulatory Action <input type="checkbox"/> Other |                                                                                                                                                                          | 4. AGENCY CONTACT PERSON | TELEPHONE NUMBER       | FAX NUMBER (Optional)         |
| <b>OAL USE ONLY</b>                                                                                                                        | ACTION ON PROPOSED NOTICE<br><input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn |                          | NOTICE REGISTER NUMBER | PUBLICATION DATE              |

**B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)**

|                                                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| 1a. SUBJECT OF REGULATION(S)<br>Commercial Energy Efficiency Financing Program                                                                                                                                                                                                                         |  | 1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                           |
| 2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)                                                                                                                                                                                              |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                           |
| SECTION(S) AFFECTED<br>(List all section number(s) individually. Attach additional sheet if needed.)                                                                                                                                                                                                   |  | ADOPT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                           |
| TITLE(S)<br>4                                                                                                                                                                                                                                                                                          |  | AMEND<br>§10092.1; §10092.2; §10092.5; §10092.7; §10092.8; §10092.9                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                           |
| 3. TYPE OF FILING                                                                                                                                                                                                                                                                                      |  | REPEAL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                           |
| <input type="checkbox"/> Regular Rulemaking (Gov. Code §11346)<br><input type="checkbox"/> Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §11349.3, 11349.4)<br><input checked="" type="checkbox"/> Emergency (Gov. Code, §11346.1(b))                                         |  | <input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute.<br><input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)<br><input type="checkbox"/> Emergency Readopt (Gov. Code, §11346.1(h))<br><input type="checkbox"/> File & Print<br><input type="checkbox"/> Other (Specify) |                                                                           |
|                                                                                                                                                                                                                                                                                                        |  | <input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100)<br><input type="checkbox"/> Print Only                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                           |
| 4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)                                                                                                                           |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                           |
| 5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)                                                                                                                                                                                                       |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                           |
| <input type="checkbox"/> Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a)) <input checked="" type="checkbox"/> Effective on filing with Secretary of State <input type="checkbox"/> §100 Changes Without Regulatory Effect <input type="checkbox"/> Effective other (Specify) |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                           |
| 6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY                                                                                                                                                                         |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                           |
| <input type="checkbox"/> Department of Finance (Form STD. 399) (SAM §6660) <input type="checkbox"/> Fair Political Practices Commission <input type="checkbox"/> State Fire Marshal<br><input type="checkbox"/> Other (Specify)                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                           |
| 7. CONTACT PERSON<br>Jonathan Verhoef                                                                                                                                                                                                                                                                  |  | TELEPHONE NUMBER<br>916-809-4637                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | FAX NUMBER (Optional)<br>E-MAIL ADDRESS (Optional)<br>jverhoef@sto.ca.gov |

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

SIGNATURE OF AGENCY HEAD OR DESIGNEE

DocuSigned by:

Christina Sarron

DATE

10/24/2025

TYPED NAME AND TITLE OF SIGNATORY

Christina Sarron, Executive Director

For use by Office of Administrative Law (OAL) only

**ENDORSED APPROVER**

NOV 06 2025

Office of Administrative Law

CALIFORNIA CODE OF REGULATIONS  
Title 4. Business Regulations  
Division 13. California Alternative Energy and Advanced Transportation Financing Authority

CALIFORNIA ALTERNATIVE ENERGY AND ADVANCED  
TRANSPORTATION FINANCING AUTHORITY  
REGULATIONS IMPLEMENTING  
THE COMMERCIAL ENERGY EFFICIENCY FINANCING PROGRAM

**EFFECTIVE XXXX XX, 2025**

**Contents**

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For section 10092.1:

**Section 10092.1 Definitions**

[subsections (a) through (uu) remain unchanged]

(vv) “Multifamily Property”: A One or more residential buildings with residential units totaling five or more units.

[subsections (ww) through (uuu) remain unchanged]

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

For section 10092.2:

**Section 10092.2 Finance Entity Enrollment**

[subsections (a) through (b) remain unchanged]

- (c) Application to Participate in the Program. A Primary Finance Provider Applicant must submit a complete enrollment application to the Authority signed by an individual authorized to legally bind the Primary Finance Provider Applicant and shall include the signatory’s name, title, and date. Where the Primary Finance Provider Applicant wishes to apply along with an Affiliate Finance Provider Applicant, the Affiliate Finance Provider Applicant must also submit an application signed by an individual authorized to legally bind the Affiliate Finance Provider Applicant and provide their name, title, and date. Both the Primary Finance Provider Applicant and the Affiliate Finance Provider Applicant must sign the acknowledgements, certifications, and representations of the Finance Provider Applicant, below. A complete enrollment application includes the following information, disclosures, acknowledgements, certifications, and representations in a format to be specified by the Authority:

(1) Information

(A) For the Primary Finance Provider Applicant:

- (i) Name, address, and website URL of the Primary Finance Provider Applicant.
- (ii) Name, title, phone number, and e-mail address of the Program contact person for the Primary Finance Provider Applicant.
- (iii) The name(s) and e-mail address(es) of individual(s) who are authorized to provide and certify data and submit Eligible Financing Agreements for enrollment in the Program on behalf of the Primary Finance Provider Entity.

- (iv) Type of finance entity, e.g., insured depository institution, insured credit union, Community Development Financial Institution, or California Finance Lender, or other type.
  - (v) Name(s) of any regulatory agency(ies) and any insuring agency(ies) to which the Finance Provider Applicant is accountable and license number(s), if applicable.
- (B) For the Affiliate Finance Provider Applicant, if applicable:
  - (i) Name, address, and website URL of the Affiliate Finance Provider Applicant.
  - (ii) Name, title, phone number, and e-mail address of the Program contact person for the Affiliate Finance Provider Applicant.
  - (iii) Type of finance entity, e.g., insured depository institution, insured credit union, Community Development Financial Institution, or California Finance Lender, or other type.
  - (iv) Name(s) of any regulatory agency(ies) and any insuring agency(ies) to which the Finance Provider Applicant is accountable and license number(s), if applicable.
- (C) For the Marketing Representative, if different than the Finance Provider Applicant:
  - (i) Name, address, and website URL of the Marketing Representative.
  - (ii) Name, title, phone number, and e-mail address of the Program contact person.
- (2) Disclosures. The FPA must disclose the following:
  - (A) If there are to be separate entities applying to be the Primary Finance Provider Entity and Affiliate Finance Provider Entity, which of the two entities will perform the Underwriting, Origination, Servicing, Monthly Reporting, and Loss Reserve Account Representative roles;
  - (B) The name of the entity that will be the Marketing Representative;
  - (C) The name of the entity funding the Projects that are to be enrolled in the Program;
  - (D) The name of the finance agreement counterparty(ies) or the service agreement counterparty(ies) who will be named on the closing documentation provided to the Eligible Commercial Financing Customer;
  - (E) The assignee(s) of repayment streams, if any; and
  - (F) The FPA's intent as to what it will do with the Enrolled Financing Agreements, if known, (e.g. hold, sell, transfer, participate, etc.) and the identity of a purchaser, if applicable.
- (3) Proposed Products. To participate in the Program, the FPA must provide a description of proposed financial product(s), including:
  - (A) A detailed description of the products the FPA is proposing to offer, including, but not limited to, the type of financing product and its relationship to the categories of Eligible Financing Agreements, collateral requirements (if any), minimum and maximum financed amounts, interest rates (including whether they are fixed or variable), terms, service or maintenance charges, fees, prepayment penalties, and a description of customer eligibility and underwriting

criteria. These product offerings must be certified by at least one of the Finance Provider Applicants.

- (B) A description of the geographic area(s) in California where the financing product(s) will be available.
- (C) An explanation of how the Loss Reserve Contribution will be utilized to provide benefits to Eligible Commercial Financing Customers compared to the FPA's typical product offerings in one or more of the following ways:
  - (i) Broadened approval criteria;
  - (ii) Longer repayment terms;
  - (iii) Larger amounts available to finance;
  - (iv) Better rates; and/or
  - (v) Other advantageous terms.
- (4) Acknowledgements of the Finance Provider Applicant and the Marketing Representative. The application must include the FPA's acknowledgements contained within this Section, signed by an individual authorized to legally bind the FPA. If the FPA will not be filling the Marketing Representative role, the application must additionally include the Marketing Representative's acknowledgements below, signed by an individual authorized to legally bind the Marketing Representative.
  - (A) The Authority has made no representations, promises, or guarantees pertaining to the volume, quantity, or quality of financing agreements issued pursuant to the Program.
  - (B) It, its representatives, and agents are not hired by the Authority or any of the participating IOUs, and must not represent themselves as such, or claim association or affiliation with the Authority or any of the participating IOUs in any capacity.
- (5) Certifications of the Finance Provider Applicant and Marketing Representative. The application must include the FPA's certifications of this Section, signed by an individual authorized to legally bind the FPA. The FPA certifies that once it is enrolled in the Program as a Finance Provider Entity it will follow Section 10092.2(c)(5)(D)-(G) below. If the FPA will not be filling the Marketing Representative role, the application must additionally include the Marketing Representative's certifications of this Section, except for Section 10092.2(c)(5)(D), signed by an individual authorized to legally bind the Marketing Representative.
  - (A) It is not subject to a cease and desist order or other regulatory sanction from the appropriate federal or state regulatory body that would impair its ability to participate in the Program.
  - (B) The individual signing the application is authorized to legally bind the Finance Provider Applicant, and must include the signatory's printed name, title, and date.
  - (C) All Finance Provider Applicants that are not Financial Institutions must comply with the additional requirements specified in Section 10092.3.
  - (D) The regulations within this Article constitute a lender services agreement between the FPE and the Authority.
  - (E) It must follow the Program regulations as set forth in this Article.
  - (F) It must permit an audit by the Authority of any of its records relating to Enrolled

Financing Agreements during normal business hours on its premises, and must supply any other information concerning Enrolled Financing Agreements as may be requested by the Authority. Additionally, the Finance Provider Entity must permit an audit of its records relating to how it is representing the Program to the public, including, but not limited to, web and print collateral, marketing scripts, and marketing materials.

- (G) The Authority and the State of California have no liability to the Finance Provider Entity under the Program except from funds deposited in the Loss Reserve Account(s) for the Finance Provider Entity.
- (6) In addition to the certifications listed in Section 10092.2(c)(5), the application must include the following certifications of the Primary Finance Provider Applicant. These certifications must be signed by an individual authorized to legally bind the FPA, that upon enrollment in the Program as Finance Provider Entity and for all forthcoming Eligible Finance Agreements submitted for enrollment in the Program, the FPA agrees that:
  - (A) It will provide the documentation required in Section 10092.8(b)(1), the data required in Section 10092.8(b)(2), and will secure the certifications described in Section 10092.8(b)(3);
  - (B) The Eligible Commercial Financing Customer will be provided with a Bill Impact Estimate;
  - (C) The Eligible Financing Agreement will comply with all Program regulations;
  - (D) If the entirety of the Claim-Eligible Financed Amount has not yet been funded at the time of submittal, that it will be funded within 30 calendar days of submittal, unless it is funding for Projects installed at one or more Multifamily Properties, in which case it must be funded within 12 months of submittal; and
  - (E) If after submittal, the Primary Finance Provider Entity determines it will not fund the entirety of the Claim-Eligible Financed Amount, that it will notify the Authority within 10 business days of this determination.
- (7) Representations of the Finance Provider Applicant and Marketing Representative. The application must include the FPA's representation, warranty, and covenant contained in this Section, signed by an individual authorized to legally bind the FPA. If the FPA will not be filling the Marketing Representative role, the application must additionally include the Marketing Representative's representation, warranty, and covenant below, signed by an individual authorized to legally bind the Marketing Representative. Upon enrollment in the Program as an FPE:
  - (A) It must retain all records relating to each Enrolled Financing Agreement for the term of financing.
  - (B) It is solely responsible for identifying and making all disclosures and providing periodic reports to its Eligible Commercial Financing Customer(s) as required under applicable finance laws.
  - (C) It must comply with all applicable finance laws, possess and maintain all required state and federal licenses, and remain in good standing with all governmental authorities having jurisdiction over its business.
  - (D) It indemnifies, defends, and holds harmless the Authority, each of the IOUs, their affiliates, and each of its respective officers, directors, employees, agents,

and representatives (each of which is an express beneficiary of this indemnity) from and against any and all losses arising in connection with any claim:

- (i) Resulting from the negligent or unlawful acts or omissions, or willful or tortious conduct including, but not limited to, any failure of the Finance Provider Entity, or its agents, to comply with applicable finance laws in connection with Enrolled Financing Agreements;
- (ii) Resulting from any error or omission by the Finance Provider Entity or any of its agents in the calculation or presentation of principal repayments or interest with respect to an Enrolled Financing Agreement, fees and charges, the receipt and processing of payments received from Eligible Commercial Financing Customers or any collection or enforcement action;
- (iii) Alleging any breach of a representation, warranty, or covenant by that Finance Provider Entity;
- (iv) Alleging any misrepresentation by the Finance Provider Entity or its agents with respect to the energy impacts to be achieved in connection with an Enrolled Financing Agreement, or any failure or deficiency in the products, materials, or work supplied to a Eligible Commercial Financing Customer in connection with an Enrolled Financing Agreement; and/or
- (v) Arising from the Finance Provider Entity's breach or alleged breach of the regulations within this Article and/or its confidentiality or privacy obligations under the regulations within this Article or with respect to the Program.

(E) It agrees that the IOUs are not responsible for, and will have no liability for:

- (i) The energy improvements funded through the Enrolled Financing Agreement(s) supported through the Loss Reserve Account(s);
- (ii) The assessment of potential benefits and costs associated with those improvements;
- (iii) The qualification of the Finance Provider Entity;
- (iv) The Finance Provider Entity's marketing and/or lending policies and practices; or
- (v) The Authority's educational and outreach activities.

[subsections (d) through (f) remain unchanged]

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



For section 10092.5:

**Section 10092.5      Eligible Financial Products**

[subsection (a) remains unchanged]

- (b) Other Provisions. In addition to meeting the specific definitions of either an Eligible Lease or Eligible Equipment Financing Agreement, Eligible Loan, Eligible Service Agreement, or Eligible Savings-Based Payment Agreement the following provisions apply to Eligible Financing Agreements:
- (1) Interest rates, if applicable, may be fixed or variable.
  - (2) Refinancing agreements are acceptable only if both the original and refinancing agreements are for the same Project and the Eligible Financing Agreement is submitted for enrollment in the Program within 90 calendar days of the Scope of Work Completion Date pursuant to Section 10092.8(a)(2). For the purposes of this Section, conversion from a construction loan to a permanent loan is not refinancing.
  - (3) The agreement must not be a revolving line of credit.
  - (4) Fees must be reasonable and in accordance with industry standards.
  - (5) FPEs must take a security interest in agreements with Total Financed Amounts greater than \$50,000 ~~unless the financing customer is an Affordable Multifamily Customer.~~
  - ~~(6) Any security interest must not be real property except for a UCC-1 fixture filing.~~
  - ~~(76)~~ The Claim-Eligible Financed Amount of the Enrolled Financing Agreement must not be enrolled in a substantially similar program.
  - ~~(87)~~ In addition to the general requirements stated above, the terms and characteristics of the Eligible Financing Agreement must be consistent with the product(s) described by the FPE in its application to participate in the Program pursuant to Section 10092.2(c)(3) and approved by the Authority.

Authority: Section 26006 and 26009, Public Resources Code

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

For section 10092.7:

**Section 10092.7      Project Eligibility**

- (a) General Eligibility. Any Project receiving financing through the terms of the Program must comply with the following eligibility requirements:
- (1) Each Participating Contractor must be enrolled in the Program prior to that Participating Contractor's Scope of Work Completion Date;
  - (2) The Eligible Commercial Financing Customer must be provided with a Bill Impact Estimate (BIE) by the Participating Contractor, Participating Project Developer, or the Primary Finance Provider Entity;

- (3) The Project must have at least one EEM meeting the requirements described in Section 10092.7(b);
- (4) The cost for non-lighting measures installed utilizing the EEM List Method, described in Section 10092.7(b)(1), must not exceed \$350,000. The limit of \$350,000 does not apply to Projects installed at one or more Multifamily Properties;
- (5) Each Participating Contractor must have the proper license(s) relevant to perform its Scope of Work;
- (6) The Project must comply with all applicable local, state, and federal laws, rules, regulations, and ordinances, including, but not limited to, Title 24 of the California Code of Regulations;
- (7) All permits and approvals required to install each Scope of Work must have been approved or must be in the process of being approved; and
- (8) The Eligible Financing Agreement may not be for:
  - (A) The purchase of a building; or
  - (B) New construction of a building except for reconstruction of an existing building that was destroyed, in whole or in part, due to a natural disaster.

[subsections (b) through (d) remain unchanged]

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

For section 10092.8:

### **Section 10092.8      Financing Submittal and Enrollment**

- (a) Timing of Submittal and Enrollment
  - (1) Once all Scopes of Work are completed and certified by all Participating Contractors, and, if applicable, the Participating Project Developer, and the FPE has closed the agreement with the Eligible Commercial Financing Customer, a complete financing submittal may be submitted to the Authority for enrollment as described in Section 10092.8(b).
  - (2) The Eligible Financing Agreement must be submitted within 90 calendar days of the last Scope of Work Completion Date on the Project, unless it is for a Multifamily Property, in which case it must be submitted within 12 months.
  - (3) Within 10 business days of receipt of a complete set of data elements, documentation, and certifications as described in Section 10092.8(b), for an Eligible Financing Agreement, the Authority will enroll or deny the Eligible Financing Agreement in the Program and communicate this decision to the Finance Provider Entity.
- (b) Complete Financing Submittal Requirements
  - (1) Documentation. A complete financing submittal must include the following documentation provided to the Authority by the Participating Contractor, Project Developer, and/or Finance Provider Entity:

- (A) Utility delivery confirmation: Verification of fuel delivery by each utility providing electric or gas fuel relevant to EEMs installed at the Eligible Property. For a Microloan, the verification of fuel delivery to the Eligible Property must be provided for at least one utility.
  - (B) IOU Custom incentive documentation: A copy of the IOU Custom incentive approval letter or notice to proceed must be provided to the Authority for all Projects with EEMs that include an IOU Custom rebate or incentive.
  - (C) Eligible Commercial Financing Customer data authorizations: A signed Privacy Rights Disclosure Form, as described in Section 10092.13.
  - (D) If the Project is being financed by an Affordable Multifamily Customer, a copy of the recorded affordability deed restriction or covenant showing income restriction and family size.
- (2) Data. A completed submittal includes the following data provided to the Authority in a format approved by the Authority:

|                                                           | <b>Data Points</b>                                                                                                                                                       | <b>Data Must be Provided by One of These Parties:</b> | <b>Exceptions</b>           |
|-----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|-----------------------------|
| <b>Eligible Commercial Financing Customer Information</b> |                                                                                                                                                                          |                                                       |                             |
| (A)                                                       | Customer name, e-mail address, and phone number                                                                                                                          | Contractor, Project Developer (PD), FPE               |                             |
| (B)                                                       | North American Industry Classification System (NAICS) Code applicable to the type of business                                                                            | FPE                                                   |                             |
| (C)                                                       | Method by which the customer qualifies as an Eligible Small Business Financing Customer pursuant to Section 10092.1(bb), or status as an Affordable Multifamily Customer | FPE                                                   | Not required for Microloans |
| (D)                                                       | The number of years in business                                                                                                                                          | FPE                                                   |                             |
| (E)                                                       | An indication of how the entity is organized, e.g., sole proprietorship, corporation, or LLC                                                                             | FPE                                                   | Not required for Microloans |
| (F)                                                       | The customer's credit score                                                                                                                                              | FPE                                                   |                             |
| (G)                                                       | Credit scoring or reporting service relied upon to calculate the customer's credit score                                                                                 | FPE                                                   |                             |

|                                                                                    |                                                                                                               |                     |                                                                  |
|------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|---------------------|------------------------------------------------------------------|
| (H)                                                                                | The customer's annual revenue                                                                                 | FPE                 | Only for Eligible Financing Agreements greater than \$350,000    |
| (I)                                                                                | Special business characteristics if known, e.g. woman-owned, veteran-owned, or minority-owned                 | FPE                 |                                                                  |
| (J)                                                                                | Whether the customer owns the Eligible Property(ies) or is a tenant occupant                                  | Contractor, PD, FPE |                                                                  |
| <b>Property Information</b>                                                        |                                                                                                               |                     |                                                                  |
| (K)                                                                                | Number of units or spaces at the Eligible Property for which EEMs were installed                              | Contractor, PD, FPE | Not required for Microloans                                      |
| (L)                                                                                | The street address, city, and ZIP code                                                                        | Contractor, PD, FPE |                                                                  |
| (M)                                                                                | Utility names and account numbers for all gas and electric providers at each Eligible Property, if applicable | Contractor, PD, FPE | For Microloans, name and account number for at least one utility |
| <b>Project Information (for each contractor or Self-Installer's scope of work)</b> |                                                                                                               |                     |                                                                  |
| (N)                                                                                | The method by which each EEM qualifies for the Program                                                        | Contractor, PD, FPE |                                                                  |
| (O)                                                                                | The EEM category, e.g. "Lighting" or "Refrigeration"                                                          | Contractor, PD, FPE |                                                                  |
| (P)                                                                                | The EEM measure name                                                                                          | Contractor, PD, FPE |                                                                  |
| (Q)                                                                                | A brief description including size, energy performance, standard material descriptions, and/or specifications | Contractor, PD, FPE | Not required for Microloans                                      |
| (R)                                                                                | The quantity installed for each EEM                                                                           | Contractor, PD, FPE |                                                                  |
| (S)                                                                                | An indication of whether the EEM is replacing existing equipment or is a new installation                     | Contractor, PD, FPE | Not required for Microloans                                      |
| (T)                                                                                | An indication of whether the installation resulted in a fuel substitution for that measure                    | Contractor, PD, FPE | Not required for Microloans                                      |

|      |                                                                                                                                                                                                               |                     |                                                                                 |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------------------------------------------------------------------|
| (U)  | The fuel for which there is expected energy impact as a result of installing the EEM                                                                                                                          | Contractor, PD, FPE | Not required for Microloans unless being repaid through OBR                     |
| (V)  | Total cost of all EEMs installed as part of a Scope of Work                                                                                                                                                   | Contractor, PD, FPE |                                                                                 |
| (W)  | Total cost and brief description of improvements that were legally and practically required to complete a Scope of Work not accounted for in the total cost of EEMs, if applicable                            | Contractor, PD, FPE |                                                                                 |
| (X)  | Description of all Non-EEMs installed as part of a Scope of Work                                                                                                                                              | Contractor, PD, FPE | Not required for Microloans                                                     |
| (Y)  | Total cost of all Non-EEMs installed as part of a Scope of Work                                                                                                                                               | Contractor, PD, FPE |                                                                                 |
| (Z)  | The Scope of Work Completion Date for any work performed by a Participating Contractor                                                                                                                        | Contractor          |                                                                                 |
| (AA) | Any fees charged by the Participating Project Developer and, if there are fees, a brief description of the services provided                                                                                  | PD                  | Not required for Microloans                                                     |
| (BB) | The amount of any Capitalized Interest included in the Total Financed Amount                                                                                                                                  | FPE                 | Not required for Microloans                                                     |
| (CC) | An indication of whether the Participating Contractor or Eligible Commercial Financing Customer is seeking or has received a rebate or incentive from an <u>utility IOU</u> , REN, or CCA for a Scope of Work | Contractor, PD, FPE |                                                                                 |
| (DD) | The amount of any utility, REN, or CCA rebate or incentive sought for a Scope of Work                                                                                                                         | Contractor, PD, FPE | Only for projects with rebates or incentives<br><br>Not required for Microloans |

|                                                                                                                                                     |                                                                                                                                                                                                                                   |                     |                                                                                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|----------------------------------------------------------------------------------------------------------|
| (EE)                                                                                                                                                | The name of the utility, REN, or CCA issuing a rebate or incentive sought for a Scope of Work, the rebate or incentive name, and, if known, the project identification code                                                       | Contractor, PD, FPE | Only for projects with rebates or incentives<br><br>Not required for Microloans                          |
| (FF)                                                                                                                                                | Date that the IOU, REN, or CCA approved the Eligible Commercial Financing Customer's custom measure(s), if applicable                                                                                                             | Contractor, PD, FPE | Only for projects with a custom IOU, REN, or CCA incentive.                                              |
| (GG)                                                                                                                                                | A description of any Non-EEMs installed by contractors not enrolled with the Program or by Self-Installers                                                                                                                        | PD, FPE             | Only for projects with installations by non-participating contractors<br><br>Not required for Microloans |
| (HH)                                                                                                                                                | The total cost of any Non-EEMs installed by contractors not enrolled with the Program or by Self-Installers                                                                                                                       | PD, FPE             |                                                                                                          |
| (II)                                                                                                                                                | The name and CSLB number of the non-participating contractor company who installed Non-EEMs                                                                                                                                       | PD, FPE             | Only for projects with installations by non-participating contractors                                    |
| <b>Data Related to Measures Qualifying through the Professionally Certified Measure Method pursuant to Section 10092.7(b)(3). For each measure:</b> |                                                                                                                                                                                                                                   |                     |                                                                                                          |
| (JJ)                                                                                                                                                | Whether the reported energy cost savings result from Energy Efficiency, Demand Response measures, or Distributed Generation                                                                                                       | Energy Professional |                                                                                                          |
| (KK)                                                                                                                                                | For Energy Efficiency and Demand Response: Energy Professional's estimate of the electric savings of each EE or DR measure certified by the Energy Professional. Savings must be reported in annual kWh for EE and peak kW for DR | Energy Professional |                                                                                                          |

|                       |                                                                                                                                                                                                                                     |                     |                             |
|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------------------|
| (LL)                  | For Energy Efficiency and Demand Response: Energy Professional's estimate of the gas savings of each EE or DR measure certified by the Energy Professional. Savings must be reported as annual therms for EE and peak therms for DR | Energy Professional |                             |
| (MM)                  | The Energy Professional's name, business name, city, e-mail address, and phone number                                                                                                                                               | Contractor, PD, FPE |                             |
| (NN)                  | For Distributed Generation: Energy Professional's estimate of the annual energy generation or maximum energy capacity of storage. Energy must be reported in kWh, therms, or gallons                                                | Energy Professional |                             |
| (OO)                  | The Energy Professional's estimate of the annual greenhouse gas emissions avoided or reduced, in pounds of CO2 equivalent                                                                                                           | Energy Professional |                             |
| (PP)                  | An indication of whether the Energy Professional is a PE or CEM                                                                                                                                                                     | Contractor, PD, FPE |                             |
| (QQ)                  | The Energy Professional's certification ID or license number, as applicable                                                                                                                                                         | Contractor, PD, FPE |                             |
| <b>Financing Data</b> |                                                                                                                                                                                                                                     |                     |                             |
| (RR)                  | The Finance Provider Entity's internal financing agreement number                                                                                                                                                                   | FPE                 |                             |
| (SS)                  | An indication as to whether the financing agreement is an Eligible Loan, Eligible Lease or Eligible Equipment Finance Agreement, Eligible Energy Service Agreement, or an Eligible Savings-Based Payment Agreement                  | FPE                 |                             |
| (TT)                  | Total Financed Amount                                                                                                                                                                                                               | FPE                 |                             |
| (UU)                  | Whether a security interest was taken against the financing agreement, and, if so, an indication of the type of security interest taken                                                                                             | FPE                 | Not required for Microloans |
| (VV)                  | Date the financing agreement funded or is anticipated to fund                                                                                                                                                                       | FPE                 |                             |

|       |                                                                                                                          |     |                                                                                              |
|-------|--------------------------------------------------------------------------------------------------------------------------|-----|----------------------------------------------------------------------------------------------|
| (WW)  | Repayment term of the financing agreement and its maturity date or its contractual end date                              | FPE |                                                                                              |
| (XX)  | Interest rate applied to the financing agreement                                                                         | FPE | Only for Loans, Leases and Equipment Financing Agreements                                    |
| (YY)  | Whether the interest rate is fixed or variable                                                                           | FPE | Not required for Microloans                                                                  |
| (ZZ)  | Amount of the interest rate bought down by the contractor, if applicable                                                 | FPE | Only for Loans, Leases and Equipment Financing Agreements<br>Not required for Microloans     |
| (AAA) | Monthly charges for ongoing service and maintenance related to the upkeep or performance of all installed measures       | FPE | Only for Eligible Service Agreements and Eligible Savings-Based Payment Agreements           |
| (BBB) | The interest rate the Eligible Commercial Financing Customer would have received without the benefit of the Loss Reserve | FPE | Only for Loans, Leases and Equipment Financing Agreements<br><br>Not required for Microloans |

(3) Certifications. A completed financing submittal includes the following certifications provided to the Authority:

(A) Participating Contractor Certifications. Certification, signed by an individual authorized to legally bind the Participating Contractor, of the following:

- (i) The Participating Contractor who completed the Scope of Work holds the relevant license(s) to perform the installation;
- (ii) All EEMs and Non-EEMs listed on the Scope of Work were installed and comply with Program requirements;



- (iii) The installation of the EEMs and Non-EEMs complies with all applicable California building standards including, but not limited to, Title 24 of the California Code of Regulations. The installation also complies with all laws, ordinances, regulations and standards applicable in the jurisdiction where the installation occurred;
  - (iv) All permits and approvals required to install the Scope of Work have been approved or are in the process of being approved; and
  - (v) It complied with all Program regulations, rules, and requirements.
- (B) Project Developer Certification. Certification from an individual authorized to legally bind the Participating Project Developer of the following:
- (i) All of the information provided by the Project Developer and Participating Contractor is true and correct to the best of the Participating Project Developer's knowledge.
- (C) Finance Provider Entity Certifications. Certification from the Primary Finance Provider Entity of the following:
- (i) All data provided by the Primary Finance Provider Entity is true and correct to the best of its knowledge.
- (D) Eligible Commercial Financing Customer Certification. Certification, signed by an individual authorized to legally bind the Eligible Commercial Financing Customer of the following:
- (i) For projects with equipment requiring installation by a Participating Contractor per the Program rules, all installation(s) by a Participating Contractor have been completed to its satisfaction;
  - (ii) It understands that the Authority and its directors, officers, and agents, and the IOUs and its directors, officers and agents, do not guarantee the performance, quality, or workmanship of any installation in the Project;
  - (iii) The Eligible Financing Agreement funds were, or will be, used to pay for the eligible Project;
  - (iv) All permits and approvals required to complete the Project have been approved or are in the process of being approved;
  - (v) The Participating Contractor, Participating Project Developer, or the Finance Provider Entity has provided the Eligible Commercial Financing Customer with a Bill Impact Estimate; and
  - (vi) Acknowledgement and agreement to be subject to post-project verifications, as described in Section 10092.7(d).
- (E) Energy Professional Certification. The Energy Professional's certification, for each Eligible Energy Measure qualifying by the Professionally Certified Measure Method, as described in Section 10092.7(b)(3), of the following:
- (i) Each energy efficiency measure will save energy;
  - (ii) Each Demand Response measure is capable of reducing demand on the electric grid or gas pipeline during peak periods;
  - (iii) Each Distributed Generation measure will produce clean energy with reduced greenhouse gas emissions compared to existing conditions;
  - (iv) Each Battery Storage measure is capable of reducing greenhouse gas emissions ~~through load shifting, to allowing~~ for greater grid stability as

- part of a virtual power plant, and/or to mitigate ing customer costs through ~~energy arbitrage~~; and
- (v) Hydrogen produced through electrolysis must use renewable energy sources.

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

For section 10092.9:

**Section 10092.9      Credit Enhancement**

[subsections (a) through (b) remain unchanged]

- (c) Contributions to Loss Reserve Accounts
- (1) For each of the Finance Provider Entity's Enrolled Financing Agreements, the Authority shall direct the Trustee to transfer a Loss Reserve Contribution from the Program Holding Account to the Loss Reserve Account of that Finance Provider Entity.
  - (2) The Loss Reserve Contribution for an Enrolled Financing Agreement will be calculated based on customer type.
    - (A) ~~Affordable Multifamily Customer~~ For Projects installed at one or more Multifamily Properties, a Participating Finance Entity's Loss Reserve Account(s) will receive a Loss Reserve Contribution of 10% of the first \$1,000,000 of the Claim-Eligible Financed Amount.
      - (i) ~~For the first two enrolled Projects which are financed by an Affordable Multifamily Customer, a Participating Finance Company will receive a contribution of 30% of the first \$200,000 of claim-eligible financing and then 5% of the next \$800,000.~~
      - (ii) ~~For subsequent enrolled Projects financed by an Affordable Multifamily Customer, a Participating Finance Company will receive a contribution of 15% of the first \$200,000 of claim-eligible financing and then 5% of the next \$800,000.~~
    - (B) For enrolled Projects which are financed by an Eligible Small Business Financing Customer, a Participating Finance Company's Loss Reserve Account(s) will receive a contribution of 20% of the first \$50,000 of ~~claim-eligible financing the Claim-Eligible Financed Amount~~ and then 5% of the next \$950,000.
  - (3) If the Primary Finance Provider Entity notifies the Authority pursuant to Section 10092.2(c)(6)(F) that it determined not to fund the Enrolled Financing Agreement, the Authority will recover the Loss Reserve Contribution for that Enrolled Financing Agreement by transferring the funds back to the Program Holding Account and the financing agreement will be removed from the Program.

- (4) If the Primary Finance Provider Entity notifies the Authority pursuant to Section 10092.2(c)(6)(F) that it determined to fund less than the Claim-Eligible Financing Amount as reported at the time of submittal, the Authority will recover any excess contribution to the Loss Reserve Account by transferring the funds back to the Program Holding Account.

[subsections (d) through (e) remain unchanged]

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