



CALIFORNIA HUB FOR  
ENERGY EFFICIENCY  
FINANCING

# Small Business Financing Regular Rulemaking Public Workshop

**California Alternative Energy and Advanced  
Transportation Financing Authority (CAEATFA)**

Tuesday October 8, 2019



# Closed Captioning is Available



## Closed Captioning

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- Meeting number: 629 485 862
- Meeting password: CAEATFA

# Workshop Agenda

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# We Want Your Comments and Input!

- Please provide comments during this workshop or afterwards through noon on **Thursday October 24th**.
- CAEATFA will consider all comments and incorporate them as appropriate.
- Proposed regulations are available at <https://www.treasurer.ca.gov/caeatfa/cheef/sblp/>

Comments regarding contractors, projects, and measure eligibility can be submitted to:  
[cheef@treasurer.ca.gov](mailto:cheef@treasurer.ca.gov)

Or to

Jonathan Verhoef  
Program Specialist, CHEEF  
[jverhoef@treasurer.ca.gov](mailto:jverhoef@treasurer.ca.gov)  
(916) 653-1375

Comments regarding financing or credit enhancement can be submitted to:  
[cheef@treasurer.ca.gov](mailto:cheef@treasurer.ca.gov)

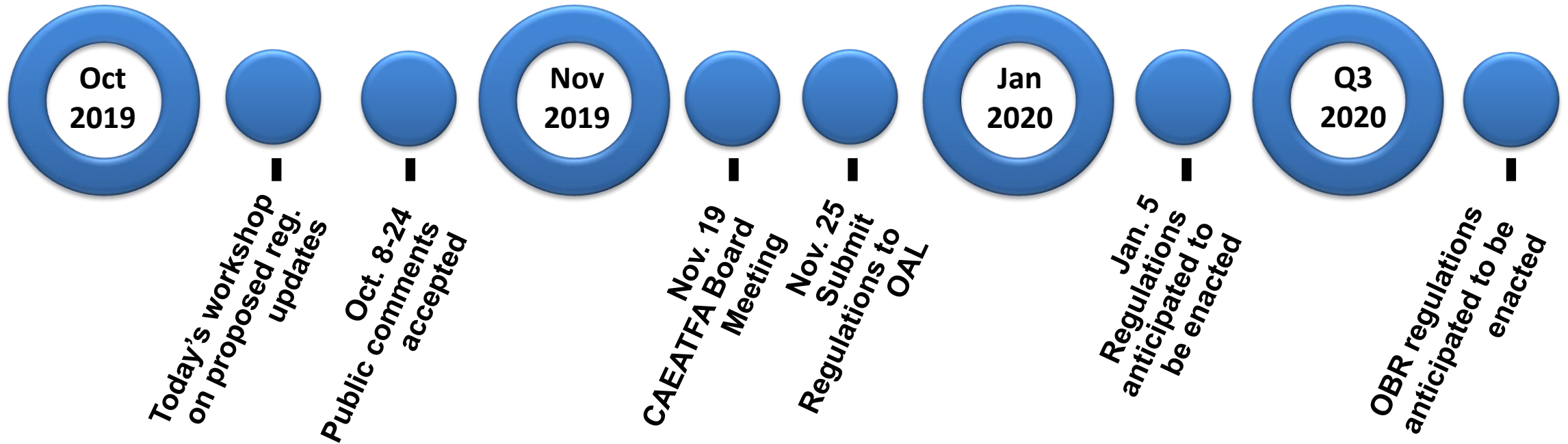
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David Gibbs  
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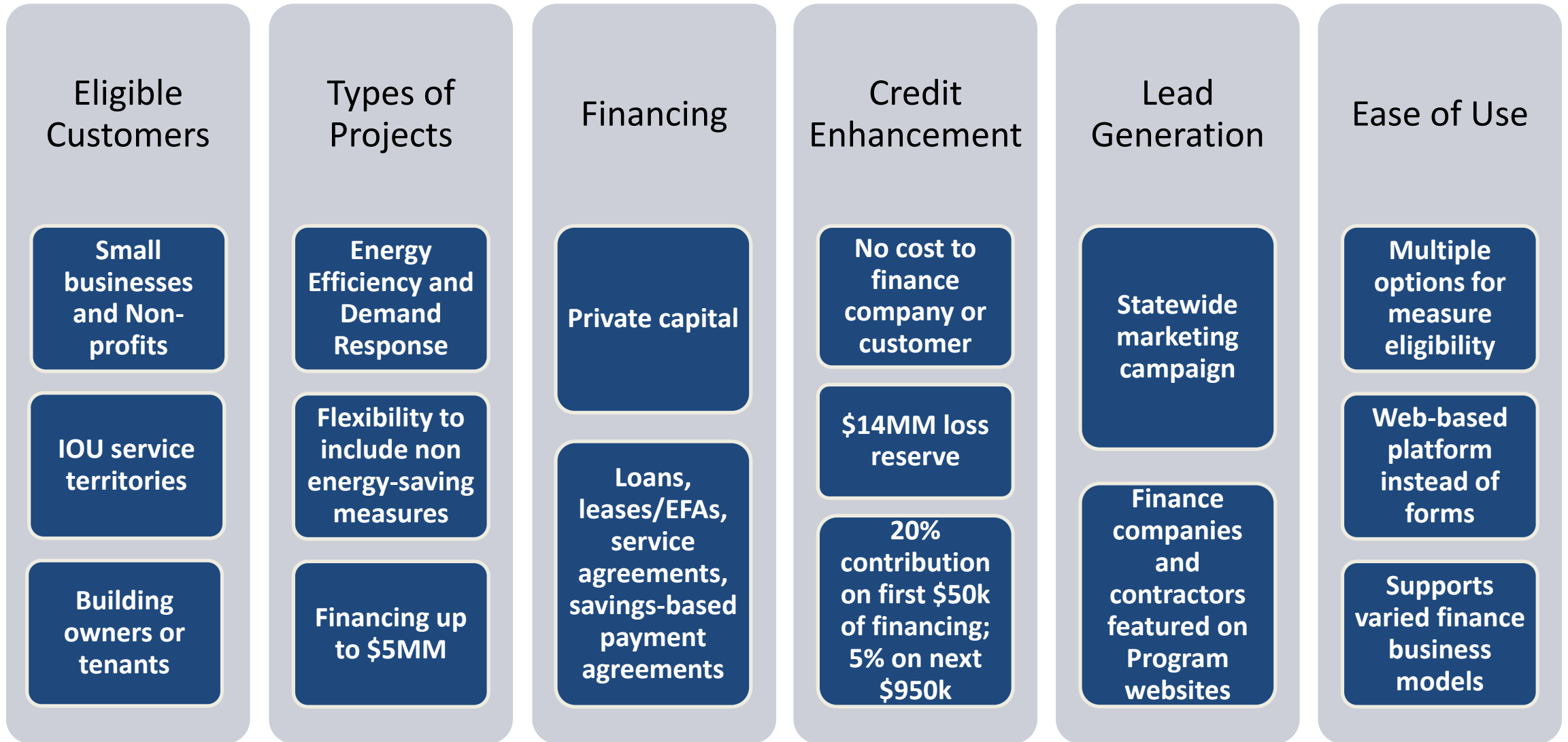




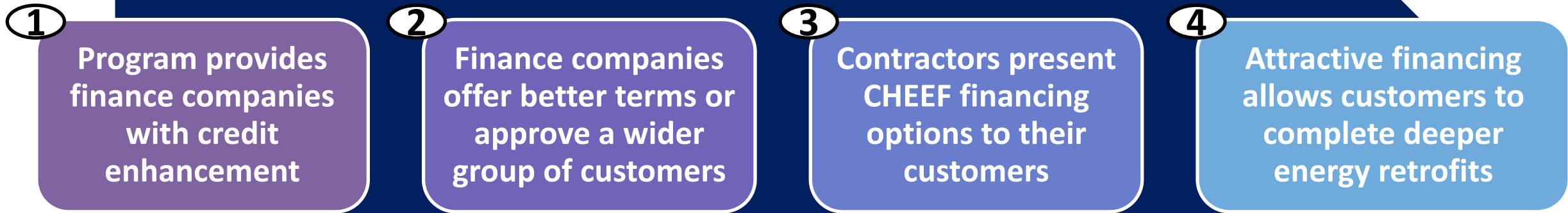
# Regulatory Process Anticipated Timeline



# Small Business Program Summary of Features



# Ratepayer Funded Credit-Enhancement Results in Benefits for Customers, and Larger Projects



**The credit enhancement will allow finance companies to offer some combination of:**

- Lower rates
- Longer terms
- Larger amounts available
- Lower contractor reserve requirement
- Broader approvals
- Shorter years in business requirement
- Shorter years remaining on lease requirement
- Lower credit score minimums



# Reach Customers through Statewide Marketing Efforts

## gogreen FINANCING™ Customer-facing website

**gogreen FINANCING**  
Small Business Financing  
Limited Launch Overview

The Small Business Financing (SBF) program is now accepting applications from interested finance companies, contractors, and project developers. The program is open under a limited launch, offering products from three participating finance companies. During limited launch, energy-saving measures are eligible via a pre-qualified list and project information is submitted to the finance company. With full launch in Fall of 2019, the program will feature additional qualification methods and a web-based user interface.

**About the SBF Program**  
Financing through the SBF program is provided by private finance companies. Finance companies offer more attractive terms and approve a wider range of customers in this program than they otherwise would. Projects can range in size from very small up to \$5 million.

**Eligible Small Businesses must meet one of the following requirements:**

- 100 or fewer employees; or
- Annual revenues less than \$15 million; or
- SBA size standard requirement for customer's industry

**Participating Finance Companies**  
Three finance companies are enrolled and available during the limited launch:

**Alliance** **ascendum** **dll**

**See the future through efficient windows**  
Comfort you can afford

**GoGreenFinancing.com**

Print Collateral with co-branding opportunities

Social Media campaigns

**PG&E** Homeowners and Renters

Remodel plans? Get financing from the State of California

You can get up to 100% financing for energy improvements through California's Residential Energy Efficiency Loan (REEL) program.

- No prepayment penalty
- No closing costs
- Borrow \$2,500-\$50,000

Utility marketing campaigns reaching millions

**SoCalGas** **Sempra Energy**

**Residential Energy Efficiency Loan (REEL)**  
Affordable Comfort is Available through REEL

Are You in Need of New Appliances or Other Home Improvements? Costs are Putting Your Comfort on Hold?

**Affordable Comfort is Available through REEL**

The Residential Energy Efficiency Loan<sup>®</sup> (REEL) program offers affordable lending solutions for energy improvements to make your home more comfortable and more energy-efficient. REEL financing also has options for borrowers with limited income or those with lower credit scores. And, unlike other loan programs, your home won't be used as collateral with REEL.

**Additional REEL Program Benefits**

- 100% financing available - no upfront cash required
- No prepayment penalty
- No closing costs or fees
- Project costs may be reduced through utility rebates and incentives

**REEL PROGRAM HOMEOWNERS: Looking to Make Energy-Efficient Upgrades to your Home?**

The Residential Energy Efficiency Loan (REEL) program is an affordable lending solution to help LADWP customers make their homes more energy-efficient. Borrowers have been using REEL to finance heating and air conditioning systems, windows, energy-efficient appliances and other products. With its attractive interest rates and terms, REEL appeals to borrowers with a broad range of income and credit scores. And, unlike other loan programs, your home won't be used as collateral with REEL.

**REEL Program Benefits**

- 100% financing available - no upfront cash required
- No prepayment penalty
- No closing costs or fees
- Project costs may be reduced through utility rebates and incentives

**Save energy AND money!**

Visit [GoGreenFinancing.com/residential](http://GoGreenFinancing.com/residential) to learn about eligibility and more.

**LA DWP** Los Angeles Department of Water & Power

# What Else is Happening at the Hub?

- Affordable Multifamily Program Timeline
  - April 16, 2019 – Regulations approved by the CAEATFA Board
  - Mid-May 2019 – Regulations approved and in effect
  - August 2019 – First finance entity enrolled in the Program
  - Ongoing – Program open and ready to enroll financing agreements
- REEL highlights
  - 362 participating contractors
  - 539 enrolled loans
  - Over \$9MM in enrolled loans!!
- On Bill Repayment will be available as a feature of the SBF and AMF programs in 2020



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# Program Permits Projects up to \$5 Million; Offers a Credit Enhancement on the First \$1 Million

Total Financed Amount • *Up to \$5 million*

Claim-Eligible Financed Amount • *Up to \$1 million*  
Measures eligible for credit enhancement

**Energy Saving Measures (ESM)**  
must account for at least **70%**  
of the claim-eligible financed  
amount

**Non-Energy Components\***  
may account for  
up to **30%**

Claim Ineligible  
Financed Amount:  
Measures not eligible  
for credit  
enhancement

\* Non-Energy Components include non-energy saving measures, capitalized interest, and service fees

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# Contractor and Project Developer Roles Compared

## Licensed Contractor Role

- CSLB-licensed
- Contracts with customer for installation
- Installs measures at project Site(s)
- Can hire subcontractors or other trades
- Certifies Title 24 compliance, installation completion, proper permits, and licenses



## Project Developer Role

- May contract with customer for consultation or may provide subsidized service
- Works with customer and contractor(s) to shepherd a project through the program
- Involved throughout the project lifecycle
- Provides certification of project compliance with Program rules
- Well-suited for utility implementers



## Either Role

- Develops scope of work
- Provides customer with Bill Impact Estimate (BIE)
- Performs energy assessment, if needed or desired by customer
- Provides customer and project data to CAEATFA through easy-to-use web-based project platform

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# Energy Saving Measures Qualify via Three Methods

## 1. Pre-Qualified Energy Saving Measure (ESM) List

- Also includes: any measure that qualifies for a rebate through an IOU Program, third party administered Program or REN, or CCA Program

## 2. IOU Custom Measure Method

## 3. Professionally Certified Measure Method

### Energy Saving Measure

Any **Energy Efficiency** or **Demand Response** Measure, as defined, including alterations and improvements that are legally or practically required to complete the installation of the energy saving measures.

### Energy Efficiency

An energy using appliance, equipment, control system, or practice whose installation or implementation results in reduced grid-supplied energy use while maintaining a comparable or higher level of energy service as perceived by the customer.

### Demand Response

Reductions, increases, or shifts in electricity consumption by customers in response to either economic or reliability signals.



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## Program is Designed to Encourage Growth in Private Market Financing and Features a Credit Enhancement to Mitigate Risk

Claim-Eligible Financed Amount	Contribution Rate
First \$50,000 of each agreement	20%
Next \$950,000 of each agreement	5%

- Credit Enhancement is structured as a loss reserve (think of it as a form of insurance) at no cost to Finance Company or Customer
- Total Financed Amount can be up to \$5 million
- Up to \$1 million is “claim-eligible” financing
- Maximum loss reserve contribution is \$57,500 per project

- Smaller projects are harder to finance, yet there is a real need for very small ticket financing
- Higher contribution rate for first \$50,000 designed to incent finance companies to finance smaller projects
- Methodology allows finance companies to build up their loss reserve accounts quickly after joining the Program

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# Various Participation Options Exist to Accommodate Emerging Business Models

Both Financial Institutions and Non-Financial Institutions can participate

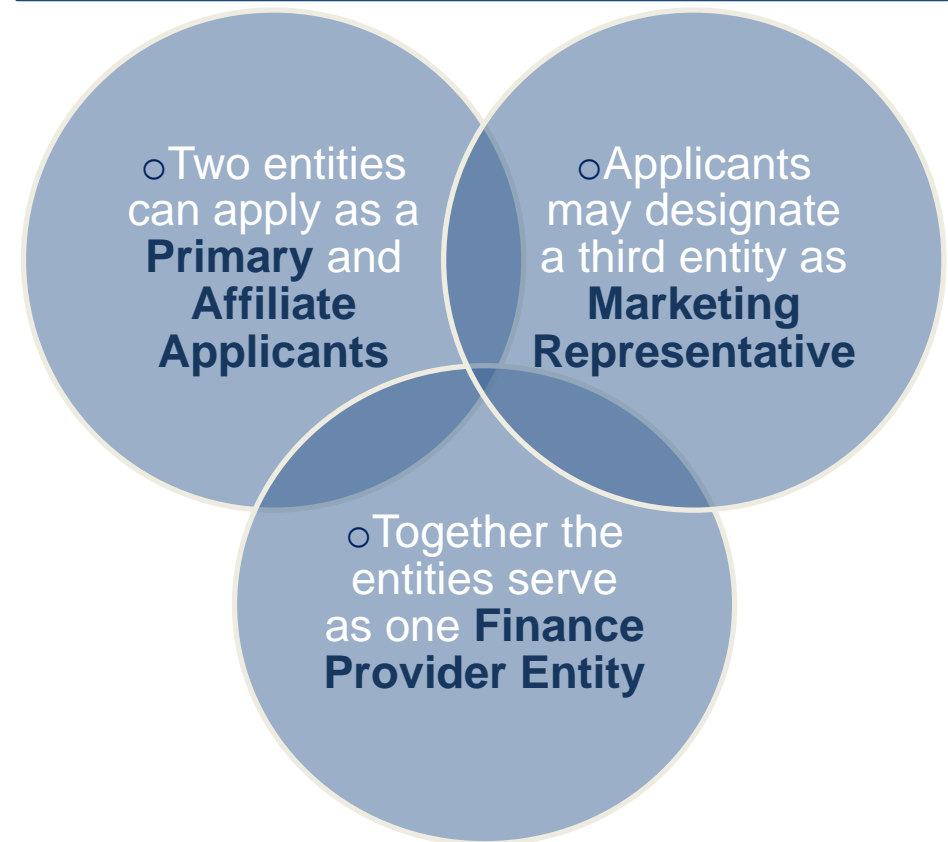
## Financial Institution

- A Financial Institution, for purposes of the Program, is a federally insured depository or credit union, a non-bank entity overseen by the Federal Reserve, or a CDFI

## Non-Financial Institution

- Applicants who are not Financial Institutions must demonstrate and maintain General Liability, Motor Vehicle Liability, and Worker's Compensation insurance
- Additional requirements for applicants who are not Financial Institutions filling the Underwriting, Origination, and Servicing roles

Entities can apply together or as sole participants



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## Program supports a variety of financing instruments

### Loan

- Customer takes ownership of measures
- Fully amortizing (fixed payments amortize loan to \$0) or balloon structures (ie. fixed payments for loan term with a final payment at end of loan term)

### Lease/Equipment Financing Agreement

- Customer gets use of measures
- Title can transfer at end of lease term or at beginning of term (Equipment Finance Agreement)

### Service Agreement

- Customer gets use of measures
- Regular, ongoing service and maintenance of measures is provided to the customer
- Title does not transfer to customer
- Guarantee of functionality of measures **or** guarantee of energy savings

### Savings-Based Payment Agreement

- Savings measured and verified at least annually
- Agreement is “cash-flow positive” for customer compared to prior energy bills
- Customer shares in benefits if savings exceed expectations
- Customer does not bear risk if savings are less than projected

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- **Customer Eligibility**

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See regulations §10092.1(n), (t), and (w) & §10092.6

# Eligible Customers Include Small Business and Non-Profit Building Owners and Renters

## Property

- Receives gas or electricity from one of the four Investor Owned Utilities (IOUs), a Community Choice Aggregator (CCA) or Electric Service Provider (ESP)
- Used for business purposes

## Size

- A non-profit or small business meeting one of:
  - 100 or fewer employees
  - Annual revenues less than \$15 million
  - Meets the SBA size standard requirement for the customer's industry

## Occupancy

- Owners or tenants

## Credit Standards

- No bankruptcies, judgements, or liens within last 5 years
- Credit check
- Additional requirements based on Total Financed Amount



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## Proposed Modifications Include:

- Clarifying the definition of Non-ESM
- Clarifying certification requirements of the Finance Provider Applicant and its Marketing Representative
- Clarifying QA/QC methods
- Updating certification requirements for self-installed SOWs and data requirements for self-installed Non-ESMs in line with those not self-installed
- Clarifying the process for transferring the Primary Finance Provider Entity role
- Other non-substantive changes are viewable in the redline document, in addition to the updates, corrections, and clarifications detailed in the following slides

# §10092.1: Definitions

## [§10092.1(g)]

(g) “Claim-Eligible Financed Amount”: The portion of the Total Financed Amount that is eligible for reimbursement in the event of a charge-off. **The Claim-Eligible Financed Amount is limited to \$1 million.** Non-Energy Components are limited to 30% of the dollar value of the total Claim-Eligible Financed Amount. The Claim-Eligible Financed Amount is equal to the Total Financed Amount less any:

- (1) Distributed Generation; and
- (2) Non-Energy Components beyond the allowable 30%.

~~The Claim-Eligible Financed Amount is limited to \$1 million.~~

Why this change:

- This non-substantive change was made to remove a floating line, and clarify it as a part of §10092.1(g) not §10092.1(g)(2).

## [§10092.1(ss)]

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

Why this change:

- This change resolves possible confusion over when a measure that saves energy is not considered an Energy Saving Measure. CAEATFA’s intent is that measures on the ESM List that conserve fuel provided by an IOU must be considered an ESM, and if installed by a contractor, the contractor must be enrolled as a Participating Contractor. This ensures that eligible measures and energy savings are properly catalogued for evaluation of program performance, and may not be arbitrarily considered Non-ESMs so that they may be installed by a non-enrolled contractor.

# §10092.2: Finance Entity Enrollment

## [§10092.2(b)(6)(A)]

### (6) “Loss Reserve Account Representative”

(A) Means the Finance Provider Entity for whom the ~~Trustee~~ **Loss Reserve** Account(s) will be opened, and the sole entity that can file a claim in the event of a charge-off.

Why this change:

- The defined term for the account(s) into which Loss Reserve Contributions are made is “Loss Reserve Account(s)”.

## [§10092.2(c)(5) and §10092.2(c)(5)(C)]

- (5) Certifications of the Finance Provider Applicant and Marketing Representative. The application must include the FPA's certifications of this Section, signed by a person authorized to legally bind the FPA. **The Finance Provider Applicant certifies that once it is enrolled in the Program as a Finance Provider Entity it will follow Sections 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 ~~subsection (D)~~ **Section 10092.2(c)(5)(D)**, signed by a person authorized to legally bind the Marketing Representative.

~~The application must include the FPA's certifications of this Section, signed by a person 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 certifications of this Section, except for subsection (D), signed by a person 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, which would impair its ability to participate in the Program.
- (B) The person 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.

~~The FPA certifies that, once it is enrolled in the Program as an FPE:~~

Why these changes:

- Both the Finance Provider Applicant (FPA) and its Marketing Representative, if a different entity, must make all certifications in this Section, except that a lender services agreement is only established with the FPA.
- The reference to "Section 10092.2(c)(5)(D)" adds additional clarity and format consistency.
- Clarify that a floating line of text is part of §10092.2(c)(5) not §10092.2(c)(5)(C).



## **[§10092.2(c)(6)(A)]**

- (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 a person 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 ~~of the Eligible Commercial Financing Customer, all Participating Contractors, and the Participating Project Developer where applicable,~~ as described in Section 10092.8(b)(3);

Why this change:

- The Primary Finance Provider Entity is ultimately responsible for obtaining all necessary project certifications, including those of those of an Energy Professional, if applicable.

# §10092.3: Additional Requirements for Entities that are not Financial Institutions

## [§10092.3(f)(6)]

(f) Insurance: The Finance Provider Applicant must maintain and provide evidence of the following insurance coverage:

...

- (4) All insurance coverage must be in effect for the complete term during which the Finance Provider Applicant is enrolled as a Finance Provider Entity. If insurance expires during this term, a new certificate must be received by the Authority at least ten business days prior to the expiration of the insurance. The new insurance must meet the terms required in this Section.
- (5) The Finance Provider Entity is responsible for ensuring that coverage will not be cancelled without thirty days' prior written notice to the Authority.
- (6) The Finance Provider Entity is responsible for any deductible or self-insured retention contained within the insurance ~~program~~ policy.

Why this change:

- The intent of this Section is to specify the regulation applies to insurance policies.

# §10092.4: Contractor and Project Developer Participation

## [§10092.4(c)(7)(B)]

- (7) Certifications of the Eligible Contractor and Eligible Project Developer. The application must include the Eligible Contractor or Eligible Project Developer's representation, warranty, and covenant, signed by a person authorized to legally bind the applicant, that as a Participating Contractor or Participating Project Developer the entity:
- (A) Is responsible for identifying and making all disclosures required under applicable finance laws;
  - (B) Must comply with all applicable ~~finance~~ laws and tariffs, possess and maintain all required state licenses, and remain in good standing with all governmental authorities having jurisdiction over its business;

Why this change:

- Contractors and project developers are not subject to finance laws.

## [§10092.4(c)(7)(D)]

- (D) Must hold and maintain a commercial general liability insurance policy or policies of not less than \$1 million per occurrence throughout its participation in the Program. ~~If the policy maintains a policy aggregate, such aggregate must not be less than twice the occurrence limit.~~ The Eligible Contractor and Eligible Project Developer must submit proof of such insurance in its application to the Authority;

Why this change:

- Removes a sentence that did not reflect CAEATFA's original intent, while maintaining sufficient coverage to protect ratepayer funds, and is consistent with both industry standards and other insurance coverage requirements under the program.

## [§10092.4(e)(3)(B) and (C)]

- (3) The Executive Director will provide written notice of the removal, the basis for removal, and the right to appeal in accordance with the procedures set forth in this Section.

...

- (B) The Executive Director will have ten business days to respond to any information submitted pursuant to ~~the preceding paragraph (a) of this Section~~ **Section 10092.4(e)(3)(A)**, either reversing or affirming the removal. The Executive Director must provide written notice of the decision and the right to appeal the decision to the Authority pursuant to ~~the following paragraph (c) of this Section~~ **Section 10092.4(e)(3)(C)**.
- (C) Within fifteen business days of the date of the notice from the Executive Director pursuant to ~~the preceding paragraph (b)~~ **Section 10092.4(e)(3)(B)**, the Participating Contractor or Participating Project Developer will have the right to seek an appeal to the Authority. The appeal must be in writing and must set forth the information the Participating Contractor or Participating Project Developer believes warrants a reversal of the Executive Director's decision. The Authority must consider the appeal at the first regularly scheduled board meeting occurring at least twenty business days after the appeal is received.

Why these changes:

- To improve the clarity of references within this Section after previously having undergone a non-substantive change to case and number hierarchy.

# §10092.5: Eligible Financial Products



## [§10092.5(a)(2)]

- (a) Disclosure. For all financial products, the Finance Provider Entity must disclose to the Eligible Commercial Financing Customer either:

~~For all financial products, the Finance Provider Entity must disclose to the Eligible Commercial Financing Customer either:~~

- (1) An annual percentage rate (APR) (inclusive of any fees) as well as any advance payments which the Eligible Commercial Financing Customer is required to pay; or
- (2) The total cost of the Project for the Eligible Commercial Financing Customer comprised of monthly payments multiplied by the number of months in the agreement plus any fees [(monthly payments \* number of months in the agreement) + fees]. Monthly payments should be inclusive of, but not limited to, equipment and installation repayment, and any charges for financing, services, maintenance, or oversight of equipment.
- (3)** For the purposes of this Section, Savings-Based Payment Agreements will satisfy the requirements set forth in ~~the preceding paragraph~~ **Section 10092.5(a)(2)** with the FPE's provision of a good-faith estimate of the total cost of the project, based on industry-accepted methods and assumptions used to estimate energy savings, due to the fact that monthly payments will be variable under these agreements.

Why these changes:

- A change was made to remove a floating line, and establish it as a separate statement that is neither part of §10092.5(a) nor §10092.5(a)(2).
- To eliminate a self-reference and clarify inconsistent organizational terminology.

## [§10092.5(b)(3)]

- (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:

~~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) The maximum Total Financed Amount is \$5 million.
- (3) 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 per Section 10092.8(a)(2).

Why this change:

- This change clarifies CAEATFA's intent for financing agreements to be submitted in 90 calendar days.

# §10092.7: Project Eligibility

## [§10092.7(d)(1)]

### (d) Quality Assurance/Quality Control

(1) In order to verify that Scopes of Work were installed in accordance with the regulations within this Article, within one year of the Enrollment Date of an Eligible Financing Agreement, the Authority may conduct ~~either~~ **one or more of:**

- (A) A review of data and documentation (desktop review);
- (B) A field verification at the Eligible Property(ies); or
- (C) Photo verification.

Why this change:

- This change clarifies that CAEATFA may perform one or more of the stated forms of project verification.

# §10092.8: Financing Submittal and Enrollment

## [§10092.8(a)(1)]

### (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 Eligible Commercial Financing Customer~~ and the FPE ~~have~~ **has** closed the agreement with the Eligible Commercial Financing Customer, a complete financing submittal may be submitted for enrollment as described in Section 10092.8(b), to the Authority.

#### Why these changes:

- This change establishes that certification for self-installed measures by the Participating Project Developer is also a necessary pre-condition for a complete financing submittal. Section 10092.7(c)(2) already establishes the requirement for a Participating Project Developer if a project includes self-installed measures.
- Duplicative language was removed.

## [§10092.8(b)(2)(E)(i)a.]

(E) Data provided by either the Participating Project Developer or Finance Provider Entity:

(i) For Projects with Ancillary Elements that are Non-ESMs:

- a. A description and associated cost for any Non-ESMs installed by contractors not enrolled with the Program, or by Self-Installers.

Why this change:

- Costs and details for self-installed measures that are not on the ESM List and/or do not conserve energy provided by an IOU, ESP, or CCA must also be provided to CAEATFA if they are financed as part of the project.

## [§10092.8(b)(2)(F)(iii) and (iv)]

(iii) The following data relating to all Energy Saving Measures (ESMs):

- a. The method by which each ESM qualified for the Program.
- b. The ESM category e.g. “Lighting” or “Refrigeration”.
- c. The ESM measure name.
- d. A brief description including size, efficiency performance, standard material descriptions, and/or specifications.
- e. The quantity installed.
- f. An indication of whether the ESM is replacing existing equipment or a new installation.
- g. An indication of whether the installation resulted in a fuel switch for that measure.
- h. The fuel for which there is expected savings as a result of installing the ESM.**

~~(iv) The following data related to each ESM installed via either the IOU Custom Measure Method or the Professionally Certified Measure Method:~~

- ~~a. The fuel for which there is expected savings as a result of installing the ESM.~~

Why this change:

- This change extends the requirement to submit the fuel for which there is an expected savings as a result of installing an ESM to include all ESMs, including ESM List measures.



## [§10092.8(b)(2)(F)(v)]

~~(v)~~(iv) In addition to the requirements in Section 10092.8(b)(2)(F)(iii), ~~the~~ the following data related to each ESM installed via the Professionally Certified Measure Method:

- a. The Energy Professional's name, business name, city, e-mail address, and phone number.
- b. An indication of whether the Energy Professional is a PE or CEM.
- c. The Energy Professional's certification ID or license number, as applicable.

Why this change:

- This change clarifies that the data requirements for Professionally Certified Measure Method measures listed in this subsection are in addition to those that apply to all ESMs.

## [§10092.8(b)(2)(F)(vii)b.]

~~(vii)~~(vi) The following data related to Projects for which the Participating Contractor or Eligible Commercial Financing Customer is seeking an IOU, REN, or CCA rebate or incentive:

- a. The rebate or incentive amount.
- b. The name of the IOU, REN, or CCA issuing the rebate or incentive, the rebate or incentive name, and if known, the project identification code, ~~if known~~.
- c. Date that the IOU, REN, or CCA approved the Eligible Commercial Financing Customer's custom measure(s), if applicable.

Why this change:

- This change clarifies that the IOU, REN, or CCA, the rebate or incentive name, and the amount of a rebate or incentive are required data points, but the project identification code is required if it is known.

# §10092.11: Sale and Transfer of Enrolled Financings and Transfer of Program Roles

## [§10092.11(c)]

- (c) If the Primary Finance Provider Entity or Affiliate Finance Provider Entity wish to transfer any of the roles it has been approved to perform, and/or disclosed that it will perform, to a ~~non-enrolled~~ new entity, the new entity must apply to the Program as a Primary Finance Provider Applicant or Affiliate Finance Provider Applicant and be approved by the Authority for enrollment in the Program. At any time, no more than one entity may serve as Primary Finance Provider Entity and at any time, no more than one entity may serve as Affiliate Finance Provider Entity for any Finance Provider Entity. Once approved, the new entity must assume all of the roles filled by the departing Finance Provider Entity.

### Why this change:

- This change requires that a new application be submitted when the Primary Finance Provider Entity role is transferred to a different entity; the new application includes all applicable representations, warranties, and certifications. This modification ensures that the new Primary Finance Provider Entity has agreed to all requirements of the Program for that role.

# §10092.14: Energy Saving Measure List

## [§10092.14] Updates to the Energy Saving Measures List

Measure Category	Measure	Requirements	IOU Fuel Source Eligibility	Eligible for Self-Install
Demand Response	Automated Demand Response Equipment <b>(Electric)</b>		Electric Gas	No
<b><u>Demand Response</u></b>	<b><u>Automated Demand Response Equipment (Gas)</u></b>		<b><u>Gas</u></b>	<b><u>No</u></b>
Food Service	Commercial Cooking Equipment <b>(Electric)</b>	Energy Star <b>electric</b> griddles, ovens, steam cookers, or fryers	Electric Gas	<del>No</del> <b><u>Yes</u></b>
<b><u>Food Service</u></b>	<b><u>Commercial Cooking Equipment (Gas)</u></b>	<b><u>Energy Star griddles, ovens, steam cookers, or fryers</u></b>	<b><u>Gas</u></b>	<b><u>No</u></b>
Food Service	Commercial Dishwashing Equipment <b>(Electric Hot Water)</b>	Energy Star	Electric Gas	No
<b><u>Food Service</u></b>	<b><u>Commercial Dishwashing Equipment (Gas Hot Water)</u></b>		<b><u>Gas</u></b>	<b><u>No</u></b>
Food Service	Low Flow Pre-Rinse Spray Valve <b>(Electric Hot Water)</b>		Electric Gas	Yes
<b><u>Food Service</u></b>	<b><u>Low Flow Pre-Rinse Spray Valve (Gas Hot Water)</u></b>		<b><u>Gas</u></b>	<b><u>No</u></b>
HVAC	Infrared Heater <b>(Electric)</b>		Electric Gas	No
<b><u>HVAC</u></b>	<b><u>Infrared Heater (Gas)</u></b>		<b><u>Gas</u></b>	<b><u>No</u></b>

## [§10092.14] Updates to the Energy Saving Measures List

Measure Category	Measure	Requirements	IOU Fuel Source Eligibility	Eligible for Self-Install
<u>HVAC</u>	<u>High Efficiency HVAC Fan</u>		<u>Electric</u>	<u>No</u>
<u>HVAC</u>	<u>High Efficiency HVAC Pump</u>		<u>Electric</u>	<u>No</u>
<u>HVAC</u>	<u>Variable Refrigerant Flow (VRF)</u>		<u>Electric</u> <u>Gas</u>	<u>No</u>
Lighting	LED Decorative <u>Screw-base</u> Lamp	Energy Star	Electric	Yes
Lighting	LED Directional <u>Screw-base</u> Lamp	Energy Star	Electric	Yes
Lighting	LED General Service <u>Screw-base</u> Lamp	Energy Star	Electric	Yes
Lighting	Controls: Indoor Daylight Sensor	<b>Wall or ceiling mount</b>	Electric	No
Lighting	Controls: Indoor Vacancy Sensor	<b>Wall or ceiling mount</b>	Electric	No

# Workshop Agenda

Executive Summary

Program Structure

- Key Concepts
- Contractor and Project Developer Roles
- Project and Measure Eligibility
- Credit Enhancement Structure
- Finance Company Roles
- Financial Product Eligibility
- Customer Eligibility

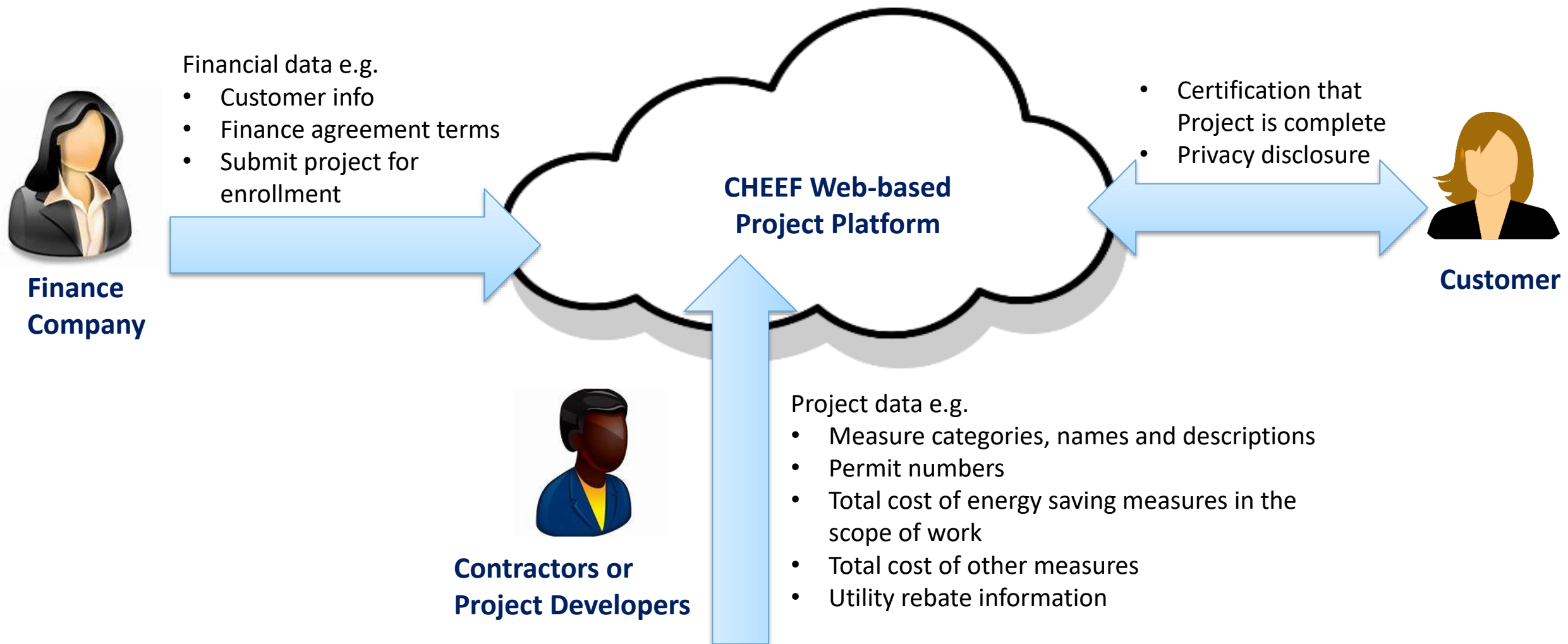
Proposed Modifications

Web-based Project Platform

Feedback



# A Web-Based Project Platform Allows Multiple Users to Easily Submit Finance and Project Information



# Project Platform Enables Easy Interaction With Program



- Replaces the need for program forms
- Automatically notifies parties on the project
- Automatically generates program certifications for customers to sign
- Provides finance companies with loss reserve calculation for the project
- Displays all of user's CHEEF projects on their dashboard
- Automatically validates entries

Project platform does not replace real-world communication between **finance company and contractor**, **finance company and customer**, or **contractor and customer**.

# Workshop Agenda

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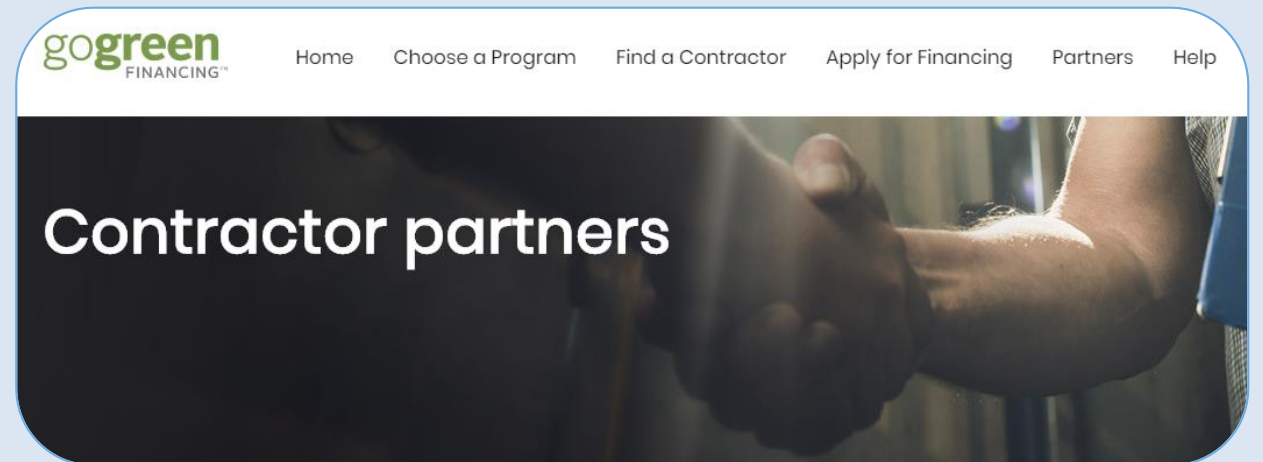
Web-based Project Platform

Feedback

# GoGreenFinancing.com

## GoGreenFinancing.com is a resource that will:

- Explain the benefits of the Small Business Energy Efficiency Financing Program
- Access the pre-approved Energy Saving Measure List
- Provide answers to frequently asked questions
- Showcase Finance Companies, Contractors, and Project Developers
- Help you understand financing options available
- Access additional program resources



# We Want Your Comments and Input!

- Please provide comments during this workshop or afterwards through noon on **Thursday October 24th**.
- CAEATFA will consider all comments and incorporate them as appropriate.
- Proposed regulations are available at <https://www.treasurer.ca.gov/caeatfa/cheef/sblp/>

Comments regarding contractors, projects, and measure eligibility can be submitted to:  
[cheef@treasurer.ca.gov](mailto:cheef@treasurer.ca.gov)

Or to

Jonathan Verhoef  
Program Specialist, CHEEF  
[jverhoef@treasurer.ca.gov](mailto:jverhoef@treasurer.ca.gov)  
(916) 653-1375

Comments regarding financing or credit enhancement can be submitted to:  
[cheef@treasurer.ca.gov](mailto:cheef@treasurer.ca.gov)

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