

**CALIFORNIA ALTERNATIVE ENERGY AND
ADVANCED TRANSPORTATION FINANCING AUTHORITY**

Tuesday, June 16, 2020

Request for Consideration and Approval to Extend and Increase an Existing Receivables Contract with the Southern California Gas, Pacific Gas & Electric, San Diego Gas & Electric, and Southern California Edison Companies Relating to CAEATFA’s Administration of the CA Hub for Energy Efficiency Pilots Pursuant to Initial CPUC Decision 13-09-044 and Subsequent Actions

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ISSUE

Staff requests the Board’s approval to extend and increase an existing receivables contract with the investor-owned utilities (“IOUs”) – Southern California Gas Company, Pacific Gas & Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company – to enable the California Alternative Energy and Advanced Transportation Financing Authority (“CAEATFA” or the “Authority”) to continue its administration of the California Hub for Energy Efficiency Financing (“Hub” or “CHEEF”) on behalf of the California Public Utilities Commission (“CPUC”). CAEATFA’s administrative costs for implementing the Hub are funded through this receivables contract (the “Implementation Agreement”), initially executed in 2014, to implement and administer the energy efficiency financing pilot programs as described in CPUC Decision 13-09-044 and subsequent administrative actions (the “Decision”)¹. The current agreement is for a total of \$15.36 million and expires on June 30, 2020.

On April 16, 2020, the CPUC adopted Resolution E-5072 which, among other things:

- Approved the transition of the Residential Energy Efficiency Loan (“REEL”) assistance Program from a pilot into a full-scale program;
- Authorized additional funding in the amount of \$7.7 million for CAEATFA to continue to implement the Hub programs, and invest in planned infrastructure improvements to help REEL scale to broaden and deepen program impacts through fiscal year (“FY”) 2021-2022; and
- Established that the CPUC would continue to explore broader approaches to financing to address comprehensive energy goals, including such efforts as decarbonization, solar photovoltaic, storage, and electric vehicle (“EV”) charging, as well as other financing approaches.

¹ As modified by subsequent Decisions and CPUC governance processes, including but not limited to D. 15.06.008 (June, 2015); D. 15.12.002: (Dec, 2015); November 22, 2016 Assigned Commissioner and Administrative Law Judge Ruling; D. 17.03.026 (March, 2017); and Resolution E-5072.

The Implementation Agreement, as amended, will effectuate these actions, increases the total, not-to-exceed, amount of the contract to \$23.06 million and extends the term through FY 2021-2022. In addition, the associated reimbursement and expenditure authority was included in the governor's May revised budget and is expected to be included in the Budget Act of 2020. The funding under this receivables contract reimburses CAEATFA for the administrative costs to implement the Hub, including its staffing at levels which facilitate effective implementation of the CHEEF's scope of work, as well as the various service contracts that have been established to implement the infrastructure for the Hub. The monies described in this receivables contract are not state funds, but ratepayer funds authorized and assigned by the CPUC.

BACKGROUND

The State of California has ambitious goals to reduce greenhouse gas emissions and address climate change. In 2006, the Legislature passed the California Global Warming Solutions Act (Assembly Bill 32), which created a comprehensive multi-year program to reduce greenhouse gas (GHG) emissions in California. In the subsequent Scoping Plans, intended to describe the approach California will take to reduce GHGs, one of the primary methods identified is increasing energy efficiency in existing buildings. Senate Bill 350 (De León, 2015) later called for a doubling of energy efficiency in existing building by 2030.² Billions of square feet of existing commercial and residential properties—both the structures themselves and the energy using equipment they house—are currently in need of energy efficiency upgrades. There is simply not enough government or ratepayer funding to pay for these upgrades.

The Hub For Energy Efficiency Financing

The California Public Utilities Commission Decision (D.) 13-09-044 authorized a series of financing pilot programs ("Pilot Programs"), designed to attract private capital to finance energy efficiency upgrades, and established the California Hub for Energy Efficiency Financing (the "Hub", or "CHEEF"). The CPUC requested CAEATFA assume administration of the Hub and directed the IOUs and CPUC staff to assist CAEATFA with implementation.

The Hub creates a centralized and standardized platform to serve as an open-market infrastructure to encourage additional private capital investment, while also lowering costs and expanding access to capital for Californians. The Pilot Programs offer a credit enhancement ("CE") to mitigate risk to participating financial institutions, thereby attracting more private capital to energy efficiency financing and expanding consumer access to enhanced financing terms. The Pilot Programs utilize a loss reserve structure as the CE, a revolving pool of capital used as a type of insurance covering enrolled loans, with funds recaptured as loans are satisfied and then redeployed for future loans - leveraging the same funds multiple times. The Pilot Programs will also include on-bill repayment ("OBR") mechanisms, which will test whether payment on the utility bill increases debt service performance across market sectors. Both CEs

² Achieving comprehensive and cost-effective energy efficiency in all existing buildings is state policy, and one of three primary approaches to meet California's aggressive energy and environmental targets [e.g., Senate Bill 100 (De León, 2018), Senate Bill 32 (Pavley, 2016), Assembly Bill 802 (Williams, 2015), Senate Bill 350 (De León, 2015), Assembly Bill 758 (2009, Skinner), Assembly Bill 32 (Nunez, 2006)].

and OBR will be implemented across multiple sectors, as further described in the individual pilot descriptions below. Primarily, the pilots are designed to:

- Attract a greater amount of private capital to the energy efficiency retrofit market by mitigating risk to lenders;
- Broaden the availability of financing to individuals who might not have been able to access it otherwise; and
- Address the upfront cost barrier to energy efficiency retrofit projects.

The Hub includes over \$30 million in credit enhancements, \$10 million in marketing, education and training, on-bill repayment (OBR) functionality and a centralized data portal (under development). The Hub programs encompass multiple market sectors:

- The **Residential Energy Efficiency Loan** (“REEL”) Program supports energy efficiency loans on single family properties (four units or less) and encourages lenders to provide broader access and lower-cost financing for residential energy efficiency retrofits; with a deeper incentive for low-and-moderate income borrowers.
 - REEL enrolled its first loan in 2016, and as of August 2019, has six (6) active lenders participating in the program.
 - As of May 28, 2020, the program has enrolled 696 loans valued at \$12,028,631.
 - Borrowers are being offered lower monthly payments (up to 15-year unsecured personal loan), lower interest rates (3.48% - 8.12%), and broader access to financing (credit challenged incentive at 580 FICO) than normally offered by each Lender.
 - Over the life of the program, 54% of borrowers are located in LMI census tracts, and financing can be provided to renters as well as owners of single family and mobile homes.
 - There is a potential sub-pilot in PG&E territory that will include on-bill repayment functionality, which will be further explored as REEL transitions from a pilot to a program.
- The **Small Business Financing Program** supports loans, leases, and energy service agreements to help small businesses undertake energy efficiency retrofits and lower operating costs across various industries, from rural dairies to urban corner markets and tech incubators.
 - Staff underwent an extensive multi-year public engagement process, and program regulations were enacted in December 2018.
 - As of June 2019, three lenders were enrolled in this program, with the first financing enrolled in July 2019.
 - The pilot more formally launched in October 2019, when an online project platform was established for users which simplifies the upload of documents and submission of financing data to CAEATFA.
 - As of May 2020, over \$1.4 million in financing agreements have been issued.

- The **Affordable Multifamily Financing Program** supports energy efficiency and demand response improvements on affordable housing properties (with at least 50% of units deed restricted to <120% AMI).
 - The program is designed to be flexible and accommodate the complex affordable multifamily debt stack and leverages other state (SOMAH and LIWP) and IOU/REN/CCA programs.
 - This pilot's regulations were enacted in May 2019, with the first lender enrolled in August 2019.
 - The regular rulemaking package was approved by the CAEATFA Board on April 21, 2020.
 - The CPUC provided a one-year extension to enroll the first financing under this pilot, to provide adequate time to develop a project in this complex market segment.
 - Outreach and development of a project pipeline is underway within this niche market, with the first loan enrollment expected by the end of 2020.
- **On-Bill Repayment (OBR) Functionality** will also be offered to test whether it's an effective tool to strengthen lender and borrower participation in energy efficiency retrofits. OBR functionality will be added first to the Small Business and Affordable Multifamily Financing Programs with the possibility of later adding a residential variant in the PG&E territory. Further, OBR may be provided as a stand-alone program if the approach proves to be viable and is ultimately approved by the CPUC. The initial CPUC Decision authorized an OBR-only program (without a credit enhancement) which was targeted at the MUSH markets (municipal, universities, schools, and hospitals), and was also required to be launched (have the first loan enrolled) before the end of 2019. In prioritizing workload and resources to implement the different Pilot Programs, CAEATFA staff – in collaboration with staff at the CPUC – assessed that the stand-alone pilot would not be developed within the required timeframe, and instead the development of OBR functionality would continue to complement the remaining pilots. This OBR functionality is currently estimated to be incorporated in late 2020.

CAEATFA received initial legislative budget authority to implement the pilots in FY 2014/15, and spent the next several years establishing infrastructure and working with the CPUC and IOUs to streamline the program and remove barriers. CAEATFA advocated to the CPUC for several modifications to make the initiative more effective in the private marketplace.

In March 2017, the CPUC administratively removed several barriers and provided CAEATFA with more flexibility to design and implement the Pilot Programs. Decision 17-03-026 provided the following:

- The CPUC committed to continued funding for CAEATFA to administer the Pilot Programs throughout the life of the pilots (10-15 years after loan enrollment);
- All financing pilots would be launched by no later than December 31, 2019, or would be cancelled; providing additional oversight over costs. As mentioned above, the CPUC

later extended the term to launch the Affordable Multifamily Financing Program by an additional year to accommodate the complexity of the sector;

- CAEATFA was provided more authority as the decision-maker for these pilots (including program design, financing mechanism designs, finance credit support, measure eligibility, on-bill repayment implementation including lender enrollment, outreach to contractors and lenders, and database tasks), utilizing the state public input and rulemaking processes in program design;
- Each pilot program would be subject to a mid-point evaluation at or around one year of operation;
- Pilot Programs would be continued during the evaluation stage; beyond the original concept of a two-year timeframe and in order to continue momentum of successful pilot programs; and
- Funding authorized for CAEATFA's use for the pilot programs and its administrative expenses should last through at least 2020, at which point the need for additional funding for ongoing support of the pilot programs would be evaluated.

Given the additional flexibility and authority over Pilot Program design granted to CAEATFA by the CPUC in March 2017, CAEATFA targeted its resources toward improving REEL—the first pilot that was launched and was active under its two-year term at the time of the Decision—while continuing the development of the remaining pilots. The REEL modifications proved to be effective, encouraging a new lender to enroll and increasing program activity.

In addition, a statewide marketing campaign and new website (gogreenfinancing.com) was launched in Q2 of 2018 and the IOUs began marketing efforts. Concurrently, CAEATFA staff devoted its resources to the development the Small Business and Affordable Multifamily pilots, which are now underway.

The REEL program underwent a 12-month long evaluation process³, examining the program's first two years of activity, and found, among other things, that:

- the pilot, on average, saves customers 12.8% of annual electric usage;
- the pilot successfully reaches underserved Californians; and
- the pilot needs modifications to scale, in order to expand its impact in the broader market.

Based in part on the findings of the REEL evaluation and as noted above, on April 16, 2020, the CPUC adopted Resolution E-5072 which among other things:

- Approved the transition of the Residential Energy Efficiency Loan (REEL) assistance Program from a pilot into a full-scale program;
- Authorized additional funding in the amount of \$7.7 million for CAEATFA to continue to implement the Hub Pilot Programs, and invest in planned infrastructure improvements to help REEL scale to broaden and deepen program impacts through fiscal year (FY) 2021-2022; and

³ <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M333/K594/333594988.PDF>

- Established that the CPUC would continue to explore broader approaches to financing to address the state’s comprehensive energy goals, including such efforts as decarbonization, solar photovoltaic, storage, EV charging as well as other financing approaches.

The amendments to the IOU Implementation Agreement align the current contract with these recent CPUC actions.

CHEEF Administration and Implementation Structure

CAEATFA has developed and implemented the Hub with a combination of internal staff resources and several contracts with third-parties for specific special services. Administrative cost projections and associated funding were based on investment and activity projections in Q3 2019, and include infrastructure investments to help the residential pilot scale. Given the impact of the novel coronavirus (COVID-19), CAEATFA anticipates that actual costs will be lower as it adopts cost-saving measures, along with other state agencies, and the energy efficiency industry responds to the pandemic. See Attachment A for an illustration of CAEATFA historical and anticipated budget for the Hub.

CAEATFA staff under the Hub is currently comprised of 12 personnel, that are overseen by a Staff Services Manager II, and are comprised of three working units: (1) Development and Implementation (residential, affordable multifamily, small business, and OBR functionality); (2) Marketing, Education and Outreach, and (3) Compliance. As REEL transitions from a pilot to a full program, two additional staff positions are anticipated to assist in developing the infrastructure to scale.

In addition, CAEATFA has established several contracts with third parties to assist with the services below. CAEATFA shares some administrative implementation costs with the IOUs.

- **Master Servicer (MS).** The Master Servicer serves as the administrative hub for the Pilot Programs. Its primary functions are to process loan enrollments. For OBR projects, the MS will also collect and transmit data and funds for financing payments between the IOUs, Trustee, and Lenders. CAEATFA is currently in a contract with Concord Servicing Corporation to act in the role, and is in the process of completing a competitive solicitation to continue these services.
- **Trustee.** The Trustee holds ratepayer funds that finance the CEs for enrolled financings. CAEATFA has establish accounts for each Pilot Program and each Lender participating in the program. CAEATFA is currently in a contract with US Bank for these services.
- **Contractor Trainer/Manager.** Well-trained contractors are integral to the success of the Pilot Programs, serving as a guide in a customer’s decision-making process and establishing a level of consumer protection. CAEATFA has hired a third party whose primary function is to provide education, outreach, and training for contractors participating in the program. The Contractor Manager is also responsible for ongoing management of contractors participating in the Pilot Programs, and performs post-project field verifications to ensure that projects were installed in compliance with program

requirements. CAEATFA is currently in a contract with Frontier Energy to provide contractor management services.

- **Technical Advisor.** CAEATFA requires additional services from technical advisors to assist in developing program requirements and regulations, providing ongoing program assessment to effectively design the Pilot Programs with consideration of industry standards and best practices. CAEATFA entered into a contract with Energy Futures Group to procure technical advisory services.
- **Data Manager.** The Data Manager was initially envisioned as a third party that would work closely with the Master Servicer to develop a platform to make Pilot Program data available to the public. The Data Manager may also serve as a central collection point for data from other energy efficiency financing programs including, but not limited to, the IOUs' On-Bill Financing programs, Regional Energy Network programs, and programs established under the American Recovery and Reinvestment Act. CAEATFA is exploring whether this functionality can be absorbed in-house or requires a third party.

Receivables Contract

The receivables contract between CAEATFA and the IOUs to implement the Hub sets forth provisions including, but not limited to:

- Provisions for initial up-front funding and reimbursement of CAEATFA's administrative costs, including invoicing and reporting procedures.
- Provisions outlining the warranties provided by CAEATFA and the IOUs.
- Provisions governing the establishment of CHEEF operational agreements with third parties, including, but not limited to, contracts for a trustee bank, master servicer, data manager, and energy efficiency retrofit contractor manager.
- Provisions governing the confidentiality and protection of borrowers' financial and energy usage information and data in connection with financings enrolled in any of the Pilot Programs.
- Provisions governing the interactions of the IOUs with CAEATFA, including identifying Southern California Gas Company as the IOU administrator of this contract with CAEATFA on behalf of the IOUs.
- Provisions outlining insurance requirements for the CHEEF.
- Provisions outlining the limits of liability and force majeure.
- Provisions governing the termination of the contract.

The proposed contract amendment sets forth the following provisions:

- Provisions expanding the funding limit of the contract by a total of \$7.7 million over the current limit of \$15.36 million. The expanded funding limit of the contract is \$23.06 million.
- Provisions extending the term of the contract through June 30, 2022.

Assisting in the Economic Recovery and California Green Infrastructure Investment

In addition, Staff believes that the Hub is well positioned to assist California in its recovery while investing in green infrastructure for a more sustainable future to address energy equity and greenhouse gas reductions:

- It helps Californians lower their energy use, while addresses energy equity issues and decarbonization goals across the state – at the same time that more families are staying at home for longer periods of time, and transforming their homes to accommodate work and school.
- The most popular residential measures are HVAC replacements and upgrades, insulation & sealing, windows, and cool roofs. Homeowners and tenants are going to continue to need to replace equipment as well as lower their energy bills during an economic downturn. This program makes financing accessible to them.
- Through the program, customers access financing at rates and loan tenure terms they simply could not access by walking into a bank or credit union. Under REEL, average monthly payments on loans are \$172 lower than customers would pay for the credit unions' standard loan products.
- Every project that a customer finances through this Program puts a local energy efficiency contractor company to work, with an average residential project size of \$17,000. There are over 400 small business contractor companies enrolled in the program that are providing green jobs to their employees.
- Investing in the infrastructure to scale the program means CAEATFA can leverage more private capital, make financing accessible to more homeowners, renters, and business owners and put contractors to work.

RECOMMENDATION

Staff recommends approval of the attached resolution to authorize the Executive Director to extend and increase an existing receivables contract through June 30, 2022 in the total amount of \$23.06 million with the Southern California Gas Company, Pacific Gas & Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company, so that CAEATFA may continue to develop, implement, and administer the energy efficiency financing pilots described in California Public Utilities Commission Decision 13-09-044, and transition REEL from a pilot into a program.

**RESOLUTION OF THE CALIFORNIA ALTERNATIVE ENERGY AND ADVANCED
TRANSPORTATION FINANCING AUTHORITY AUTHORIZING THE EXECUTIVE
DIRECTOR TO EXTEND AND INCREASE AN EXISTING RECEIVABLES
CONTRACT WITH THE SOUTHERN CALIFORNIA GAS, PACIFIC GAS &
ELECTRIC, SAN DIEGO GAS & ELECTRIC, AND SOUTHERN CALIFORNIA
EDISON COMPANIES RELATING TO CAEATFA'S ADMINISTRATION OF THE CA
HUB FOR ENERGY EFFICIENCY PILOTS PURSUANT TO INITIAL CPUC
DECISION 13-09-044 AND SUBSEQUENT ACTIONS**

June 16, 2020

WHEREAS, the California Alternative Energy and Advanced Transportation Financing Authority (the "Authority") was created under the provisions of Division 16 (commencing with Section 26000) of the Public Resources Code;

WHEREAS, the Authority wishes to extend and increase an existing contract through June 30, 2022 in the total amount of \$23.06 million with the Southern California Gas Company, Pacific Gas & Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company for the purposes of the Authority to develop, implement, and administer a series of pilot programs that allow consumers to finance complex energy efficiency retrofits, as described in California Public Utilities Commission Decision 13-09-044 and subsequent related administrative actions (the "Decision") on behalf of the electric and gas investor-owned utilities (the "IOUs") of California;

WHEREAS, on September 19, 2013, the CPUC approved the Decision, authorizing the California Hub for Energy Efficiency Financing (the "CHEEF") pilot programs to be supported by up to \$75.2 million of IOU ratepayer funds serving four market segments: single-family, with one-third of funds reserved for low and moderate income households; multi-family, affordable housing with master meters; small businesses; and On-Bill Repayment (OBR) of financing by non-residential energy users;

WHEREAS, in the Decision, the CPUC created the CHEEF to increase the flow of private capital to energy efficiency projects and requested the Authority to assume the CHEEF functions, including, but not limited to, managing the flow of funds and data for the pilot programs, and providing a simple, streamlined structure through which energy users, financial institutions, energy efficiency upgrade providers, and the IOUs can participate in a standardized "open market" that facilitates financing of energy efficiency projects in California;

WHEREAS, the CPUC further directed the IOUs to assist the Authority to implement the CHEEF and directed the IOUs to contract with the Authority to establish procedures for the primary CHEEF functions of fund management, financial product/borrower data management and On-Bill Repayment billing and collections, as more fully described in the Decision; and

WHEREAS, the purpose of the contract is to set forth the terms and conditions governing such activities as directed by the CPUC, including, but not limited to, 1) provisions governing the administrative costs of serving as the CHEEF, including periodic funding from the

IOUs to CAEATFA, funding limits, and reporting from CAEATFA to the IOUs on use of funds; 2) provisions governing the establishment and operation of trust accounts for credit enhancements, transfer of funds amongst these accounts, and the withdrawal of funds in the event a claim by a financial institution is approved; 3) governing the establishment of CHEEF operational agreements with third parties; 4) provisions governing the establishment of CHEEF operational agreements with third parties, including but not limited to contracts for a trustee bank, master servicer, data manager, and contractor manager; 5) provisions governing the confidentiality and data protection of borrowers' financial and energy usage information in connection with loans or leases enrolled in any of the pilot programs; 6) provisions governing the interactions of the IOUs with CAEATFA, including identifying Southern California Gas Company as the IOU administrator of this contract with CAEATFA on behalf of the IOUs; 7) provisions outlining insurance requirements for the CHEEF; 8) provisions outlining the limits of liability and force majeure; and 9) provisions governing the termination of the contract;

WHEREAS, Public Resources Code sections 26002 through 26033 provide statutory authority to the Authority to serve as the central administrator, the CHEEF, of the pilots as described in the Decision and the contract.

NOW, THEREFORE, BE IT RESOLVED that the Executive Director of the Authority is hereby authorized to extend and increase an existing contract with Pacific Gas & Electric Company, San Diego Gas & Electric Company, Southern California Edison Company, and Southern California Gas Company in the total amount of \$23.06 million and with an extended term through June 30, 2022.

FURTHER, that the Executive Director or Deputy Executive Director shall execute and submit the contract to the Department of General Services for approval.

Attachment A

Table 1. Hub Budget Table

Item	Allocated	Expended/ Encumbered ⁴	Balance
Hub Administration			
Includes start-up costs, Hub administrative, direct implementation, outreach and training to finance companies and contractors, and contracting costs ⁵	\$ 13,360,000	\$ 9,993,981	\$ 3,366,019
Subtotal Hub Administration Costs	\$ 13,360,000	\$ 9,993,981	\$ 3,366,019
Marketing, Education, Outreach (MEO)			
Statewide MEO plan	\$ 8,000,000	N/A ⁶	\$ 8,000,000
CAEATFA outreach and training to finance companies and contractors	\$ 2,000,000	\$ - ⁷	\$ 2,000,000
Subtotal Marketing, Education, and Outreach	\$ 10,000,000	\$ -⁸	\$ 10,000,000
Residential Pilots Credit Enhancement Funds⁹			
Residential Energy Efficiency Loan (REEL)	\$ 25,000,000	\$ 1,529,260	\$ 23,470,740
Energy Financing Line Item Charge (Funding to PG&E)	\$ 1,000,000	(TBD)	\$ 1,000,000
Affordable Multifamily	\$ 2,900,000	\$ -	\$ 2,900,000
Subtotal Residential Pilots	\$ 28,900,000	\$ 1,529,260	\$ 27,370,740
Non-Residential Pilots Credit Enhancement Funds			
Small Business sector with credit enhancement	\$ 14,000,000	\$ 44,395	\$ 13,955,605
Subtotal Non-Residential Pilots	\$ 14,000,000	\$ 44,395	\$ 13,955,605
Information Technology (IT)			
IT Funding to IOUs ¹⁰	\$ 8,000,000	(TBD)	\$ 8,000,000
Subtotal IT Funding to IOUs	\$ 8,000,000	(TBD)	\$ 8,000,000
Hub Pilot Reserve			
Hub Pilot Reserve ¹¹	\$ 984,931	\$ -	\$ 984,931
Subtotal Hub Pilot Reserve	\$ 984,931	\$ -	\$ 984,931
GRAND TOTAL	\$ 75,244,931	\$ 11,567,636	\$ 63,677,295

***Note:** Quarterly expenditures are based on good faith estimates due to a lag in invoice submittals.

⁴ "Encumbered" refers to the credit enhancement funds reserved for enrolled loans under the Residential Energy Efficiency Loan (REEL) Loan Loss Reserve (LLR).

⁵ Amount of funds allocated to this section includes the additional \$8.36 million that was approved by CPUC Rulemaking 13-11-005: Joint Ruling of Assigned Commissioner and Administrative Law Judge on Financing Pilots and Associated Marketing, Education and Outreach Activities issued November 22, 2016.

⁶ The contract for the Marketing Implementer is undertaken by SoCalGas and ongoing budgetary updates are not provided in CAEATFA's reporting.

⁷ The expenses expended for this line item have been included in the expended/encumbered value presented in the Hub Administration line item above.

⁸ This table is not a comprehensive representation of the budget. It does not reflect CSE's expenditures related to ME&O, the IOUs' expenditures and additional allocations for IT and administration, or other non-CAEATFA costs.

⁹ Actual credit enhancement dollars available less funds for operations setup by IOUs.

¹⁰ IT funding to IOUs reports only the initial allocation and does not reflect current IOU expenditures.

¹¹ This amount reflects the remaining balance after the release of funds that was approved by CPUC Rulemaking 13-11-005: Joint Ruling of Assigned Commissioner and Administrative Law Judge on Financing Pilots and Associated Marketing, Education and Outreach Activities issued November 22, 2016.

Table 2. CAEATFA's Budget for the Hub for Energy Efficiency Financing

CAEATFA's Budget for the Hub for Energy Efficiency Financing								
Costs	FY 14-15 (actual)	FY 15-16 (actual)	FY 16-17 (actual)	FY 17-18 (actual)	FY 18-19 (actual)	FY 19-20 (estimate)	FY 20-21 (estimate)	FY 21-22 (estimate)
Staff (Assumes 12 existing positions through FY 19-20; and 2 new positions in FY 20-21)	\$334,721	\$532,726	\$745,583	\$918,199	\$1,161,562	\$1,180,597	\$1,635,000	\$1,635,000
Contracts (Master Servicer, Trustee, Technical Assistance, Contractor Manager)	\$52,333	\$350,066	\$796,588	\$1,055,401	\$1,299,417	\$1,285,000	\$1,925,000	\$3,217,000
Other OE&E	\$265,083	\$368,881	\$387,683	\$407,142	\$406,115	\$507,000	\$574,000	\$534,000
Total	\$652,138	\$1,251,673	\$1,929,854	\$2,380,742	\$2,867,094	\$2,972,597	\$4,134,000	\$5,386,000
CAEATFA Accumulative	\$652,138	\$1,903,810	\$3,833,664	\$6,214,406	\$9,081,501	\$12,054,098	\$16,188,098	\$21,574,098
<i>Shared Technical Assistance Costs</i>	<i>(\$180,064)</i>	<i>(\$312,332)</i>	<i>(\$396,336)</i>	<i>(\$274,176)</i>	<i>(\$70,930)</i>	-	-	-
Accumulative Estimated Costs	\$832,202	\$2,396,207	\$4,722,397	\$7,377,315	\$10,315,339	\$13,287,936	\$17,421,936	\$22,807,936