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**ENERGY EFFICIENCY FINANCING  
FRANK SPASARO**

*Third Annual Statewide Energy Efficiency Best Practices Forum  
July 19, 2012 — Los Angeles, CA*

# CPUC GUIDANCE DECISION 2013 - 2014

## » Highlights:

- “Transition Period” (to “deeper retrofits”)
- Clarifies 2012 MEO
- Local Government Role(s)
- WET / ET / C&S
- Continue, Modify, Expand, Delete, Add
- Expand Financing

# FINANCING – Overview of Decision

- » Hire Expert Consultant, by August 1<sup>st</sup>
- » Database, develop and build
- » ARRA, continue “successful” programs
- » Continue / Improve OBF
- » Develop / Implement 4 New Pilots
- » Budget at least \$200 Million

# ARRA Financing

## » 2012:

- By August 1, 2012, contract with “successful” ARRA-funded financing programs.
- “Budget” between \$5 and \$10 million.
- Status:
  - PG&E
  - SCE
  - SCG
  - SDGE

## » 2013 - 2014

# On-Bill Financing (OBF)

## » Decision requires:

- Continue / Improve OBF
- Budget at 2012 level
- “Statewide” and “Resource”
- (reduce incentives w/OBF)

# NEW PILOTS

## » Single-Family

- Credit enhancement

## » Multi-Family

- Credit enhancement + On-Bill Repayment (OBR)

## » Small Commercial

- Credit enhancement

## » Non-Residential

- OBR

# Schedule for Pilots

- » July 2, 2012: Utilities file 2013-2014 energy efficiency program portfolio applications, including:
  - Basic structure of financing programs and budgets planned for 2013-2014, and
  - Plan for expert consultant hiring and structure of working groups and timeline for 2012.
- » By end of third Quarter of 2012: Expert financing consultant presents 2013 pilot program design details in written program plan and public workshop.
- » Fourth Quarter of 2012: Additional Commission direction in response to consultant's program plan, if necessary.
- » January 1, 2013: Continuation of OBF programs and selected financing programs previously supported by American Recovery and Reinvestment Act stimulus funds.
- » First Quarter of 2013: Launch of new financing program pilots.
- » 2014: evaluate and "scale"
- » 2015+





**THANKS!**  
**QUESTIONS?**