

Energy Efficiency

EE FINANCING AND MULTI-FAMILY PROGRAMS

Andrew Nih

On-Bill Financing (OBF) for Multi-family

1

Must qualify & receive rebate from SoCalGas EE programs

2

0% interest, unsecured loan, non-transferable

3

Loan Per Meter:
Minimum: \$5,000
Maximum: \$100,000

4

Maximum loan term: 5 years or useful life of equipment

5

Monthly payment paid through utility bill, no penalty for early repayment

6

Common area measures only

OBF for Low-Income Multi-family*

1

Must qualify & receive rebate from SoCalGas EE programs

2

0% interest, unsecured loan, non-transferable

3

Loan Per Meter:
Minimum: \$5,000
Maximum: **\$250,000**

4

Maximum loan term: **10** years or useful life of equipment

5

Monthly payment paid through utility bill, no penalty for early repayment

6

Common area measures only

*65% of tenants must be income qualified

Eligibility Requirements

Owner cannot live on site

1st
Item

Project must meet 10 year payback

2nd
Item

Account must be active for 2 years & have 12 months of energy usage

3rd
Item

SoCalGas will qualify based on customer's billing history

Funds Available: \$4.6 million

OBF Examples

- » Installed Equipment: Pool Cover + Pool Heater
- » Measure Cost: \$28,500; Incentives/Rebates: \$5,460
- » Measure Savings: 5,460 therms/year
- » 12 month average gas charge per therm: \$0.85

- » Gas Savings Per Year: **$5,460 * \$0.85 = \$4,641$**
- » Loan Amount: **$\$28,500 - \$5,460 = \$23,040$**
- » Simple Payback: **$\$23,040 / \$4,641 = 4.96$**
- » Monthly Payment: **\$384 @ 60 months**

OBF Examples

- » Installed Equipment: Central Water Heating Boiler @ 90% TE
- » Measure Cost: \$16,200; Incentives/Rebates: \$1,500
- » Measure Savings: 1,480 therms/year
- » 12 month average gas charge per therm: \$1.00
- » Gas Savings Per Year: **$1,480 * \$1.00 = \$1,480$**
- » Loan Amount: **$\$16,200 - \$1,500 = \$14,700$**
- » Simple Payback: **$\$14,700 / \$1,480 = 9.93$**
- » Monthly Payment: **$\$122.50 @ 120 \text{ months}$**

CHEEF On-Bill Repayment Pilots

- » Borrower not required to pursue utility rebate or incentive
- » Non Profits are eligible borrowers
- » No cost for credit enhancement
- » No requirement for borrower equity injection
- » Supports loans, leases & ESAs
- » Lenders control underwriting criteria
- » No building equity required
- » No lien on real property
- » Flexibility to include non EE improvements

On-Bill Repayment Pilots

CHEEF MF Pilot as Authorized by CPUC

	Master-Metered Affordable Multi-Family
Products	Loans, Leases, ESAs
Repayment	On-Bill
Credit Enhancement	Debt Service Reserve Fund or Loan Loss Reserve
Occupancy Requirement	Owner
Service Territory	Statewide

CHEEF Pilots Commercial as Authorized by CPUC

	Small Business Lease	Small Business Loan	Commercial OBR
Products	Leases & ESAs	Loans	Loans, Leases, ESAs
Repayment	Off-Bill & On-Bill	On-Bill	On-Bill
Credit Enhancement	Loan Loss Reserve	Loan Loss Reserve	None
Occupancy Requirement	Tenant or owner occupants	Tenant or owner occupants	Tenant or owner occupants
Borrowers	Small Businesses and Non-Profits	Small Businesses & Non-Profits	Any size business, government and Non-Profit

Multi-Family Direct Install Programs

No-Cost Solutions

Energy Savings Assistance (ESA) Program

- No-cost home improvements to income-qualified renters/homeowners (\leq 200% FPG)
- Improvements include weather-stripping, attic insulation, low-flow showerheads and aerators, minor home repairs

Middle Income Direct Install (MIDI) Program

- No-cost home improvements to income-qualified households (201-300% of FPG)
- Improvements includes duct sealing, insulation, low-flow showerheads and aerators

MF Direct Therm Savings Program– low-flow showerheads and aerators

On-Demand Efficiency Program– on-demand recirculation pump controls

Multi-family Whole Building (EUC) Program

Comprehensive Retrofits

- Promotes long-term energy benefits through comprehensive energy efficiency retrofit measures identified through an investment grade audit
- SoCalGas Account Executives or Consultants work as a single point of contact
- Multi-family energy consulting firms perform consultation, project review, pre and post project assessment and inspection, and final reports
- Provides calculated rebates based on whole property/building simulated energy reduction
- Incentives will be: (1) Paid on a “per dwelling unit” basis; (2) Tiered based on the total energy savings percentage

Multi-family Energy Efficiency Rebate Program

Downstream Program

- Rebates available for installation of qualifying energy efficiency products in apartment dwelling units, common areas of apartments, condominium complexes and mobile home parks.
- Property owners (and managers) of existing residential multi-family complexes with two or more dwelling units may apply.

Available Measures

In Unit and Central Water Heaters	Space Heaters
Attic and Wall Insulation	Pool Heaters
Boiler Controllers	Dishwashers

NEW ESA Common Area Program

1st
Item

No-cost common area measures for eligible MF buildings

2nd
Item

Deed restricted MF buildings; 65% of tenants must be income qualified

3rd
Item

Utility Single Point of Contact (SPOC) will help coordinate

SoCalGas to launch by end of 2017

Contacts

- » Andrew Nih – EE Finance Programs Supervisor
 - Email: anih@semprautilities.com
 - Phone: 213-244-3433

- » **SoCalGas:** <http://www.socalgas.com/for-your-business/rebates/zero-interest.shtml>

- » Call 1-800-427-6584 (select option 6) or email scgobf@semprautilities.com to contact The Gas Company's On-Bill Financing Program Staff