

ON-BILL REPAYMENT: **Flexible Financing for Energy Efficiency and Renewable Projects**

ACEEE

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EDF PROPOSAL: ON-BILL REPAYMENT

- **Private** financing for qualifying *Energy Efficiency and Renewable Energy* projects
- Obligation is repaid on utility bill
- Repayment obligation becomes tariff on meter
- Projects originated by contractors
- Projects required to produce net monthly savings
- Utilities follow standard collection procedures



Tying the obligation to the meter and requiring repayment on the monthly utility bill lower credit risk for lender

COMPONENTS OF OBR

- OBR is a network, not a prescribed program
 - Open-source model that accommodates variety of contractor and financial business plans
- Third-Party servicer would process payments
 - Reduces the administrative burden on utilities
 - Creates uniform standard for contracts, lowers transaction costs
- Scale and standardization can reduce costs
 - Recommend uniform statewide programs
- Utilities should be adequately compensated for services
 - Fees from lenders/investors
 - Credit for energy savings

OBR OFFERS FLEXIBILITY

A well-designed OBR program maximizes ***Flexibility*** with a range of eligible property types, transaction structures, and projects

Property Types

- Single Family
- Multi Family
- Small Business
- Commercial
- Industrial
- Public

Structures

- Loans
- Leases
- Energy Service Agreements (ESAs)
- PPAs

Projects

- Retrofits
- Renewables / CHP
- Energy Star Appliances

WHERE WE ARE TODAY

- The California PUC passed a decision last year requiring the state's IOUs to implement On-Bill Repayment for commercial properties
 - EDF is working closely with stakeholders to design a program that maximizes flexibility
 - The IOU's consultants, Harcourt Brown & Carey, released pilot proposal on 10/19
 - Expected to be operational Q3 2013
- Interest from broad range of EE and solar project developers and investors
 - Strong launch will build national momentum
- EDF is working with stakeholders in Hawaii, Ohio and Other States to pursue programs in 2013

THANK YOU

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