

2013-2014 Energy Efficiency Finance Pilots

April 9, 2013





PG&E EE Finance

PG&E is working to make Energy Efficiency financing successful:

- Working to complement existing financing offerings
- Ongoing market research
- Integration with existing EE programs

Existing Finance Program Summary		
	What is Currently Available?	Additional Pilots
Single Family Residential	ARRA Continuation Programs	Local Lender WHEEL Moderate Income Energy Financing Line Item Charge (EFLIC)
Multi Family Residential	On-Bill Financing (Non-Residential Meters)	Energy Financing Line Item Charge +
Small and Medium Business	On-Bill Financing	On-Bill Repayment / EFLIC*
Large Commercial and Industrial	On-Bill Financing	On-Bill Repayment / EFLIC*
Municipalities, Universities Schools and Hospitals	On-Bill Financing	On-Bill Repayment / EFLIC*

*On-Bill Repayment does not need to include automatic transferability, SONP, or charges to the existing payment prioritization mechanisms in order to launch quickly.

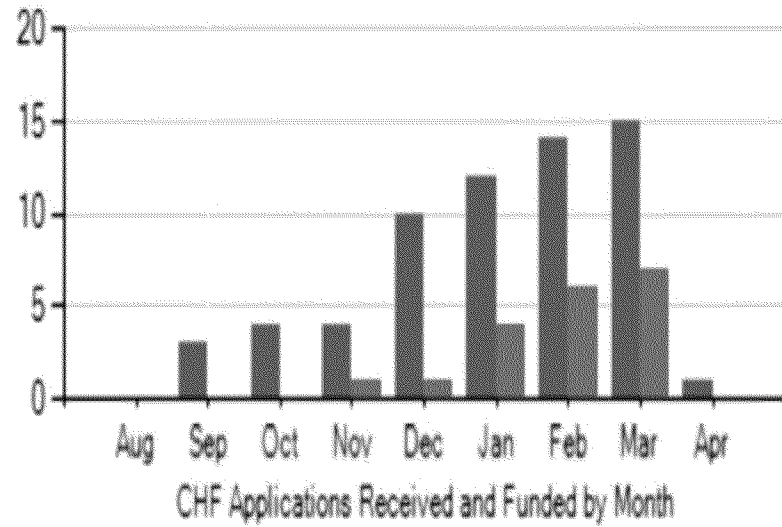
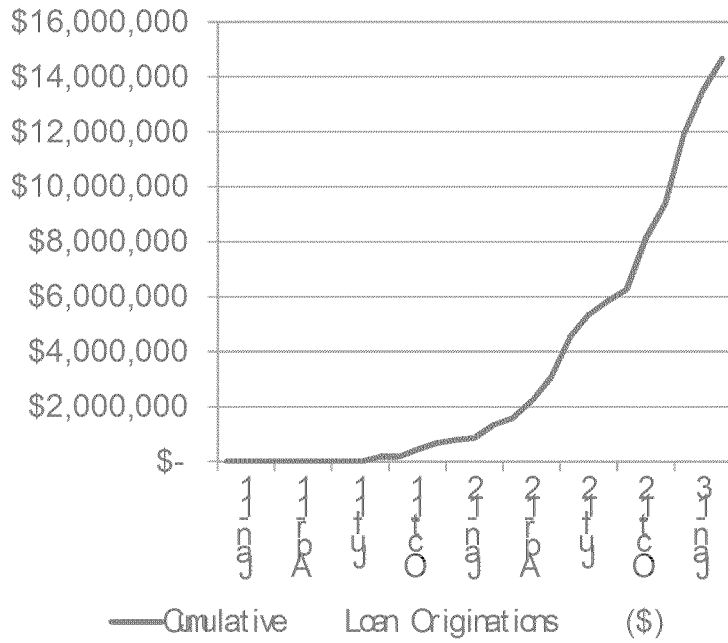


PG&E's EE Finance Program Growth

On-Bill Financing Non-Residential Loans

CHF - MIST 2 Residential Loans

2011-2013 (YTD) Cumulative Loan Originations (\$) by Month





PG&E Finance Program Recommendations

PG&E agrees with the Expert Consultant recommendations that the CDR program should:

- Include transferability only with affirmative consent from building owners and financial institutions
- Utilize existing IOU billing mechanisms and payment prioritization

Pilots can be developed and launched quickly, assuming:

- Defer complex legal and regulatory issues for further development of the record on need for and legality of: automatic transferability of loan payment obligations with shut-off for non-payment; and customer dispute resolution process.
- Clarify that financing is only available for Energy Efficiency products.

PG&E agrees that the IOUs should contract with the Master Servicer for Pilot Launch:

- Leverage financial institution expertise to support efforts
- Ensure that processes and legal structure is in place to protect ratepayers