

EASY LOANS

No application fees, points, or hidden costs

Interest Rate
3%

FINANCING FOR ENERGY EFFICIENCY
& ENERGY GENERATION PROJECTS

APPLICATION

- Public Schools & Colleges
- Local Governments
- Special Districts
- Public Hospitals
- Public Care Institutions

ARNOLD SCHWARZENEGGER
Governor



California Energy Commission

www.energy.ca.gov/efficiency/financing/
Phone: (916) 654-4104

FINANCING FOR ENERGY EFFICIENCY

Are You Eligible?

- Public Schools and Colleges
- Cities
- Counties
- Special Districts
- Public Hospitals
- Public Care Institutions

Does Your Project Qualify?

You can purchase and install any commercially-available energy efficiency equipment with proven energy and/or capacity savings. Examples of qualified projects:

- Lighting
- Heating and air conditioning systems
- Motors and pumps
- Automated energy management systems and controls
- Cogeneration equipment
- Light emitting diode (LED) traffic signal modules
- Renewable energy systems
- Thermal energy storage systems

Projects already funded with an existing loan or already installed are ineligible. Please call if you have any questions.

When Can You Start Your Project?

Your loan agreement must be fully executed before you can start your project. **Only project-related costs that are incurred and paid for after Energy Commission's loan execution may be included in the loan request.**

Applicants assume all financial risk should the Energy Commission not approve the application or if all loan documents are not executed.

If the loan is not approved or executed, the Energy Commission is not responsible for reimbursement of any costs.

Does Your Facility Qualify?

Existing buildings or other energy using facilities are eligible. Some new buildings and facilities may also be eligible. Please call to discuss eligibility.

How Much is Available?

Please call for latest funding availability. Loans can finance up to 100 percent of the project costs.

When Should You Submit Your Application?

Now! This solicitation is open continuously with no final filing date. Applications for funding will be accepted on a first come, first served basis, reviewed by a technical committee, and awarded based on project merit. The Energy Commission reserves the right to close the solicitation period at any time, so don't delay. Don't miss this opportunity.

Criteria for Loan Approval

A feasibility study is required to verify savings. Energy efficiency projects must be technically and economically feasible.

Loans for energy projects must be repaid from energy cost savings within a maximum of 15 years, including principal and interest (approximately 11 years simple payback).

Simple payback is calculated by dividing the dollar amount of the loan by the anticipated first year's annual energy cost savings:

$$\text{Simple Payback (yrs)} = \frac{\text{Amount of Loan (\$)}}{\text{Anticipated Annual Energy Savings (\$/yr)}}$$

Interest Rate

The interest rate is a fixed 3 percent for the term of the loan.

Loan Security Requirements

It's simple. A promissory note and a loan agreement between you and the Energy Commission are all that is required to secure the loan. Please call to get a copy of these documents or you can download them at: www.energy.ca.gov/efficiency/financing/

How Are Funds Disbursed?

The funds are available on a reimbursement basis. For each reimbursement request, receipts invoices for incurred expenses must be submitted along with payment verification by your organization.

The final 10 percent of the funds will be retained until the project is completed. Interest is charged on the unpaid principal computed from the date of each disbursement to the borrower.

Repayment Terms

The repayment schedule is based on the estimated annual projected energy cost savings from the aggregated project(s), using energy costs and operating schedules at the time of loan approval. In some cases, the loan repayment schedule can be extended up to 15 years.

Applicants will be billed twice a year after the projects are completed.

Loan Agreement

A copy of the loan agreement is available for downloading as an Adobe Acrobat Portable Document Format (PDF) or Microsoft Word document at:

<http://www.energy.ca.gov/efficiency/financing/>

For Help Call (916) 654-4104

THE APPLICATION

How Do You Apply? Unless otherwise specified in the “Other Information” column, just submit the information shown below or go to <http://www.energy.ca.gov/efficiency/financing/index.html>

Your application must be complete before processing can begin. For incomplete applications, information must be received within a specific time or the application will be returned unprocessed.

Applications are deemed complete if they include all necessary documentation to verify eligibility and compliance with all the requirements as discussed below:

Application Package Items	Copies Needed	Other Information
Completed and signed loan application	Original plus one copy	
Completed Summary of Recommended Energy Efficiency Measures in Loan Request Table	One copy	
Feasibility Study*	One copy	The study must contain: a) description of energy efficiency projects and buildings or facilities affected by these projects, b) discussion of baseline energy use for the affected facilities, including annual energy related utility bills, c) all calculations and assumptions to support the technical feasibility and energy savings of the recommended projects, d) proposed budget detailing all project costs, and e) proposed schedule for implementation of the projects.
Copy of a signed resolution, motion, order, etc. from your governing board (see sample).	One copy	The resolution must be submitted with the loan application. The title of the official signing the loan agreement must be the same one named in the resolution, motion, or order. The agenda item and/or the resolution should include the finding on CEQA compliance.

For Help Call (916) 654-4104

<p>CEQA Compliance Documentation</p> <p>For more information about CEQA, including links to exemptions and forms, see Attachment 1.</p>	<p>One copy</p>	<p>Include a copy of documentation demonstrating that the applicant has complied with the California Environmental Quality Act (CEQA) in approving the project. There are three possible actions the applicant can take. The applicant could determine that the activity undertaken by the loan is:</p> <ol style="list-style-type: none"> 1. Not a project (include analysis supporting the conclusion that the activity is not a project); or 2. A project that is exempt (include the Notice of Exemption); or 3. The project is not exempt, in which case the applicant should indicate which type of environmental document it has prepared: <ul style="list-style-type: none"> --Negative Declaration (include the Notice of Determination) --Mitigated Negative Declaration (include the Notice of Determination) --Environmental Impact Report. (Include the Notice of Determination.)
<p>Copy of agenda item (staff report) accompanying resolution</p>	<p>One copy</p>	<p>The agenda item and/or the resolution should include the finding on CEQA compliance.</p> <ul style="list-style-type: none"> • If the CEQA finding is in the agenda item, include both the item and the resolution. • If the CEQA finding is in the resolution, application does not need to include a copy of the agenda item

* If you are submitting multiple applications, please put each application package in a separate envelope. If the energy audit/feasibility study is used to justify energy efficiency projects in multiple applications, submit one copy of the audit/study and indicate the application package that contains the audit /study



Where Do I Submit My Application?

Send your application package with the specified copies to:

California Energy Commission
Special Projects Office
Attn: ECAA Loan Program
1516 Ninth Street, MS 42
Sacramento, CA 95814-5512



Who Do I Call?

Call or email the California Energy Commission to discuss project and facility eligibility, funding availability, and application requirements.

(916) 654-4104
PubProg@energy.state.ca.us

A copy of the loan agreement is available for downloading as an Adobe Acrobat Portable Document Format (PDF) or Microsoft Word document at:

<http://www.energy.ca.gov/efficiency/financing/>

Energy Commission staff will review your loan application. It may be necessary to arrange a site visit to discuss your project and loan request.

For Help Call (916) 654-4104

APPLICATION FOR ENERGY COMMISSION FINANCING

Interest Rate 3%

1. APPLICANT INFORMATION

Applicant:		
Mailing Address:	City:	Zip:
Street Address:	City:	Zip:
County:		
Contact Person:	Title:	
E-mail:	Phone:	Fax:
Name of Utility Providers:	Electric:	Gas (or other):

2. PROJECT INFORMATION

- A. Have you already applied for utility rebates and incentives for the projects that you are requesting loan funding?
- Yes, Go to Item 2B
 - No, we have not applied but plan to do so in the future. Go to Item 2B
 - No, we do not plan to apply for any utility rebates. Go to Question 3
 - Don't know what programs are available. Go to Question 3
- B. If you have applied for utility rebates or plan to do so for the projects in your loan application, please indicate:

Name of Utility:
Name of Utility Efficiency Programs:
Estimated Amount of Rebate, if known:

3. PROJECT SCHEDULE

Tentative project start date:
Tentative project completion date:

For Help Call (916) 654-4104

4. PROJECT BUDGET

Total project costs (include all installation costs):
Amount requested from the Energy Commission:

5. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) COMPLIANCE

The entire CEQA statute and Guidelines current as of January 1, 2009 can be found at : <http://www.califaep.org/userdocuments/File/2009%20CEQA%20Statute%20and%20Guidelines2.pdf>.

A. Is there documentation demonstrating your compliance with CEQA?

- Yes, Go to B.
- No, STOP: Please complete CEQA compliance documentation before submitting application. (See attachment 1)

B. What finding did your governing body make? Activity funded by the loan is:

- Not a project.
- Is a project, and is exempt: List applicable exemption:
___ Statutory (list code section): _____
___ Categorical (list section from CEQA Guidelines): ___ 14 CCR _____

Is a project that is not exempt.

Applicant prepared the following environmental document:

- ___ Initial study + Negative Declaration
- ___ Initial study + Mitigated Negative Declaration
- ___ Environmental Impact Report
- ___ Other (describe)

Notice of Determination filed? Date: _____

For more information about CEQA, including links to exemptions and forms, see Attachment 1.

6. WHERE DID YOU HEAR ABOUT OUR PROGRAM?

Please tell us where you heard about our loan program.

- Energy Commission Website
- Energy Commission Staff Presentation
- Literature at Trade Show or Workshop
- Utility Company

- Recommendation by Another Public Agency
 - Other (please specify)
-

7. CERTIFICATION

To the best of my knowledge and belief, the data in this application are correct and complete.

Name of Authorized Representative:		
Title:		
Signature of Authorized Representative:		
Date:	Phone:	Fax:

Summary of Recommended Energy Efficiency Measures in Loan Request

For each application, list the projects for which you are requesting a loan and identify the savings, project cost and payback for each project. Total the savings and project cost at the end of the table. Insert more rows as needed.

Project	Peak Demand Savings (kW)	Annual Electric Savings (kWh)	Annual Natural Gas Savings (therms)	Annual Other Energy Savings (specify units)	Annual Cost Savings	Project Installation Cost	Simple Payback (years)
Example: Install T8 lamps and electronic ballast	48	266,405	0	0	\$24,113	\$100,790	4.2
TOTAL							

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SAMPLE RESOLUTION

RESOLUTION NO. _____

Resolution of

Name of Institution or Organization

WHEREAS, the California Energy Commission provides loans to schools, hospitals, local governments, special districts, and public care institutions to finance energy efficiency improvements;

NOW THEREFORE, BE IT RESOLVED, that _____

authorizes _____ *Governing Body*
Name of Institution or Organization to apply for energy efficiency loan from the California Energy Commission to implement energy efficiency measures.

BE IT ALSO RESOLVED, that in compliance with the California Environmental Quality Act (CEQA), _____ (Governing Body) finds that the activity funded by the loan is _____ (not a project because ___) or (a project that is exempt under ___ because ___) or (a project and ___ document was prepared.)

BE IT ALSO RESOLVED, that if recommended for funding by the California Energy Commission, the _____ *Governing Body* authorizes _____ *Institution or Organization* to accept a loan up to \$ _____ *Loan amount requested*.

BE IT ALSO RESOLVED, that the amount of the loan will be paid in full, plus interest, under the terms and conditions of the Loan Agreement, Promissory Note and Tax Certificate of the California Energy Commission.

BE IT FURTHER RESOLVED, that _____ *Title of Designated Official* is hereby authorized and empowered to execute in the name of _____ *Institution or Organization*

all necessary documents to implement and carry out the purpose of this resolution, and to undertake all actions necessary to undertake and complete the energy efficiency projects.

Passed, Approved and Adopted this _____ day of _____, _____
Month *Year*

Governing Board Representatives:

ATTACHMENT 1

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) INFORMATION

CEQA requires state and local agencies (public agencies) to identify the significant environmental impacts of their actions and to avoid or mitigate them, if feasible. For an explanation of the CEQA process, please visit:

www.ceres.ca.gov/ceqa/more/faq.html

Applications selected for loan funding may meet the definition of a "project" for purposes of CEQA. (See Public Resources Code section 21000 et seq.) If the project is exempt, the applicant will file a Notice of Exemption at the Governor's Office of Planning and Research. Exemptions are listed in: Title 14 Code of California Regulations sections 15260 – 15285 (statutory exemptions) Title 14 Code of California Regulations sections 15300 – 15333 (categorical exemptions). Some applications may not be considered a "project", if the activity will not cause a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

(See reference below to entire CEQA statute and Guidelines, where the text of the exemptions can be reviewed).

If no exemption applies, certain CEQA requirements (such as preparation of an initial study, a negative declaration, or an environmental impact report) must be met.

Sample forms can be found on the Governor's Office of Planning and Research website:

- Notice of Exemption form:
http://www.opr.ca.gov/planning/publications/NOE_2006.pdf.
- Notice of Determination:
http://www.opr.ca.gov/planning/publications/NOD_2006.pdf
- Other forms and publications:
<http://www.opr.ca.gov/index.php?a=planning/publications.html#pubs-N>

The entire CEQA statute and Guidelines current as of January 1, 2009 can be found at:
<http://www.califaep.org/userdocuments/File/2009%20CEQA%20Statute%20and%20Guidelines2.pdf>.

Arnold Schwarzenegger
Governor



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