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American Recovery and Reinvestment
Act of 2009

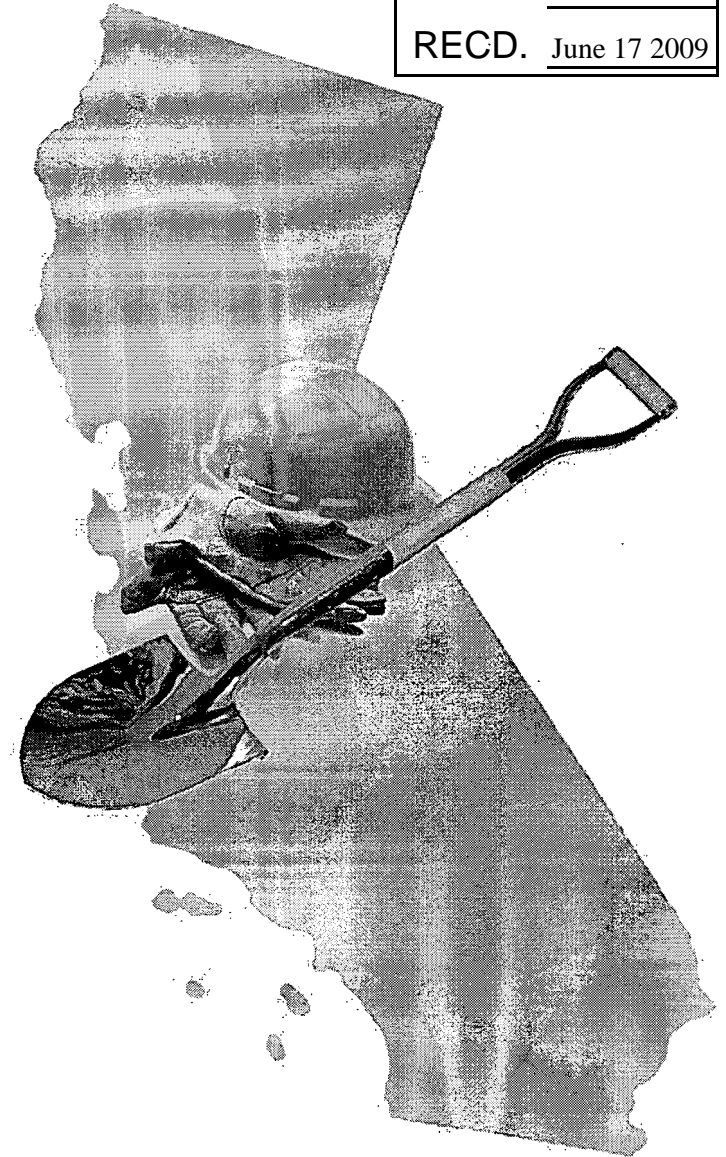
Residential and Nonresidential Efficiency Retrofit Program Options

May 4, 6 & 7, 2009

California Energy Commission

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Residential and Nonresidential Efficiency Retrofit Program Goals

- Revolving Loan Programs or Highly Leveraged Funding
 - Fits Direction from Dep't of Energy
 - Greatest Impact for Funding Available
 - Avoid Boom-Bust Cycles of Funding
- Focus on Job Creation and Retention as much as Possible
 - Guiding Principle for Use of ARRA funds
 - Extend Employment through reuse of funds



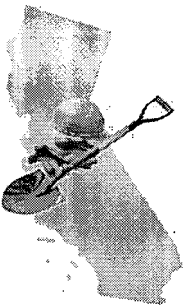
Non-Residential Retrofit Program Concepts

- Local Government Loan Program
 - ARRA funds would augment current funding in the Commission's Energy Conservation Assistance Act loan program
- Government Loan Matching Grants
 - ARRA funds would be used to augment the Energy Conservation Assistance Account loan program.
 - Governments borrowing for appropriate projects would receive a grant for a portion of the project.



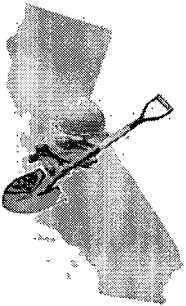
Non-Residential Retrofit Program Concepts

- **Building Standards Enforcement**
 - Local building departments enforce the complex state building energy efficiency standards
 - ARRA funds would fund an expert staff person at each building department that applied, to assist other personnel in standards education and enforcement.
- **Small Business Efficiency Loan Program**
 - The Commission would provide ARRA funds as seed money for a non-bank entity to provide low interest loans to small businesses to improve their energy efficiency.



Non-Residential Retrofit Program Concepts

- Industrial Efficiency Loans
 - Commission Engineers have identified a number of cost-effective industrial efficiency projects
 - The Commission would contract with a non-bank financial organization to provide low interest, ARRA-funded loans for approved industrial efficiency projects
- Small Business Retrofits
 - The Commission would contract to retrofit local businesses, in low income areas, with energy saving measures, such as white roofs, efficient lighting, refrigerator gaskets and refrigeration maintenance materials.



Residential Retrofit Program Concepts

- Local Jurisdiction Retrofit Funding
 - Options for local assessments (AB811) and bond financing
 - Homeowner applies for loan from city or county
 - Loan is for Energy Efficiency Retrofit Work
 - Repayment on Property Tax Bill
- ARRA Funds Possibly used for:
 - Funds go to jurisdiction as initial pool of loan funds,
 - Money for “bridge” financing, as loans are aggregated for a bond sale
 - Funds for loan loss reserve, to keep loan interest rates down



Residential Retrofit Program Concepts

- Home Energy Ratings System Audits
 - Use ARRA funds to subsidize energy audits and ratings of existing Homes and Multi-Family Buildings
 - Owners then know what upgrades will save energy and money
 - Homebuyers will have information for Energy Efficiency or Energy Star Mortgages
- Neighborhood-Based Weatherization and Retrofits
 - ARRA-funded low income weatherization and retrofits extend to 200 percent of poverty level
 - Use SEP funding for low-moderate income neighborhoods
 - Use preselected measures on homes
 - Economies of Scale from focusing on neighborhoods



Residential Retrofit Program Concepts

- Home Performance Contract Retrofits
 - Homeowner relies on a home performance contractor to select and make energy upgrades
 - SEP funds subsidize the project, based on savings.

