

From: Dixon Wright
Sent: Friday, May 28, 2021 11:56 AM
To: 'cheef@treasurer.ca.gov'
Cc: Verhoef, Jonathan
Subject: CAEATFA Public Comment - Orange Button

May 28, 2021

David Gibbs, Program Manager
Jonathan Verhoef, CHEEF Program Specialist
Miriam Joffe-Block, CHEEF Senior Manager

RE: Orange Button Comments and Recommendations

Thank you for the presentation on May 21st, and all the work that goes into modifying the regulations to support a broader use of the On Bill Platform to attract financial markets to provide competitive financing for clean energy projects, including solar photovoltaic, solar thermal, wind power, hydropower, biomass, fuel cells, combined heat and power, and battery storage to name a few.

This work by California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) aligns with the California Public Utility Commission OIR Order Instituting Rulemaking to Investigate and Design Clean Energy Financing Options for Electricity and Natural Gas Customers (20-08-022)

It also aligns with the DOE Orange Button initiative to establish ecosystem data interoperability to drive down costs, streamline administration, improve underwriting and risk management to attract financial markets to provide competitive financing for clean energy projects.

We appreciate the time CHEEF has spent meeting with us and offer the following comments and suggestions for how the On Bill Repayment program can leverage the work of Orange Button to attract financial markets, including insurance and surety, for the benefit of the On Bill Repayment program and its stakeholders.

Our comments are based only on those loans the third-party lender is making to the consumer outright, with no liability to CHEEF or the IOU, not a micro-loan or part of the loss reserve or credit enhancement components which warrants tighter control for participation.

Recommendations:

1. Projects financed under OBR and connecting to the Smart Grid should be aligned with the [NIST Framework and Roadmap for Smart Grid Interoperability Standards, Release 4.0](#),
2. CHEEF should leverage [Orange Button](#) data interoperability to drive down costs, streamline administration, improve underwriting and risk management to attract financial markets to provide competitive financing for clean energy projects.
3. CHEEF should participate and engage as part of the digital ecosystem with the Orange Button submission to the DOE Loan Programs Office (LPO) to establish a loan facility and digital ecosystem to support On Bill Repayment programs nationally, should the DOE LPO express interest.
4. CHEEF should participate and engage as part of the digital ecosystem with the Orange Button submission to the California Infrastructure and Economic Development Bank (EDB) "Climate Catalyst Revolving Loan Fund" to establish a loan facility and digital ecosystem to support On Bill Repayment programs in California, should the EDB express interest. Resent April 16th email today, May 28th.

5. CHEEF, its Master Service contractor Concord Servicing and IOU's should leverage Orange Button data interoperability and engage as a stakeholder in the digital ecosystem.
6. Permits for solar projects should be secured utilizing NREL administered SolarApp, with data interoperability for permit data for project stakeholders.
7. The loan amount being capped at five million dollars is appropriate where loss reserves are provided by the program, but if CHEEF has no financial obligation of any kind there should be no limit to what a consumer wants to borrow and lender is willing to fund, or surety willing to support.
8. If a lender or surety has qualified the borrower, and CHEEF and/or the IOU has no financial obligation of any kind should the borrower default, there should be no constraints or requirements for making the loan. (Section 10092.6 - Eligible Financing Customers)
9. If a surety guarantees the contractor work with performance and payment bonds to fully protect the consumer, CHEEF should not impose a separate qualification process for the contractor.
10. Loans should not be required to be cost neutral so qualified borrowers can decide to install improvements at any level that can be supported by a lender and/or surety bond.
11. Recommend there be a provision for future NEMS3 charges to be included in On Bill Repayment once determined.

Thank you again for enabling the On Bill Repayment platform for all the options being made available to consumers. It is not a one size fits approach, and flexibility is critical.

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