

GHG Included in Permit Review

- Incorporate GHG evaluation into all permitting
- Require Best Available Control Technology (BACT) for significant GHG increases
- Uses current regulatory strategy to control GHG
- Provides a path forward to incorporate technology and energy efficiency strategies as they become available
- Works in partnership with CARB Cap and Trade program
- Identifies areas for direct regulatory action to further reduce GHG



Property Assessed Clean Energy Programs

BAAQMD
Climate Protection Committee

Cisco DeVries
CEO, Renewable Funding

May 21, 2015





28% of U.S. residential energy
use could be cut by pursuing cost-
effective energy efficiency measures

McKinsey, 2009

Inside the \$40+ billion/year Home Energy Improvement Market

Renewable Funding's target market spans a broad spectrum from equipment replacement to combined proactive home performance with solar projects



HVAC
\$18 B



Roofs
\$12.5 B



**Windows
& Doors**
\$9 B



**Home
Performance &
Solar**
\$2.9 B



Barrier: Upfront Cost

Cisco's iPhone Bill

\$119/ month
\$1,428/ year
\$28,560/ 20 years



Cisco's Utility Bill

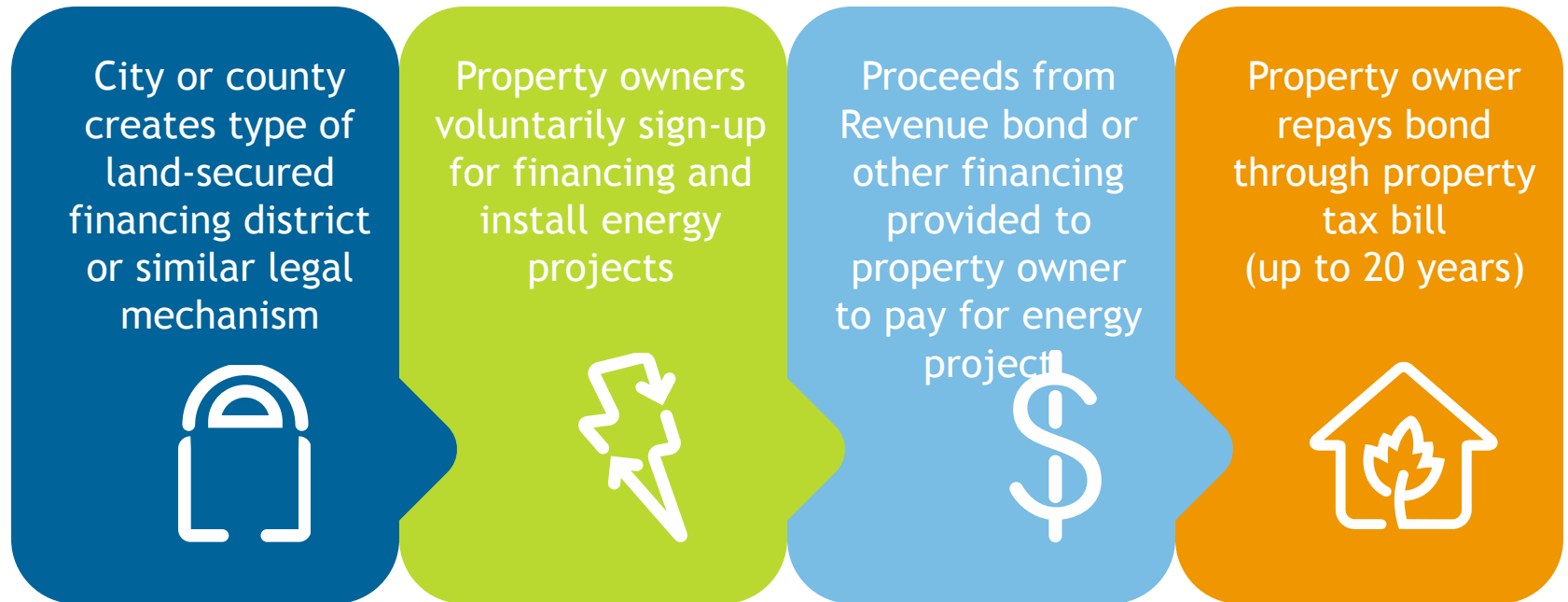
\$129/ month
\$1,548/ year
\$30,960/ 20 years





PACE = Property Assessed Clean Energy

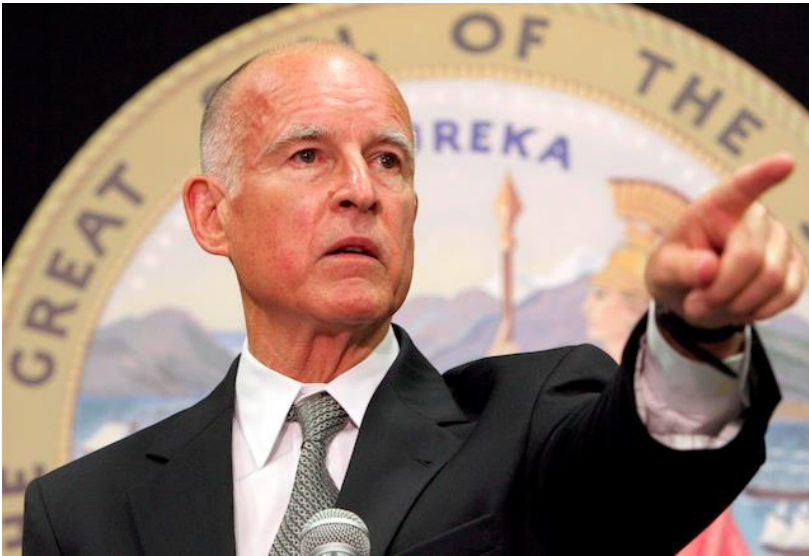
How PACE Works





Berkeley Mayor Tom Bates and Jeanne Pimentel.

California Launches PACE Mortgage Reserve Program



- FHFA halted most PACE programs in July 2010 based on concerns it creates risk for mortgage holders
- In 2013, the State of California approved creation of a PACE reserve program to pay mortgage holders for losses taken if a PACE lien impairs mortgage recovery during a foreclosure
- In March 2014, CAEATFA (State Treasurer's Office) adopted rules and launched the PACE reserve program
- Local participation in residential PACE grew dramatically following launch of PACE reserve
- To date, no draws have been made on the Reserve

August 2014: Launch of CaliforniaFIRST Residential Program

Contractor login

California**FIRST**.
ENERGY SAVING FINANCING

Apply now Find a contractor News (844) 589-7953

Saving Home Energy and
Money Just Got Simpler

CHECK YOUR ELIGIBILITY

Enter street address

**No banks. No money down.
Not based on FICO score.**

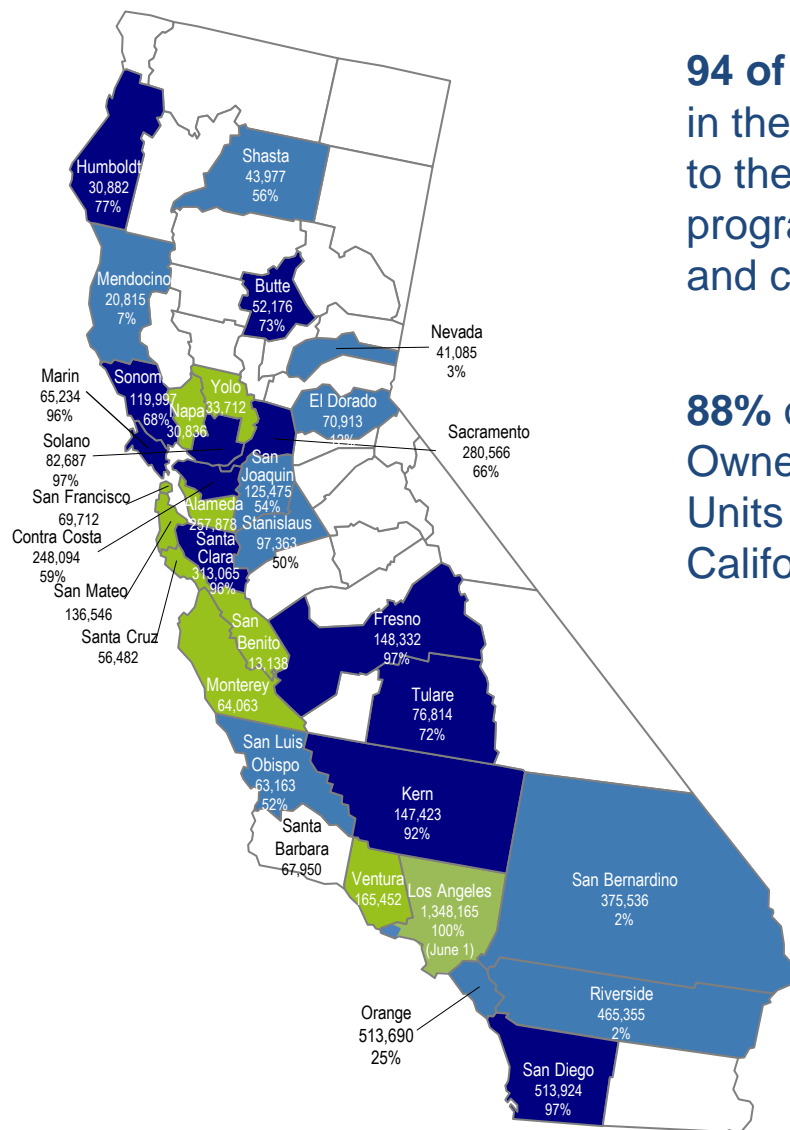
CaliforniaFIRST™ financing doesn't rely on your personal credit rating. And you don't need to put any money down. Through an innovative partnership with your county government, CaliforniaFIRST offers affordable long-term financing you can repay on your property taxes. Financed amount won't appear on credit report – No impact on future debt-to-income ratio. See if

An Innovative Public-Private Partnership



CaliforniaFIRST is an innovative partnership between your county government and a private financing company that allows you to receive upfront funding for energy efficiency, renewable energy and water efficiency

CaliforniaFIRST Status & Growth



- Full county and city participation in CaliforniaFIRST
- Up to 60% of owner-occupied units in that county opted in to CaliforniaFIRST
- More than 60% of owner-occupied units in that county opted in to CaliforniaFIRST

94 of the 107 jurisdictions in the Bay Area have opted in to the CaliforniaFIRST PACE program for both residential and commercial properties.

88% of the Single Family Owner Occupied Housing Units in the Bay Area can use California FIRST today.

CA FIRST: Commercial and Residential Progress



Solano County homeowner
Anjurle Duchaussee



Tiburcio Vasquez Health Center
in San Leandro, CA

- CaliforniaFIRST residential

- Launched in August 2014
- Bay Area Statistics
 - 1,900 applications for \$44.6 million in projects
 - 954 projects in contract or funded for total of \$23.2 million
 - Created 312 jobs
- Over next 12 months: ~14,000 projects for \$238 million in Bay Area

- CaliforniaFIRST Commercial

- \$89 million in pending Bay Area commercial PACE applications
- Closed \$5.5 million in commercial PACE projects this month
 - Solar for Vazquez Health Center in San Leandro
 - Energy efficiency improvements for Stoneridge mall in Pleasanton

Everything Will Change: The Disrupted and Distributed Future



“In the 100+ year history of the electric utility industry, there has never before been a truly cost-competitive substitute available for grid power. We believe that solar + storage could reconfigure the organization and regulation of the electric power business over the coming decade.

(Barclays Credit Research, May 20, 2014)

“Renewable energy is a technology. In the technology sector, costs always go down. Fossil fuels are extracted. In extractive industries, costs (almost) always go up. Renewable and fossil fuel cost per unit of energy are now roughly comparable in many places... but heading in opposite directions. The fight between the two is going to get more and more one-sided each year as the divergent cost characteristics of these two sectors compound.... In short, it is later than you might think.” **(Bernstein Research, Nov. 18, 2014)**

Thank You

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