



Financing Supplement to the Energy Efficiency Retrofit Program Application

The Energy Efficiency Retrofit Loan Program [the "Program"] is funded by California utility customers and administered by Pacific Gas and Electric Company [PG&E] under the auspices of the California Public Utilities Commission [CPUC]. The Program provides qualified PG&E customers with a means to finance energy-efficient [EE] retrofit projects implemented under select PG&E EE Programs [the "Qualified Program"]. The loans issued under the Program are interest-free, unsecured loans to fully or partially reimburse qualified PG&E customers for the costs they incur in connection with a qualified retrofit project [the "Retrofit Project"], which term shall mean the energy efficiency retrofit project described in Customer's relevant Energy Efficiency Program Application.

Conditions for Eligibility: Participation in the Program is limited to PG&E customers that meet the following conditions and satisfy these conditions throughout the duration of the Retrofit Project up to and including the date of Final Verification [defined below in Section 8]: [a) the PG&E customer must be a business ["Commercial Customer"] or a federal, state, county or local government agency ["Government Customer"]; Commercial Customers and Government Customers are collectively referred to as "Customer;" [b) Customer currently receives service from PG&E at the location of the Retrofit Project [the "Location"]; [c) Customer has continually maintained an active PG&E account for the previous 24 months and has a minimum of 12 months of historical metered energy usage at Customer's current Location; [d) at the time the Customer's Program Application is Approved and Customer's Loan Agreement is executed, and at the time the loan is to be funded following completion of the Retrofit Project and satisfaction of all other requirements of the Loan Agreement, Customer must be in good credit standing, as determined by PG&E through credit review which may include a commercial credit check and a bill history review, which may be based upon the following and other criteria:

- a. No 24-hour disconnection notices in the last 12 months;
- b. No returned payments within the last 12 months;
- c. No more than 1 payment arrangement in the last 12 months;
- d. No broken payment arrangements within the last 12 months;
- e. No deposit assessed within the last 12 months; and
- f. The Retrofit Project qualifies and Customer is eligible for an incentive under the Qualified Program.

Loan Amount and Term Limitations

Interest	0%, with no additional fees or charges
Minimum Loan Amount	\$5,000
Maximum Loan Amount	Commercial Customer: \$100,000 / premises Government Customer: \$250,000 / meter
Maximum Loan Term, not to exceed the Expected Useful Life [EUL] of the measures	Commercial Customer: 60 months Government Customer: 120 months

Loan Features: The loans offered under the Program are interest-free [0%] and free of any fees, late payment penalties or other charges. The loan terms and conditions are set to provide simple payback from energy savings during the maximum allowed loan term, and are calculated by dividing the loan amount [eligible project cost less Qualified Program Incentives] by the estimated monthly energy savings resulting from the Retrofit Project. The ensuing number of monthly payments must not exceed the Maximum Loan Term set forth in chart below ["Loan Amount and Term Limitations"].

Eligibility: Prior to purchasing and installing any energy-efficient measures or equipment under the Qualified Program, Customer must satisfy the eligibility requirements of both the Program and Qualified Program. Because energy efficiency projects in progress are ineligible under the Program, Customer must have an inspection of the Retrofit Project and Location conducted and completed by PG&E before commencing any work or purchasing any equipment for the Retrofit Project.

Inspection: PG&E will assist Customers in understanding the energy efficiency measures available under the Qualified Program and will answer their questions concerning this Program. After Customer has decided upon the measures that comprise the Retrofit Project, PG&E will request an engineering review, perform an inspection of the Location, calculate the Loan Terms and prepare the Loan Documents. Thereafter, PG&E will provide Customer with a copy of the inspection report, a Loan Agreement, the Application, the applicable On-Bill Financing [OBF] Gas and/or Electric Rate Schedule and Loan Calculation Summary Sheet [collectively, the "Loan Documents"].

Loan Documents: If the terms of the loan are acceptable, Customer shall execute the Loan Documents and return them to PG&E prior to the commencement of the Retrofit Project. Incomplete or incorrect applications cannot be processed and may result in the delay of PG&E's approval and possible disqualification from the Program. Customer may withdraw this Application for any reason without penalty by sending written notice to PG&E.

Customer's Responsibilities for Contractor and Vendor: Upon PG&E's notification to Customer that the Retrofit Project is eligible for the Program, Customer may begin the Retrofit Project pursuant to the contract agreed upon by Customer, its contractor or vendor. PG&E does not endorse or recommend any particular contractor or vendor nor does PG&E review any contractor or vendor proposals. Rather, Customer shall be solely responsible for reviewing the feasibility of the contractor's and vendor's proposal(s) and verifying their respective qualifications, pricing, energy savings, warranties and the terms and conditions of the contractor's and/or vendor's contract with Customer.

*Residential customers are ineligible.

PG&E Disclaimers: CUSTOMER'S DESIGN OF THE RETROFIT PROJECT AND SELECTION AND USE OF ENERGY EFFICIENCY EQUIPMENT, MEASURES AND SELECTION OF CONTRACTORS AND VENDORS IS AT CUSTOMER'S SOLE DISCRETION AND AT CUSTOMER'S SOLE RISK. TO THE EXTENT PERMITTED BY APPLICABLE LAW, PG&E EXPRESSLY AND SPECIFICALLY DISCLAIMS ANY LIABILITY IN RESPECT OF ANY ADVICE, INFORMATION OR OTHER INSTRUCTION PROVIDED BY OR ON BEHALF OF PG&E TO CUSTOMER IN CONNECTION WITH THE QUALIFIED PROGRAM, PROGRAM OR RETROFIT PROJECT. PG&E DOES NOT WARRANT OR BEAR ANY RESPONSIBILITY FOR ANY OF THE FOLLOWING:

- a. THE WORK PERFORMED BY CUSTOMER'S CONTRACTOR(S) OR VENDOR(S). THAT THE RETROFIT PROJECT IS APPROPRIATE FOR THE LOCATION;
- b. THE RETROFIT WILL RESULT IN OR YIELD ANY ENERGY EFFICIENCY SAVINGS OR A SPECIFIC AMOUNT OF ENERGY EFFICIENCY SAVINGS OR OTHER REDUCTION IN CUSTOMER'S PG&E UTILITY BILL AFTER COMPLETION OF THE RETROFIT PROJECT;
- c. THE CONTRACTOR'S OR VENDOR'S SERVICES WILL BE TIMELY, COMPLETE OR ERROR-FREE, OR THAT DEFECTS IN THE RETROFIT PROJECT WILL BE CORRECTED BY SUCH INDIVIDUALS;
- d. ANY ERRORS, OMISSIONS, DEFECTS OR DELAYS IN THE DESIGN OR CONSTRUCTION OF THE RETROFIT PROJECT OR THE OPERATION OF ANY ENERGY EFFICIENCY MEASURES INSTALLED AT THE LOCATION.

Verification: Upon completion of the Retrofit Project, Customer shall request PG&E's post-completion inspection and final verification that the Retrofit Project has been completed in conformity with the requirements of the Qualified Program and that customer remains eligible (the "Final Verification").

a. If there has been any change to the Retrofit Project's scope, cost and/or incentives available under the Qualified Program or energy savings, Customer will be required to enter into a Loan Modification Agreement with PG&E, which may include new contract terms reflecting the changes in the Retrofit Project. If a Loan Modification Agreement is required, it shall be deemed part of the "Loan Documents."

b. If the changes to the Retrofit Project are such that it no longer meets the Program's payback criteria or other conditions, the Retrofit Project will be considered ineligible, the Loan Agreement will be terminated and no loan proceeds will be disbursed.

c. IF PG&E DETERMINES, IN ITS ABSOLUTE DISCRETION, THAT CUSTOMER'S CREDIT HAS DETERIORATED OR HAS OTHERWISE PLACED CUSTOMER'S REPAYMENT OF THE LOAN AT RISK, THE LOAN PROCEEDS SHALL NOT BE ISSUED, EVEN THOUGH THE RETROFIT PROJECT MAY HAVE BEEN SATISFACTORILY COMPLETED AT CUSTOMER'S EXPENSE.

Disbursements: Subject to and following PG&E's satisfactory Final Verification, an incentive check and the loan proceeds will be issued to Customer or, at Customer's written direction, to Customer's contractor or vendor.

General Provisions:

a. Applications for loans under the Program will be accepted from qualified Customers on a first-come, first-served basis until the funds allocated by PG&E for the Program are no longer available. The Program may be modified or terminated by the CPUC or PG&E at any time and without prior notice. However, termination of the Program following execution of a Loan Agreement by Customer will not affect that Loan Agreement, or, if Customer thereafter satisfies all Program conditions, the disbursement.

b. The loan proceeds may only be used to pay or reimburse Customer for implementing or installing energy-efficient measures or equipment through the Qualified Program.

c. If there is any conflict between the terms of any document relating to the Program, the Loan Documents shall control.

d. For all retrofit projects, including but not limited to streetlight, HVAC and lighting retrofits, Customer acknowledges and understands that Customer is able to use the installation vendor or contractor of their choice.

I have read, understand and agree to all of the Energy Efficiency Retrofit Loan Program requirements and terms and conditions set forth in this Program description. I understand that loan calculations will be based on pre-inspection results and on the applicable program documentation, and that my agency/company must meet all eligibility criteria and requirements in order to participate in the Program. Any unapproved changes to project scope, costs or run hours, or to my agency's/company's creditworthiness, between the time the Loan Documents are accepted and signed and the Retrofit Project is completed and the project's and my agency's/company's continued eligibility are verified, could result in loan ineligibility.

Legal Name of Business [i.e., the formal name on your tax return] _____ Authorized Representative's Printed Name _____

Authorized Representative's Signature _____ Title _____ Date _____

Tax identification information (select one):

Federal Tax 10 Number: _____

Social Security Number: _____

FOR PG&E USE ONLY:

PG&E OBF Administrator _____ Printed Name _____ Date _____

Retrofit Program Application Number _____ OBF Application Number _____

