

2010 – 2012 On-Bill Financing Application

This On-Bill Financing (OBF) Application along with an Incentive Application (defined herein) must be submitted and approved prior to purchasing or installing your equipment. Approval of this Application does not guarantee funding. OBF Loan funding requires complete installation of equipment and fulfillment of all terms and conditions contained in this Application. Please read all terms and conditions of this Application carefully before signing, and contact your SCE representative or Contractor for further information.

Customer Information:

Company/Business Name

Company/Business Mailing Address

Company/Business Representative Name

Title

SCE Account Representative Name

Authorized Agent Information (Contractor designated in Section 1b of the Incentive Application) (If applicable):

Authorized Agent Company Name

Authorized Agent Mailing Address

Authorized Agent Representative Name

Title

Project and Site Information:

SCE Service Account #

SCE Customer Account #

IDSM Web Confirmation (W-#####)*

Customer Reference/Site Name

Project Site Address

Est. Total Project Cost \$

Est. Total Project Incentive/Rebate \$

Est. Project kWh Savings

Est. Project kW Savings

*Only required if Application is submitted online.

Program Description

The On-Bill Financing (“OBF”) program is offered by Southern California Edison Company (“SCE”) to qualified SCE non-residential service customers (“Customer”) to offset the cost of purchasing and installing eligible energy efficiency equipment (“Solutions”). Through OBF, qualified Customers will receive zero percent (0%) interest, no-fee, unsecured financing for Solutions for which incentives and rebates are approved under an eligible SCE energy efficiency program (“Eligible Program”).¹

Financing is available to qualified Customers for up to one hundred percent (100%) of the total actual installed costs of approved Solutions including certain related labor charges, less rebates or incentives received from SCE under the applicable Eligible Program. The minimum loan amount per service account available through OBF is five thousand dollars (\$5,000). The maximum OBF loan amount available per service account is (i) two hundred fifty thousand dollars (\$250,000) for government and institutional taxpayer-funded Customers,² and (ii) one hundred thousand dollars (\$100,000) for commercial Customers, including general business, industrial and agricultural entities.

Customers may qualify for multiple loans under OBF, provided that the aggregate dollar amount of the loans does not exceed the maximum OBF loan amount per service account stated above.

The maximum loan term for a taxpayer funded government or institutional Customer is ten (10) years (or the expected useful life³ of the installed Solutions, whichever is shorter). The maximum loan term for a commercial Customer is five (5) years (or the expected useful life of the installed Solutions, whichever is shorter). The monthly loan repayment amount will be approximately equal to the estimated monthly dollar savings that the Customer is expected to receive through their utility bill due to the Solution’s estimated energy savings. The maximum loan amount will be equal to the monthly loan repayment amount multiplied by the maximum loan term (or the expected useful life of the installed Solutions,⁴ whichever is shorter).

The fixed monthly loan repayment will be invoiced as a line item as on Customer’s SCE bill. In no event will the Customer be entitled to receive a loan amount in excess of one hundred percent (100%) of the total actual installed Solution costs, less rebates or incentives received for such Solutions under the Eligible Program(s). If the projected loan term is beyond the OBF loan term limit or exceeds the installed Solutions’ expected useful life, a loan of a lesser amount may be approved in SCE’s sole discretion.

The OBF program has a limited budget. SCE will accept this On-Bill Financing Application (“OBF Application”) from qualified SCE Customers and will reserve funds on a first-come, first-served basis until funds are depleted or the OBF program is terminated, whichever occurs first.

This OBF Application is for approval of a reservation of loan funds only. Issuance of OBF loan funds is conditioned on Customer’s installation of approved Solutions in accordance with the selected Eligible Program(s), satisfaction of all Eligible Program requirements, and execution by Customer of the On-Bill Financing Agreement.

The terms and conditions of SCE’s OBF program may be modified or terminated without prior notice.

¹ Eligible Programs include SCE’s Express Solutions pending (not yet installed) or Customized Solutions programs. See www.sce.com/onbill for details. Demand Response Technology Incentives Program is not an Eligible Program. To ensure eligibility of your planned Solution(s) please review the Express Solution and Customized Solutions eligibility requirements in the Energy Management Solutions Directory at www.sce.com/solutions.

² A taxpayer funded Customer is defined as a Customer using tax revenue to pay utility bills associated with a service account, included but not limited to cities, counties, public or state-funded schools, public libraries and government offices.

³ The expected useful life of a Solution is an average length of time a Solution may be operational based on historical analysis.

⁴ If there is more than one Solution installed, the expected useful life of all Solutions will be that of the Solution which contributes the greatest kWh savings for the project.

Eligibility

To qualify for the OBF program, Customer must receive an incentive and/or rebate through SCE pursuant to an Eligible Program. Customer must satisfy all requirements of each selected Eligible Program, including but not limited to execution of such Eligible Program's incentive application (defined below) and, if applicable, an Eligible Program agreement (see OBF Application Process, 3.A. below). The applicable Energy Management Solutions Incentives Application(s) for Business Customers or Energy Management Solutions Incentives Application for State of California Partnership (both referred to as "Incentive Application") executed by Customer are hereby incorporated into this OBF Application by this reference. If there is any conflict between the terms and conditions of any Eligible Program Incentive Application and the terms and conditions of this OBF Application or On-Bill Financing Agreement, the terms and conditions of this OBF Application and the On-Bill Financing Agreement shall control.

To qualify for the OBF Program, the Customer must also satisfy each of the following conditions:

- A. Customer must be an existing commercial, industrial, agricultural, government or institutional Customer of SCE.
- B. Customer must have been an SCE customer in the same business (i.e. maintained an active SCE account) for at least 24 consecutive months prior to the start of participation in OBF.
- C. Customer must be in good credit standing with SCE including: (1) no disconnect notice in the past 12 months; (2) no 48-hour shut-off notices in the past 12 months; (3) no returned payments in the past 12 months; and (4) not have a deposit on its account to establish or reestablish credit in the past 12 months.

OBF Application Process: Applying Customers must follow the following steps.

- A. The Customer or their Authorized Agent, if designated, must submit a completed and signed Energy Management Solutions Incentives Application(s) for Business Customers or Energy Management Solutions Incentives Application for State of California Partnership (both referred to as "Incentive Application") along with this 2010-2012 On-Bill Financing Application ("OBF Application"). Submit both the Incentive Application and this OBF Application on-line at www.sceonlineapp.com.⁵ SCE will use both applications to determine if a Customer is eligible to participate in the OBF program based on the Customer's credit-worthiness and the incentive eligibility of selected energy efficiency Solutions. Incomplete or incorrect applications cannot be processed. Electronic, scanned or facsimile signatures may be used for the purposes of enforcing the terms of this Application as though they were originals. A Customer may withdraw this OBF Application for any reason by providing SCE with a written notice of such withdrawal.
- B. If the Customer meets the OBF eligibility requirements and the Customer's proposed Solutions set forth in the Incentive Application qualify for rebates and/or incentives, then SCE will reserve OBF loan funds based on the eligible Solutions. A reservation of funding does not guaranty loan funding. Funding shall occur only upon satisfaction of all requirements set forth in this Application. If a Customer's OBF Application is denied, SCE will provide the Customer with a written statement of the specific reasons for the denial within 30 days of the denial.

⁵ For Customers without the capability to submit this OBF Application online, the Incentive Application and this OBF Application may be submitted by mail to Southern California Edison, Business Incentives, P.O. Box 800, Rosemead, CA 91770-0800, by email to BusinessIncentives@sce.com or by fax to 626-633-3243. Such submittal may increase processing time of this OBF Application and thus delay a Customer's priority position to reserve OBF Funds.

- C. An SCE engineer or approved third-party inspector will conduct an inspection of Customer's existing equipment consistent with the "Site Access" provision of the Incentive Application. If the existing equipment has been removed, **Customer's** project will not be eligible for OBF funding, and may not qualify for an SCE rebate/incentive under an Eligible Program.
- D. Upon notice from SCE of qualification for OBF and reservation of funding, the Customer will schedule and install the SCE-approved Solution(s) and when completed, shall submit to SCE a "Project Installation Report," along with an itemized proof of purchase, including purchase and installation dates along with specification sheet(s) for the installed Solution(s).
- E. SCE will complete a technical review, including a post-installation inspection and verification of the eligible installed Solution(s) consistent with the "Site Access" provision of the Incentive Application. The final loan amount will be re-calculated by SCE at completion and approval of installation to reflect any changes in the actual installed costs, expected useful life, or estimated energy savings of the Solutions.
- F. Customer must review and sign the On-Bill Financing Agreement provided by SCE specifying Customer's obligations for repayment and all other terms and conditions, and shall submit it to SCE. The signed and dated On-Bill Financing Agreement must be received by SCE no later than December 31, 2012.
- G. Upon receipt of the On-Bill Financing Agreement and satisfaction of all remaining OBF program requirements, including compliance with the selected Eligible Program requirements, SCE will process payment of Customer's OBF loan funds and issue a loan check payable to the Customer (or the Authorized Agent contracting on behalf of Customer and designated in this OBF Application) to be sent by mail.
- H. The initial OBF monthly loan installment will appear on the Customer's SCE bill within sixty (60) days of the effective date of the On-Bill Financing Agreement and will continue for the term of the loan, until the loan balance is paid off, or as may otherwise provided in the On-Bill Financing Agreement.

DISCLAIMER: THE FEDERAL EQUAL CREDIT OPPORTUNITY ACT PROHIBITS CREDITORS FROM DISCRIMINATING AGAINST CREDIT CUSTOMERS ON THE BASIS OF RACE, COLOR, RELIGION, NATIONAL ORIGIN, SEX, MARITAL STATUS, AGE (PROVIDED THE CUSTOMER HAS THE CAPACITY TO ENTER INTO A BINDING CONTRACT); BECAUSE ALL OR PART OF THE CUSTOMER'S INCOME DERIVES FROM ANY PUBLIC ASSISTANCE PROGRAM; OR BECAUSE THE CUSTOMER HAS IN GOOD FAITH EXERCISED ANY RIGHT UNDER THE CONSUMER CREDIT PROTECTION ACT. THE FEDERAL AGENCY THAT ADMINISTERS COMPLIANCE WITH THIS LAW CONCERNING THIS CREDITOR IS THE FEDERAL TRADE COMMISSION, EQUAL CREDIT OPPORTUNITY, WASHINGTON, DC 20580.

Verification and Certifications

I, the Customer and applicant hereunder, affirm that I have read, understand and agree to all of the specific OBF terms, conditions and other requirements and restrictions set forth in this OBF Application. I certify that all of the information I have provided in this OBF Application is true, correct and complete. I understand that I must meet all eligibility criteria and requirements of both the OBF Program and my selected Eligible Program(s) in order to participate in OBF. I further understand that if the scope of my Solution(s) changes, a new OBF Application must be submitted and will be subject to funding availability. SCE reserves the right to request additional information to verify Customer's eligibility in OBF.

Signature of Customer

Date

Signature of Authorized Agent

Date

I, as Customer and applicant, further certify that if an Authorized Agent is listed above, I have entered into a contract with said Authorized Agent for the installation of energy efficiency Solutions at the project site listed above. I understand that: (1) SCE makes no warranty or representation about the Authorized Agent's qualifications; (2) I am solely responsible for selecting the Authorized Agent to implement the project on my behalf; (3) the Authorized Agent is an independent contractor and not authorized to make any representations on behalf of SCE; and (4) that SCE will have no role in resolving any disputes between me, the Authorized Agent and/or any other third parties. I further authorize all contracts and correspondence to be sent directly to the Authorized Agent specified below. I further authorize my Authorized Agent to request and receive from SCE the Customer account information for the SCE account listed in this Application, including billing records, billing history, meter usage date, verification of balances on the account, discontinuance notices, and verification of rate and related information, and to schedule any required inspections by SCE at the project site in connection with this OBF Application or the Eligible Program(s).

Signature of Customer

Date

Form of Payment:

- OBF Funds to Customer
- OBF Funds to Authorized Agent

Payment Release:

As the Customer, I am authorizing this payment of my OBF Funds to the Authorized Agent and I understand that I will not be receiving the OBF check from SCE. I also understand that my release of this payment to the Authorized Agent does not exempt me from the requirements outlined in this OBF Application.

Signature of Customer

Date

PLEASE MAKE A COPY OF THIS DOCUMENT FOR YOUR RECORDS

The OBF Program is funded by California utility customers and administered by Southern California Edison under the auspices of the California Public Utilities Commission.

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