

On-Bill Financing

SAVE WITH ZERO INTEREST.



Staying competitive in today's economy means reducing operating expenses while improving your bottom line. Let us work with you to help achieve your organization's goals by financing your next energy efficiency project with our On-Bill Financing (OBF) program.

What is OBF?

OBF lets you finance your qualified energy efficiency projects interest-free, and you'll enjoy:

- 0% interest loans
- No fees or loan costs
- Convenient loan repayment through your monthly SCE utility bill

Along with OBF, you may also receive these benefits from your energy efficiency project:

- Financial incentives for installing qualified energy-efficient equipment
- Lower monthly electricity usage
- Long-term energy savings

TO LEARN MORE

For more information and to get started, visit [sce.com/onbill](https://www.sce.com/onbill).

Who is eligible?

All SCE business customers are eligible. To participate in OBF, you'll need to:

- Apply for one or more of the following programs:
 - Express Solutions (for a project not yet installed)
 - Customized Solutions
 - Midstream Point of Purchase Program
 - Multifamily Program (common areas measures only)
 - Retrocommissioning Program
 - Third-Party Programs
- Have an active SCE account for a minimum of the last two years
- Be in good credit standing with SCE without:
 - A disconnection notice in the past two years
 - A 48-hour shut-off notice in the past two years
 - A returned check in the past 12 months
 - A deposit to establish or re-establish credit in the past 12 months
 - No more than three Past Due Notices (20 days late) in the past 12 months
 - No previous OBF loan defaults

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Use our online tool to apply.

You'll need to submit both your OBF Application and your Incentive Application together online using the SCE Energy Management Online Application Tool at sceonlineapp.com. To discover how this program can help your organization save, contact your SCE Account Manager or visit sce.com/onbill.

What are the loan limits?

Loan limits vary by customer segment. Loans are capped at the Service Account (SA) level. Customers with multiple SAs may have loans at each SA up to the maximum amount for their segment. When certain requirements are met, we will bundle or consolidate qualifying loans for customers.

Bundled OBF Loans — Government and Institutional customers can bundle multiple service accounts under the same Customer Account Number, at **one or more** premises¹, into a single OBF loan. Individual SA OBF loan applications can be bundled to meet the loan minimum. Customer segment loan limits apply.

Consolidated OBF Loans — All business customers can consolidate multiple service accounts under the same Customer Account Number, at the **same** premise, into one consolidated OBF loan. Individual SA loans must meet the \$5K OBF loan minimum to be consolidated. Customer segment loan limits apply.

Note: All projects in a bundled or consolidated OBF loan must be complete before any loan funds are distributed.

OBF Loan Limits and Terms

Customer Segment	Individual SA	Bundled SAs	Consolidated SAs	Loan Terms
Government & Institutional	Min: \$5,000 Max: \$250,000	Min: \$5,000 Max: \$250,000	N/A	Up to 10 years
Multifamily	Min: \$5,000 Max: \$250,000	N/A	Min: \$5,000 Max: \$250,000	Up to 10 years
Business	Min: \$5,000 Max: \$100,000	N/A	Min: \$5,000 Max: \$100,000	Up to 5 years

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How are loan term and approved loan amount calculated?

The factors determining the term length of the OBF loan include:

1. The maximum loan term cannot exceed the loan term limits presented on the previous page.
2. The term cannot exceed the expected useful life (EUL) of the installed equipment.

The maximum loan amount is the difference between the final approved total project cost of the installed, eligible energy efficiency solutions and the incentives paid by us. Loan funds must be used for the purchase and installation of qualified energy efficiency equipment.

The factors determining how the final approved loan amount is calculated are:

1. **Estimated Bill Neutrality²** — The monthly loan repayment amount is calculated to be approximately equal to the estimated monthly dollar savings on your SCE utility bill as a result of your energy efficiency project.
2. **Loan Amount Limits** — The loan amount for any one service account cannot exceed the established loan term limits by customer segment presented on the previous page.

This project example is for a customer in the government segment. The estimated monthly electric cost savings resulting from the project is \$667. The Financeable Amount divided by the monthly savings ($\$90,000 / \$667 = 135$ months), exceeds the maximum 10 year allowable loan term for this customer segment. Therefore, the Adjusted OBF loan amount will need to be reduced to \$80,040 (120 months x \$667).

Note: In no cases will the OBF loan term exceed the customer segment cap or the estimated bill neutrality calculation.

You may elect to choose a shorter term than allowed by your segment cap or indicated by the bill neutrality calculation, and you may repay the loan in its entirety at any time.

Project Example	
Project Information (Government Customer)	Project Values
Project Cost	\$110,000
Rebate/Incentive Amount	\$20,000
Financeable Amount	\$90,000
Estimated Annual Energy Savings	66,667 kWh
Average 12-month Electric Rate	\$0.12
Estimated Monthly Electric Cost Savings	\$667
Monthly Debt Repayment	\$667
Months to Fully Repay Loan	135 (11.25 years)
<i>Loan Exceed Segment Cap</i>	120 months (10.0 years)
<i>Adjusted OBF Loan Amount</i>	\$80,040
Customer Contribution/Buy Down	\$9,960

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From application to repayment, here's how it works.

1. Application

Submit your OBF Application along with your Incentives Application using the SCE Energy Management Online Application Tool at sceonlineapp.com. If you are unable to apply online, you may request an application by calling 1-800-736-4777 or emailing EMSApplication@sce.com.

Note: For Third Party OBF Program Applications contact your authorized Third Party Program Implementer. For Midstream Point of Purchase projects, all equipment should be purchased from an authorized SCE Midstream Program Distributor after the OBF loan is pre-approved.

2. Review of Applications and Payment History

SCE will review both your project and OBF applications and evaluate your credit-worthiness based on your SCE utility bill payment history.

3. Equipment Pre-Inspection

An SCE engineer or approved third-party inspector will conduct an inspection of your project site. If the existing equipment has been removed, your project will not be eligible for the OBF program, and may not be eligible for an SCE energy efficiency incentive.

Note: Equipment must be an ENERGY STAR®-approved model³ when final inspection is completed to be eligible for an SCE energy efficiency incentive. It is the applicant or applicant's trade professional's responsibility to ensure the installed equipment is an ENERGY STAR-approved model when installed.

4. OBF Application Approval and Reservation

Upon approval of your credit-worthiness, project inspection, and loan term calculation, funds will be reserved for your project provided the funds are available, and the estimated loan amount meets program requirements.

The reservation is a calculated estimate, and represents the maximum loan amount for your project. The loan amount may change if the project subsequently installed does not match the conditions of the Project Application approval.

Note: Midstream customers are required to present their Loan Reservation letter at the time of purchasing equipment from an authorized distributor.

5. Equipment Installation

Upon receipt of the approval of both your Project and OBF Applications, you may install your energy efficiency project.

6. Submission of Installation Report/Project Completion Certificate

When your project installation is complete, submit an Installation Report (IR) form to us. Please refer to current incentive program policies at sce.com/onbill for terms and conditions.

7. Review and Approval of Project Installation

Once your installation is inspected and approved, we will process your incentive payment, finalize your OBF Loan Agreement and send it to you to be signed and notarized by the authorized customer representative.

8. OBF Loan Funds Distribution

Upon receipt of your signed and notarized OBF Loan Agreement, we will provide you, or your designated payee, with the OBF loan proceeds.

9. Monthly Repayments Begin

Your first monthly, zero-interest loan repayment will appear on your next scheduled SCE utility bill.

¹ Premise is defined as a building or a single location that provides a particular service or is used for a particular purpose.

² Bill neutrality, according to the CPUC's May 18, 2012 decision guiding the 2013-2014 portfolio, refers to the situation in which the combined monthly or annual cost of energy efficiency loan repayments and the post-project utility bill do not exceed the amount of the original utility bill prior to the project being undertaken. See www.cpuc.ca.gov for more information.

³ Visit energystar.gov for a list of ENERGY STAR-qualified products.