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Customer Information:

City Of Carson
701 E. Carson St
Carson, CA 90745

Trade Professional Information

N/A

RE: ON-BILL FINANCING (OBF) LOAN AGREEMENT Local Government/Institutional Customer Projects
PROJECT NUMBER [REDACTED] SERVICE ACCOUNT NUMBER: MULTI-SITE

Dear Richard Garland:

Based on SCE's final review and approval of your Energy Management Solutions Installation Report, and a final Loan Term Calculation [LTC], your On-Bill Financing Application has been approved. Enclosed you will find 2 copies of the OBF Loan Agreement in the amount of **\$545,981.94**. A copy of the LTC, indicating the determination of the loan provisions, is attached.

Please sign, notarize, and return the two [2] original Loan Agreements to the address on the letterhead above. As these Agreements are documents establishing your obligation to repay the loan amount, a notarization of your signature is required.

Upon SCE's receipt of the signed Loan Agreements from **City Of Carson/Richard Garland** an SCE representative will countersign them and a fully executed original will be returned to you for your records. At that time SCE will process your OBF Loan disbursement and mail it to you, or your designee.

If you have any questions, please contact your SCE Account Representative. You may also call us at (866) 635-6015 Monday through Friday, from 8:00 a.m. to 5:00 p.m., or send an e-mail to **BusinessIncentives@sce.com**. Please have your Project Number available for reference when you call, or include it in your e-mail.

Sincerely,

Delia Williams
Program Manager - On Bill Financing
Southern California Edison Company

Notice: The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with this law concerning SCE is the Federal Trade Commission, Equal Credit Opportunity, and Washington DC 20580.

On-Bill Financing Program - Final Loan Term Calculation (LTC2a)

Completion Date/Time: 11/8/2018 3:10 PM
Project Number: See Schedule A
Service Account to be Billed:
Customer Number:
Customer Account Number:
Loan ID:
Bundle ID:
OBF Application Receipt Date: 1/19/2016

Market Segment: Government and Institutions
Business Name: CARSON, CITY OF
Reference Name: OBF PARKS/BUILDING EXT LGHTNG
Address: 703 E DEL AMO BLVD
City, CA Zip: CARSON, CA 90746-3309

*** LTC2a ***

**FINAL TERMS CALCULATED BASED ON FINAL
REVIEW AND VERIFICATION OF THE PROJECT
INSTALLATION REPORT**

LTC2a Reserved Amount is \$545,981.94
First month payment is \$2,826.54
60 subsequent monthly payments \$9,052.59

PROJECT ECONOMIC SUMMARY

A. AVERAGE ELECTRIC BILLING RATE -- past 12 months (Cents/kWh)	\$ 0.14431
B. ENERGY EFFICIENCY PROJECT SAVINGS	
B.1. Estimated Combined Annual Kilowatt Hour Savings (kWh)	752,762.4
B.2. Estimated Combined Annual Dollar(\$) Savings	\$ 108,631.14
B.3. Estimated Combined Monthly Dollar(\$) Savings	\$ 9,052.59
C. COSTS	
C.1. Actual Total Combined Project Cost	\$ 707,825.84
C.2. Excess Project Cost	\$ -
C.3. Actual Total Rebate/Incentive	\$ 161,843.90
C.4. Other	\$ -
C.5. Actual Potential Loan Amount (Gross Amount)	\$ 545,981.94
C.6. LTC1 Reserved Amount	
C.7. LTC2 Reserved Amount	\$ 545,981.94
D. LOAN	
D.1. Gross Amount for Potential Financing	\$ 545,981.94
D.2. Monthly Loan Repayment Amount	\$ 9,052.59
D.3. Actual loan term (Months)	61
D.4. Actual loan term (Years)	5.1
E. LOAN LIMIT TESTS	
E.1. Market Segment Amount of Loan Test (Min/Max Loan Amount)	
E.1.1. Market Segment Minimum Loan Amount	\$ 5,000
E.1.3. Within Market Segment Limit?	Y
E.2. Customer Loan Limit Test (Previous Loans for this Customer Account)	
E.2.2. Previous Loans Reserved for this Customer Number	\$ -
E.2.4. Within 10% of Total Budget?	Y
E.3. Length of Loan Test	
E.3.1. Loan Length Limit (months)	120
E.3.2. Within Loan Length Limit?	Y
E.4. Expected Useful Life (EUL)* Loan Length Limit Test	
E.4.1. Applicable Measure EUL (months)	144
E.4.2. Within EUL Loan Length Limit?	Y
E.5. EXCEPTION ANALYSIS (If any E.1 thru E.4. yields a "No")	
E.5.1. First Payment Amount	\$ 2,826.54
E.5.2. Subsequent Monthly Loan Repayment Amount	\$ 9,052.59
E.5.3. Subsequent Monthly Payments	60
E.5.4. Net Amount for Financing	\$ 545,981.94

EXPLANATION

Based on Billing History (**All sites included**)

From Approved Installation Report

Estimated Annual kWh Savings x Average Rate = \$ savings (B.1 x A)
 Estimated Monthly \$ Savings (B.2 / 12)

From Approved Installation Report

Based on 20% Basic Lighting Cap Rule
 From Approved Installation Report

(C.1) - (C.2) - (C.3) - (C.4)

From LTC2 calculation following Approved Installation Report

Lesser of (C.5) or (E.1.2) or (E.2.3) or other rules apply
 (B.3)

Time required to repay loan in months (subject to
 exception analysis below)

Time required to repay loan in years: (D.3) / 12

Minimum Loan Amount per Service Account or Bundle

Is D.1 within loan amount limits Y/N?

Total of previous OBF loans + reservations

CIA = 60 months, Multifamily = 120 months, G&I = 120 months

Is D.3 within limit Y/N?

EUL in months of measure with greatest kWh contribution

Is D.3 within limit Y/N?

Exception Analysis Loan Minimum Requirement Test

Does the loan amount from Exception Analysis meet the \$5K loan
 minimum requirement? YES

Based on minimum loan requirement of \$5K and supplemental
 Exception Analysis, this amount qualifies for an OBF loan.

*Expected Useful Life (EUL): Each measure is expected to perform satisfactorily for a period of time. An EUL for each energy efficiency measure is assigned by the California Energy Commission (CEC).

LTC ID: 15642

SCHEDULE A				
LTC2a				Multiple Sites
Customer Name:	CARSON, CITY OF	Customer Account to be Billed:	[REDACTED]	
	OBF PARKS/BUILDING EXT			
Customer Reference:	LGHTNG	Service Account to be Billed:	[REDACTED]	
		Amount Financed:	\$545,981.94	
Loan ID:	[REDACTED]	Months to Pay:	61	
Bundle ID:	[REDACTED]	1st Month Payment:	\$2,826.54	
			\$9,052.59 per month for 60	
		Remaining Monthly Payments:	months	
Site #	Project Number	Customer Account	Site Service Account Number	Site Loan Amount
1	[REDACTED]	[REDACTED]	[REDACTED]	\$86,542.01
2				\$93,780.02
3				\$39,246.71
4				\$19,292.80
5				\$63,909.58
6				\$61,237.06
7				\$65,682.14
8				\$14,474.51
9				\$26,791.03
10				\$28,596.78
11				\$22,405.48
12				\$24,023.82
			Uncapped Amount Financed:	\$545,981.94
* Prepared by:		Georgina Lozano 11/08/2018		

On-Bill Financing Agreement Local Government/Institutional Customer Projects

This On-Bill Financing Agreement ("OBF Agreement") is entered into on November 8, 2018, (the "Effective Date") by and between the undersigned customer ("Customer") and Southern California Edison Company ("SCE") (each a "Party", collectively the "Parties").

Recitals

1. Customer and SCE entered into the Energy Management Solutions Incentives Application for Business Customers on or about January 19, 2016 and if applicable, the Customized Solutions Agreement (individually or collectively referred to as "EMS Agreement"), which is/are attached hereto and incorporated herein by reference.
2. Customer owns, leases or rents the property listed in the EMS Agreement as the Site and maintains a service account(s) with SCE for electric service. Customer has completed installation of eligible energy efficient equipment ("Equipment") at the Site as set forth in the EMS Agreement and has accepted the equipment as being operational and in good working order.
3. In Decision 12-11-015, the California Public Utilities Commission authorized SCE to provide zero-percent interest financing for the installation of certain energy efficient equipment, which is to be repaid over a specified period through the Customer's electric utility bill(s) ("On-Bill Financing").
4. Customer desires to enter into this OBF Agreement in order to participate in SCE's On-Bill Financing program and Customer agrees to repay SCE the Amount Financed (as defined under "Loan Terms", below) through the Customer's SCE utility bill(s) pursuant to the terms and conditions of this OBF Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

Terms and Conditions

Defined Terms: Except as the context otherwise requires, capitalized terms used in this OBF Agreement without definition shall have the same meanings as are set forth in the EMS Agreement.

Amount Financed: Within thirty (30) days after the Effective Date, SCE will provide a payment for the Amount Financed to Customer or to a third-party payee designated by Customer under the Loan Terms, below. Customer's designation of a third-party payee may not be changed or revoked.

Loan Terms:

Amount Financed ("Amount Financed"):	\$545,981.94
Interest Rate:	0%
Fees:	0
Months to Pay:	61
First Month Payment:	\$2,826.54
Remaining Monthly Payments:	\$9,052.59
Loan ID:	[REDACTED]
Designated Third-Party Payee (if any):	N/A
Address of Designated Third-Party Payee:	

Promise to Pay: Customer promises to pay SCE the Amount Financed in equal monthly installments as set forth in the section above and/or Schedule A (Customer's "Loan Obligation"). The first Monthly Payment of Customer's Loan Obligation will appear within sixty (60) days from the Effective Date on Customer's SCE utility(s) bill for the Service Account(s) listed above. The Parties expressly acknowledge and agree that funding for the OBF Loan Obligation repayment shall not be raised by the levy of additional taxes but shall instead be obtained by Customer's savings in energy costs paid for solely by the loan proceeds. The Parties further acknowledge and agree that energy savings from conservation measures are not susceptible to precise calculation and actual savings may vary according to weather and utility rates, among other things. Therefore Customer's energy savings have been determined at the outset of this Agreement and calculated by comparing estimates of energy usage for the facilities in question with and without the conservation measure, as set forth specifically in the EMS Agreement. Customer's actual future energy savings are not guaranteed and the OBF Loan Obligation must be repaid in full irrespective of actual future SCE utility bill(s) amounts.

Manner of Payment: Customer's Monthly Payment amount will appear as a line item labeled "EE/OBF Installment Charge" on the monthly SCE utility bill(s) for Customer's Service Account(s). **Customer may pay the Loan Obligation in the monthly installments or pre-pay the Loan Obligation in one lump sum without penalty, but pre-payments for less than the remaining balance will not be allowed.** Customer's Loan Obligation will appear on Customer's monthly SCE utility bill(s) for the number of months set forth above, or until the Loan Obligation is paid in full by Customer, whichever occurs first. Customer shall make payments to SCE as directed in the SCE utility bill(s).

Partial Payments: If Customer is unable to make a full payment of the Loan Obligation in any given month, payment arrangements may be made at SCE's sole discretion. Any partial payments will be applied in equal proportion to the energy charges and the Loan Obligation, and Customer will be considered to be delinquent and in default of both the energy bill and the Loan Obligation.

Late Payments: No late payment charges or interest will be assessed for delinquent payments on the Loan Obligation. However, SCE may assess late payment charges for delinquent payments of energy charges pursuant to SCE's Rule 9 which is incorporated herein by reference.

Returned Payments: SCE may require payment of a \$8.00 Returned Check Charge for any check returned from Customer's financial institution unpaid. The Returned Check Charge will also apply to any forms of payment that are subsequently dishonored.

Discontinuance of Service: Amounts due under this OBF Agreement will be amounts deemed due under each SCE utility bill to the Customer's Service Account(s), and a default under this OBF Agreement will be treated as a default under the Customer's Service Account(s). Customer's Loan Obligation is subject to the discontinuance provisions of SCE's Rule 11, Discontinuance and Restoration of Service, Section B, Nonpayment of Bills or Summary Bills which is incorporated herein by reference.

Breach and Acceleration: Any breach by Customer under the EMS Agreement or this OBF Agreement shall constitute a breach under all of the above referenced agreements. For purposes herein, SCE may determine the OBF Agreement to be breached and Customer to be in default if Customer: (1) sells, assigns or otherwise transfers ownership, possession or title of the Site or the Equipment, (2) fails to pay the Monthly Payment amount when due, (3) closes, discontinues or otherwise causes the termination of the Service Account(s), or (4) otherwise breaches this OBF Agreement and/or the EMS Agreement, and the breach is not cured as specified therein. Notwithstanding anything to the contrary in the EMS Agreement, a breach and default as set forth in this section shall not be subject to any additional cure period. Following a breach as set forth in this section, SCE shall have the right to declare the entire unpaid balance of the Loan Obligation immediately due and payable.

Modification: Any change to this OBF Agreement must be in writing and signed by Customer and SCE; except that during any given month, if Customer is unable to make full payment on the Loan Obligation, payment arrangements may be made at SCE's sole discretion without modifying this OBF Agreement in writing. Any written modification or amendment will not be effective unless and until signed by SCE or such condition is waived by SCE in its sole and absolute discretion.

Term and Termination: It is the Parties intent that the term of this OBF Agreement and the EMS Agreement run concurrently. Therefore, the OBF Agreement shall continue in effect until the Loan Obligation is paid in full.

Assignment: Notwithstanding anything herein, Customer may not assign its rights or delegate its duties under this Agreement without SCE's express written consent.

Additional Representations: Each person signing this OBF Agreement represents and warrants that he or she is duly authorized and has the legal capacity to execute and deliver this OBF Agreement on behalf of Customer, and to perform their obligations under this OBF Agreement. Customer further represents and warrants that if it is a legal entity, it is in good standing in its state of formation.

Miscellaneous: Except as otherwise specifically provided herein, all terms, provisions, covenants, representations, warranties, agreements and conditions of the EMS Agreement shall remain unchanged and in full force and effect. Should a conflict exist between this OBF Agreement, the EMS Agreement and the documents incorporated by reference, this OBF Agreement shall control. This OBF Agreement shall be construed and interpreted in accordance with, and shall be governed and enforced in all respects according to, the laws of the State of California. This OBF Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. If any one or more of the provisions contained in this OBF Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then this OBF Agreement shall be construed as if such invalid, illegal or unenforceable term or provision had never been contained herein and all other provisions of this OBF Agreement shall be construed to remain fully valid, enforceable and binding on the parties. The Recitals set forth above are hereby incorporated herein by reference.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties have executed this OBF Agreement as of the Effective Date.

Customer: City Of Carson

Authorized Representative:

G\ Ufcb'@bXYfg

Title:

CimA UbU Yf

Signature:

Date:

Business Address:

**701 E. Carson St
Carson, CA 90745**

Telephone No.

(310)-) &!%+&

Fax No.

E-Mail Address:

G`UbXYfg4 7 Ufgcb'WU'i g

Southern California Edison:

Authorized Representative:

Jill C Anderson

Title:

VP of Customer Programs & Services

Signature:

Date:

Business Address:

**P.O. Box 800
Rosemead, CA 91770-0800**

Telephone No.

1(800)736-4777

Fax No.

1(626) 633-3243

E-Mail Address:

BusinessIncentives@sce.com



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Send to:

Southern California Edison, Business Incentives

P.O. Box 800, Rosemead, CA 91770-0800

Fax: 1-626-633-3243 | Email: BusinessIncentives@sce.com

Questions? 1-800-736-4777

2017 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 completed 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 Account Manager or Contractor for further information.

Customer Information

Company/Business Name **City of Carson**

Company/Business Mailing Address **701 E Carson Street Carson, CA 90745**

Authorized Company/Business Representative **Sharon Landers**

Title **City Manager**

SCE Account Manager Name (If applicable) **Damon Hannaman**

Taxpayer ID and/or SS# [REDACTED]

Trade Professional Information (Contractor designated in Section 1b of the Incentive Application — If applicable)

Trade Professional Company Name

Trade Professional Mailing Address

Trade Professional Representative

Title

SCE Account Manager Name (If applicable)

Taxpayer ID and/or SS# for Trade Professional

Project Site Information

Please complete this table, indicating all the Service Account(s) included in your Energy Efficiency project. List each Service Account separately (i.e., one Service Account per line). The Service Accounts listed on this table should match all the Service Accounts listed on the Incentive Application or OBF for Midstream Project Supplement.

Service Account #	Customer Account #	Estimates		
		Project Cost	kWh Savings*	Incentive
[REDACTED]	[REDACTED]	\$34,606.17	36,349.5	\$7,815.13
[REDACTED]	[REDACTED]	\$16,997.71	11,735.8	\$2,523.19
[REDACTED]	[REDACTED]	\$38,373.11	45,471.3	\$9,776.32
[REDACTED]	[REDACTED]	\$89,177.89	109,282.6	\$23,495.74
[REDACTED]	[REDACTED]	\$25,345.50	28,152.1	\$1,983.50
[REDACTED]	[REDACTED]	\$29,789.92	34,346.2	\$7,384.41
[REDACTED]	[REDACTED]	\$82,232.45	38,179.7	\$8,248.63

Exhibit No. 2



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Send to:

Southern California Edison, Business Incentives

P.O. Box 800, Rosemead, CA 91770-0800

Fax: 1-626-633-3243 | Email: BusinessIncentives@sce.com

Questions? 1-800-736-4777

2017 ON-BILL FINANCING APPLICATION

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Customer Information

Company/Business Name **City of Carson**

Company/Business Mailing Address **701 E Carson Street Carson, CA 90745**

Authorized Company/Business Representative

Title **City Manager**

SCE Account Manager Name (If applicable) **Damon Hannaman**

Taxpayer ID and/or SS# [REDACTED]

Trade Professional Information (Contractor designated in Section 1b of the Incentive Application — If applicable)

Trade Professional Company Name

Trade Professional Mailing Address

Trade Professional Representative

Title

SCE Account Manager Name (If applicable)

Taxpayer ID and/or SS# for Trade Professional

Project Site Information

Please complete this table, indicating all the Service Account(s) included in your Energy Efficiency project. List each Service Account separately (i.e., one Service Account per line). The Service Accounts listed on this table should match all the Service Accounts listed on the Incentive Application or OBF for Midstream Project Supplement.

Service Account #	Customer Account #	Estimates		
		Project Cost	kWh Savings*	Incentive
[REDACTED]	[REDACTED]	\$109,010.75	104,505.8	\$22,468.75
		\$46,519.31	33,826.1	\$7,272.62
		\$81,137.07	92,558.2	\$19,900.03
		\$115,761.92	102,241.4	\$21,981.90
		\$88,874.03	116,113.7	\$24,964.46
Exhibit No. 2				25



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Send to:

Southern California Edison, Business Incentives

P.O. Box 800, Rosemead, CA 91770-0800

Fax: 1-626-633-3243 | Email: BusinessIncentives@sce.com

Questions? 1-800-736-4777

Program Description

The On-Bill Financing (OBF) program is offered by Southern California Edison Company (SCE) to qualified SCE non-residential service customers and multifamily property 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 actual installed cost (up to the amount approved by SCE) of approved Solutions, less rebates or incentives received by Customer from SCE under applicable Eligible Program(s).² 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 and multifamily property Customers, and (ii) one hundred thousand dollars (\$100,000) for commercial Customers,³ including general business, industrial, and agricultural entities.

Customers may qualify for multiple loans under OBF provided the aggregate dollar amount of the loans does not exceed the maximum OBF loan amount per service account stated above.⁴

The maximum loan term for a government and institutional taxpayer-funded and multifamily property Customer is ten (10) years (or the expected useful life⁵ 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 Customer is expected to receive through their SCE utility bill due to the Solution's estimated energy savings.

The fixed monthly loan repayment amount will be invoiced as a line item on Customer's SCE utility bill. In no event will Customer be entitled to receive a loan amount in excess of one hundred percent (100%) of the actual installed cost (up to the amount approved by SCE) of approved Solutions, 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 at SCE's sole discretion.

The OBF program has a limited budget. SCE will accept this OBF Application from qualified SCE Customers and will reserve funds on a first-approved, 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 (OBF) Loan Agreement.

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

SL Please initial here to acknowledge that you have viewed the program overview video at on.sce.com/obf.

The video provides a general overview of the program to facilitate your understanding.

¹ Eligible Programs include SCE's Express Solutions pending (not yet installed), Customized Solutions, Retro-Commissioning, Midstream Point of Purchase, Multifamily Energy Efficiency Rebate program, and rebate/incentive offerings under SCE's Third-Party and Partnership Programs. See sce.com/onbill for details. SCE's Demand Response Technology Incentives Program is not an Eligible Program. To ensure eligibility of a planned Solution(s), please review the Express Solution and Customized Solutions eligibility requirements in the Energy Management Solutions Directory at sce.com/Solutions.

² Incentives for the Midstream Point of Purchase program are paid to approved midstream distributors who are required to pass those incentives to customers. For this reason, Customer receiving an OBF loan for eligible Solutions through the Midstream Point of Purchase program are not required to apply for incentives for the underlying program; however, Customer must submit the OBF for Midstream Project Supplement and must purchase the eligible Solutions from an SCE-approved midstream distributor. The customer's purchase price for eligible Solutions will already be discounted by the incentive amount paid to the distributor.

³ 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.

⁴ A taxpayer-funded Customer is allowed to designate one Service Account to receive loan amounts up to \$1 million, either as a single loan, or as a total of multiple loans for that Service Account.

⁵ The expected useful life (EUL) of a Solution is an average length of time a Solution may be operational, based on historical analysis. If there is more than one Solution installed, the EUL of all installed Solutions will be that of the Solution which contributes the greatest kWh savings for the project.



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Send to:

Southern California Edison, Business Incentives
P.O. Box 800, Rosemead, CA 91770-0800
Fax: 1-626-633-3243 | Email: BusinessIncentives@sce.com
Questions? 1-800-736-4777

Eligibility

To qualify for the OBF program, Customer must receive an incentive and/or rebate from SCE pursuant to an Eligible Program or must purchase equipment from a participating distributor pursuant to the Midstream Point of Purchase Program. Customer must satisfy all requirements of each selected Eligible Program, including but not limited to, if applicable, execution of such Eligible Program's incentive application (detailed below) and, if applicable, an Eligible Program agreement (see OBF Application Process, A. below). The applicable Energy Management Solutions Incentives Application(s) for Business Customers, the Energy Management Solutions Incentives Application for State of California Partnership, or the OBF for Midstream Project Supplement (all 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, the terms and conditions of this OBF Application shall control. If there is any conflict between this OBF Application and the OBF Loan Agreement, the OBF Loan Agreement shall control.

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

- A. Customer must be an existing commercial, industrial, agricultural, government, non-residential multifamily, or institutional customer of SCE.
- B. Customer must have maintained an active SCE account under the same customer name 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 24 months; (2) no 48-hour shut-off notices in the past 12 months; (3) no returned payments/checks in the past 12 months; (4) not have a deposit on its account to establish or reestablish credit in the past 12 months; and (5) no more than three Overdue Due Notices (20 days late) in the past 12 months.

OBF Application Process

Customers must follow these steps to apply for the OBF Program:

- A. Customer or Trade Professional, if designated, must submit a completed and signed Energy Management Solutions Incentives Application for Business Customers, an Energy Management Solutions Incentives Application for State of California Partnership, a Multifamily Energy Efficiency Rebate application, or an OBF for Midstream Project Supplement form (all referred to as "Incentive Application") along with this OBF Application. Submit both the Incentive Application and this OBF Application online at sceonlineapp.com.⁶ SCE will use both applications to determine if Customer is eligible to participate in the OBF program based on Customer's SCE utility bill payment history 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. Customer may withdraw this OBF Application for any reason by providing SCE with a written notice of such withdrawal.
- B. An SCE engineer or approved third-party reviewer will review the Incentive Application, including an inspection of Customer's existing equipment. 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.
- C. If Customer meets the OBF eligibility requirements and Customer's proposed Solutions set forth in the Incentive Application (including OBF for Midstream Project Supplement form) qualify for rebates and/or incentives, then SCE will reserve OBF loan funds based on the eligible Solutions. A reservation of funding does not guarantee loan funding. Funding shall occur only upon satisfaction of all requirements set forth in this OBF Application. If the OBF Application is denied, SCE will provide Customer (and Trade Professional, if applicable) with a written statement of the specific reasons for the denial within 30 days of the denial.

(continued)

⁶ For customers without 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, by email to BusinessIncentives@sce.com or by fax to 1-626-633-3243.



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Send to:

Southern California Edison, Business Incentives

P.O. Box 800, Rosemead, CA 91770-0800

Fax: 1-626-633-3243 | Email: BusinessIncentives@sce.com

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OBF Application Process *(continued)*

- D. For Government and Institution Customers only, when the applicable requirements are met, at Customer's election, SCE may aggregate multiple project sites for the same entity into one OBF loan to provide Customer with the convenience of only one OBF loan rather than multiple OBF loans.⁷ All aggregated sites must be submitted on one OBF application and all projects in an aggregated OBF application must be completed prior to OBF loan funding. Loans for aggregated accounts require only one set of loan agreements and notarized acknowledgement. Aggregated loans will be billed as a single line item in the customer's SCE utility bill. Customers will make their election to aggregate or retain separate loans by checking the appropriate box in the "Multi-Site Loan Aggregation" section below.
- E. Upon notice from SCE of qualification for OBF and reservation of funding, Customer will purchase, 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). Customers participating in the Midstream Point of Purchase programs are required to buy the equipment from one of the program's authorized distributors.
- F. SCE will complete a technical review, including a post-installation inspection of the eligible installed Solution(s). The final loan amount will be re-calculated by SCE at completion and final approval of installation to reflect any changes in the actual installed costs, incentive amount, expected useful life, and/or estimated energy savings of the Solutions.
- G. Customer will review, sign, and have notarized the OBF Loan Agreement⁸ provided by SCE specifying Customer's obligations for repayment and all other terms and conditions, and shall submit it to SCE. The OBF Loan Agreement will expire ninety (90) days after issuance if the Customer has not returned the executed loan documents to SCE. If Customer still wishes to obtain a loan after expiration of the initial OBF Loan Agreement, Customer may notify SCE in writing, and SCE, at its sole discretion, may provide Customer with a new OBF Loan Agreement, subject to confirmation that the Customer continues to meet all of the OBF program requirements.
- H. Upon receipt of the OBF Loan Agreement and satisfaction of all remaining OBF program requirements and the selected Eligible Program requirements, SCE will process payment of Customer's OBF loan funds and issue a loan check payable to Customer (or Trade Professional contracting on behalf of Customer and designated in this OBF Application) to be sent by mail.
- I. The initial OBF monthly loan installment will appear on Customer's SCE bill within sixty (60) days of the effective date of the OBF Loan Agreement and will continue for the term of the loan or until the loan balance is paid off, or as may otherwise be provided in the OBF Loan Agreement.

⁷ Aggregated or bundled loans are available to Government and Institutional customers only.

⁸ The key terms and conditions of the On-Bill Financing Loan Agreement are set forth in the following section; however, Customer will receive actual On-Bill Financing Loan Agreement for execution once the Project is complete and the actual loan amount is known.



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Key OBF Loan Terms

This section provides a non-exhaustive list of some of the key loan terms contained in the OBF Loan Agreement, for information purposes only. THIS IS NOT THE OBF LOAN AGREEMENT, WHICH MAY BE EXECUTED BY THE PARTIES ONLY AFTER THE APPLICATION IS APPROVED, THE PROJECT COMPLETED, AND THE FINAL LOAN AMOUNT DETERMINED, IN ACCORDANCE WITH PROGRAM RULES. IN THE CASE OF ANY CONFLICT BETWEEN THESE PROVISIONS AND THE OBF LOAN AGREEMENT, THE TERMS AND CONDITIONS OF THE OBF LOAN AGREEMENT SHALL CONTROL.

- A. **Amount Financed and Loan Terms.** The OBF Loan Agreement shall set forth the amount financed, based on the calculations described in this Application, the loan term, payment amounts, service accounts to be billed, and the designated Third-Party Payee(s), if any.
- B. **Prepayment and Partial Payments.** Customer may pay the Loan in monthly installments or pre-pay the entire Loan in one lump sum without penalty, but pre-payments for less than the remaining balance is not allowed. Any partial payments will be applied in equal proportion to the energy charges on the bill and the Loan, and the Customer will be considered to be delinquent and in default of both the energy bill and the Loan.
- C. **Late Payments.** No late payment charges or interest will be assessed for delinquent payments on the Loan Obligation. However, SCE may assess late payment charges for delinquent payments of energy charges pursuant to SCE's Rule 9 which is incorporated herein by reference.
- D. **Returned Payments.** SCE may require payment of an \$8.00 Returned Check Charge for any check returned from Customer's financial institution unpaid. The Returned Check Charge will also apply to any forms of payment that are subsequently dishonored.
- E. **Discontinuance of Service.** Amounts due under the OBF Loan Agreement will be amounts deemed due under each SCE utility bill to the Customer's Service Account(s), and a default under the OBF Loan Agreement will be treated as a default under the Customer's Service Account(s). Customer's Loan Obligation (as defined in the OBF Loan Agreement) is subject to the discontinuance provisions of SCE's Rule 11, Discontinuance and Restoration of Service, Section B, Nonpayment of Bills or Summary Bills.
- F. **Breach and Acceleration.** Any breach by Customer under a Third Party / EMS Agreement or the OBF Agreement will constitute a breach under all of the above referenced agreements. SCE may determine the OBF Loan Agreement to be breached and Customer to be in default if Customer: (1) sells, assigns, or otherwise transfers ownership, possession, or title of the Site or the Equipment, (2) fails to pay the Monthly Payment amount when due, (3) closes, discontinues, or otherwise causes the termination of the Service Account(s), or (4) otherwise breaches the OBF Loan Agreement and/or the Third Party / EMS Agreement, and the breach is not cured as specified therein. Notwithstanding anything to the contrary in the Third Party / EMS Agreement, a breach and default as set forth in this section shall not be subject to any additional cure period. Following a breach as set forth in this section, SCE shall have the right to declare the entire unpaid balance of the Loan Obligation immediately due and payable.

Description of Additional OBF Loan Agreement Provisions. (1) the OBF Loan Agreement shall continue in effect until the Loan is paid in full; (2) Customer may not assign its rights or delegate its duties under the OBF Loan Agreement without SCE's express written consent.; (3) the OBF Loan Agreement can only be modified or amended through a signed writing by both Customer and SCE, except that, in any given month that Customer does not make full payment on the Loan Obligation, SCE may make payment arrangements, in SCE's sole discretion; and (4) the Customer must represent and warrant that he or she is duly authorized and has the legal capacity to execute and deliver the OBF Loan Agreement on behalf of Customer, and to perform Customer's obligations under the OBF Loan Agreement.

Multi-Site Loan Aggregation *(Government and Institutional customers only)*

Multi-Site Loan Aggregation option for OBF

- ☒ Yes – Aggregate my multiple service account loans into one individual loan. Loan funding will be delayed until all projects are completed.
- ☐ No – Process my multiple service account loans individually. Loans will be funded separately for each project in accordance with OBF rules.

Signature of Customer **X**

Date

Exhibit No. 2

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Verification and Certification

I, Customer and applicant hereunder, affirm 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 also certify that I have viewed the OBF video on **sce.com**, and fully understand my obligations as a Customer under the OBF program. I understand 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 understand SCE reserves the right to request additional information to verify my eligibility for OBF.

Signature of Customer **X**

Date

Signature of Trade Professional (if applicable) **X**

Date

Loan Funds Payment Designation

I, as Customer and applicant, further certify if a Trade Professional is listed above, I have entered into a contract with said Trade Professional 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 Trade Professional's qualifications; (2) I am solely responsible for selecting Trade Professional to implement the project on my behalf; (3) Trade Professional is an independent contractor and not authorized to make any representations on behalf of SCE; and (4) SCE will have no role in resolving any disputes between me, Trade Professional, and/or any other third parties. I further authorize all contracts and correspondence to be sent directly to Trade Professional specified above. I further authorize Trade Professional to request and receive from SCE the customer account information for the SCE account(s) listed in this Application, including billing records, billing history, meter usage date, verification of balances on the account(s), 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 **X**

Date

Form of Payment



OBF Loan Funds to Customer



OBF Loan Funds to Trade Professional

Payment Release

As Customer, I authorize the payment of my OBF Loan Funds to Trade Professional specified above, and I understand I will not be receiving the OBF check from SCE. I also understand my release of this payment to Trade Professional does not exempt me from the requirements outlined in this OBF Application.

Please provide Payee information below if Name or Address should be different on the Loan Funding check

Payee Name Line 1
(Limit 34 characters)

Payee Name Line 2

(Name to be printed on check)

Company/Business

Mailing Address

City

State

Zip

Payee Taxpayer ID and/or SS#

Signature of Customer **X**

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.