



Connect with
Carnahan Electric, Ltd

530-642-2476

Commercial, Industrial, and Residential
Installation, Repairs, and Consulting

January 23, 2018

SENT TO ALL BOARD MEMBERS



To: Brain Veerkamp Supervisor Dist. 3

Re: E3 Energy Efficient Equity as a new Pace provider

As a business owner and contractor it necessary for our customer base to have a variety of financing sources available. Carnahan Electric is currently using Ygrene for customers that need a source to finance energy upgrades when conventional financing may not be available. If this source is used properly with contractors that don't abuse these funds, it works well. If contractors use these funds to abuse these customers, there are serious negative financial impacts on property owner's ability to repay these charges on their county tax bills. As a Ygrene approved contractor finding customers that have had projects installed improperly, and with the encouragement of contractors proclaiming greater amounts of energy costs savings, it is apparent financial difficulties will result. Unfortunately, the customers don't realize this negative impact until they receive their first tax bill. In many cases they have not accumulated the savings they were counting on. It is my opinion that a financial source other than the ones currently available should be strongly considered. Therefore, I would like to receive approval to use E3 financing for the following reasons.

1. It appears that E3 has the most comprehensive contractor vetting and application requirements. Contractors are on watch lists and must have a BBB+ rating as well as a positive Yelp rating. California State Licensing Board is also constantly monitored.
2. Customers are contacted at least twice with customer protection calls. The financing and terms are presented to them by trained E3 personnel. The fact that the financing creates a lien on their property is discussed and the customer fully understands how it will be paid back. If a debt is too large for the customer to make the payments, the project is either down-sized or not done.
3. Another main advantage of E3 financing is that non-profits, such as churches, schools, food banks, boys and girls clubs, fairgrounds, etc. can qualify and obtain financing for thousand of energy efficient programs.
4. Businesses as well as residential owners have the ability to install or upgrade their lighting, solar, heating and air conditioning, roofing, painting, insulation, windows, siding, water conservation systems, drought resistant landscaping, seismic retrofits, vehicle charging stations, etc.
5. The funds generated through E3 to the county are not dedicated as Mello-Roos funds are. The funds provided from E3 projects are available as directed and needed by the county.

Please consider all the mentioned advantages and protections E3 has built into these financing options. We feel very positive about E3 being the new and better solution of meeting El Dorado County community needs.

Sincerely,

John Cal President

EDC BOS RCVD
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