



Cool Comfort Financing

Contractor Manual



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Overview

The Energy Network has developed the Cool Comfort Financing Program (Program) to provide low cost financing to engage homeowners and contractors to perform HVAC upgrades in compliance with local codes and standards, install higher efficiency (above code) equipment, and utilize a low cost financing program. The Cool Comfort Financing Program is administered by BKi on behalf of The Energy Network and Los Angeles County in collaboration with the Center for Sustainable Energy™ (CSE) (collectively, “Program Administrators”), and Matadors Community Credit Union (Matadors).

Program Administrators may at any time make changes to this Manual as needed. Every effort will be made to provide written notice of changes. However, Program Administrators reserve the right to make immediate changes, without notice, as deemed necessary or in the best interest of the Program.

Contact Information

To submit your scope of work for approval, download financing documents, or request information regarding the loan application process or eligible measures, contact The Energy Network:

- Call: (877) 785-2237
- Email: coolcomfort@theenergynetwork.com
- Visit: action.theenergynetwork.com/ccf

For information or questions regarding quality control requirements or permit compliance, contact Natasha Eygenhuysen at CSE:

- Call: (858) 634-4731
- Email: natasha.eygenhuysen@energycenter.org
- Visit: www.energycenter.org/CoolComfort

Program Eligibility

Contractor Eligibility

Eligible contractors must take one of the following two paths to participate:

Path A	Path B
<ol style="list-style-type: none">1. Be a participating contractor in good standing with one of the following programs in Southern California Edison (SCE), Southern California Gas Company (SoCalGas®) or SDG&E territory:<ul style="list-style-type: none">• Energy Upgrade California™ Home Upgrade• Investor-Owned Utility Quality Installation Program• Home Performance with ENERGY STAR2. Complete and submit the Cool Comfort Financing Program Contractor Participation Agreement.	<ol style="list-style-type: none">1. Hold a current C-20 license in good standing.2. Submit current certificate of insurance that meets Program requirements, meet additional insured endorsement and submit additional insured endorsement certificates.3. Complete and submit the Cool Comfort Financing Program Contractor Participation Agreement.

Homeowner Eligibility

Eligible homeowners must meet the following requirements to apply for financing:

- Applicant must have a 660 minimum FICO score.
- Cannot have declared bankruptcy in the last seven (7) years or had a mortgage delinquency of more than 30 days over the last two years.

Property Eligibility

Eligible properties must meet the following requirements to apply for financing:

- The property is served by at least one of the following utilities:
 - SCE
 - SoCalGas
 - SDG&E
- The property is a single-family home (attached or detached).
- The home has a central, forced-air HVAC system and is not heated by propane fuel.
- The property is within the counties of Los Angeles, San Diego, Orange, Riverside, San Bernardino, Kern, Tulare, Inyo, Mono, and very small portions of Kings and Fresno.

- Properties in the counties of Santa Barbara, Ventura, and San Luis Obispo are not eligible.

Qualifying Measures

The program does not require a specific pre-retrofit baseline condition, but instead focuses on the post-retrofit condition. The post-retrofit conditions that are listed in Table 1 below are above 2013 Title 24 alterations requirements and need to be reflected on the scope of work when the application is approved for financing.

Table 1: Base Measure Post-Retrofit Requirement

HVAC Installation	Proposed Minimum Energy Efficiency Requirement
Central Forced Air Furnace	0.92 AFUE
Central Air Conditioning Unit	15 SEER and 12 EER
Heat Pump	8 HSPF, 15 SEER and 12 EER

To ensure HVAC efficiency, the project must include one of the following duct improvements¹:

- Combination of duct sealing **and** duct insulation sealed to $\leq 10\%$ leakage **and** insulated to $\geq R-8$; or
- Duct replacement sealed to $\leq 6\%$ leakage with $\geq R-8$ replacement ducts.

Financing Terms

- Financing Amounts: \$2,500 - \$15,000 unsecured
- A minimum of 70% of the financed amount must be used to fund energy efficient measures. Thirty percent of the financed amount can be used to fund non-energy efficient measures. See [eligible energy efficiency measures](#).
- Rates and Terms
 - 4.99% for 5 years
 - 5.99% for 10 years

Application Process

To apply for financing, the homeowner must submit the following required documentation to Matadors:

- Completed loan application
 - Homeowners can [apply online](#) or submit a [Financing Application Packet](#) to Matador's Loan Fax number: (818) 341-5626.
- Income verification documentation
- Contractor scope of work to be financed

¹ Duct improvements must be included, regardless if local building code does not require duct improvements.

- To ensure scope of work review in one business day, the contractor or homeowner may submit the scope of work directly to Program Administrators at coolcomfort@theenergynetwork.com.
- ***Please note on invoice if the work is or is not visible from the public right-of-way.***

Upon receipt of the loan application, Matadors will review the application for income requirements and property eligibility:

- If the homeowner does not meet income requirements or the property is not eligible, the homeowner will not be approved for financing.
- If the homeowner meets income requirements and the property is eligible, Matadors will send the scope of work to Program Administrators for scope of work review. Alternately, the contractor or homeowner can expedite the process by simultaneously submitting the scope of work directly to Program Administrators at coolcomfort@theenergynetwork.com. Within one business day of receipt of the scope of work, Program Administrators will determine whether the scope of work can be conditionally^[1] approved based on program eligibility requirements.
- If the scope of work cannot be conditionally approved, the Program Administrator will work with the contractor to resolve any discrepancies.
- If the scope of work is conditionally approved, the contractor may start construction on the approved scope of work.
 - Additional scope of work may be added at any time but any changes are subject to review and re-approval.
 - Contractor must submit a revised scope to Program Administrators at coolcomfort@theenergynetwork.com when the approved scope of work changes.

Funds Disbursement

Once project construction is complete, the contractor or homeowner must submit the following documentation of the completed project via email to Matadors at energy@matadors.org or fax to (818) 341-5626:

- Cool Comfort Financing Certificate of Completion – a form that is completed by the homeowner that provides permit numbers and a signature to acknowledge satisfaction with the project as installed.
- Authorization to Release Customer Information – authorizes the utility to share project information with the financing program.

^[1] Conditional approval is contingent upon successful completion of the project construction and submittal of the signed Certificate of Completion.

- Final Invoice – provided by the contractor with the final project scope of work and cost. The invoice needs to be itemized, marked paid with a zero balance, with all installed HVAC make and model information included.

Upon project verification and approval, Matadors will disburse loan funds to the homeowner or to the contractor if homeowner assigns loan amount directly to the contractor by executing the Home Energy Loans and Cool Comfort Financing Assignment of Payment form.

Permit and Title 24 Compliance

By using Cool Comfort Financing, the contractor agrees to pull the necessary permits for all upgrades installed per local permitting authority requirements. Contractor certifies that the permit compliance process for the financed work will be carried to completion; agrees to work with the homeowner, the applicable local building departments, and Program Administrators to ensure permit compliance is met in a timely fashion. Permits must be pulled prior to the commencement of work and Third-Party HERS Field Verification & Diagnostic Testing and final building inspections must occur following construction.

Permit Non-Compliance

Contractor understands that if the quality control process reveals a permit for the financed work was not pulled, or the necessary steps were not taken to complete the permit compliance process, Program Administrators will continue to work with the parties involved to facilitate compliance and work to understand and overcome the barriers to compliance.

Quality Control

Quality control for Cool Comfort Financing is comprised of three components. All components are completed throughout the duration of the project and do not interfere with the disbursement of funds to the homeowner or contractor.

Written warnings will be issued to contractors if non-compliance occurs in any of the quality control components. Warnings will be maintained in a list, including project address and reason for warning. If a contractor accumulates three warnings, whether during permit compliance, field inspection or compliance form review, the contractor will receive written notice and be excused from participation in the Program.

1. Permit compliance verification

All projects will undergo permit verification. Upon receipt of the approved scope of work, Program Administrators will verify that a permit is on file at the local building department and assess status

of compliance throughout the duration of the project (permit issued, pending final inspection, and finalized).

- If a permit is not found to be registered or moving towards close, Program Administrators will discuss barriers to compliance and next steps necessary to close permit with the contractor. If a contractor refuses to complete the permit process, the Program Administrator will issue a written warning to the contractor.
- If contractor is unresponsive, Program Administrators will reach out to homeowner for permit verification and will issue a written warning to the contractor for failure to provide compliance documentation.

2. Equipment verification via field inspection

In conjunction with permit compliance verification, Program Administrators will contact contractor to schedule a field inspection to verify equipment listed on scope of work and/or invoice matches unit(s) physically installed, this will be documented with photos.

- Program Administrators will attempt to schedule the field inspection in conjunction with the Building Inspector final field inspection and/or Home Energy Rating System (HERS) verification.
- If scheduling is organized by the homeowner, Program Administrators will work with homeowner and coordinate attendance at field inspection or HERS inspection.
- If equipment specifications do not match information listed, Program Administrators will discuss discrepancy with contractor and issue a written warning.

3. Equipment verification via Title 24 compliance form review

CSE will request CF-6R and CF-4R (or CF-2R and CF-3R) Title 24 installation and field verification documents from contractors.

- If equipment specifications listed in Title 24 documents do not match scope of work and final invoice, Program Administrators will discuss discrepancy with contractor and issue a written warning.
- Projects chosen for equipment verification via compliance form review will not receive field inspection.