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Deana J. Carrillo

November 17, 2015

**California Hub for Energy Efficiency Financing
Residential Energy Efficiency Loan (“REEL”) Assistance Program**

Notice of Readoption of Emergency Regulations

The California Alternative Energy and Advanced Transportation Financing Authority (“Authority” or “CAEATFA”) organized and operating pursuant to Division 16 (commencing with Section 26000) of the California Public Resources Code proposes to readopt the emergency regulations for the Residential Energy Efficiency Loan Assistance Program (the “Program”) that were initially enacted on March 9, 2015 (OAL File #2015-0227-01E) and readopted on September 8, 2015 (OAL File #2015-0827-02EE), prior to their expiration on December 8, 2015.

Attached to this Notice are: (1) the specific regulatory language of CAEATFA’s proposed regulatory action, and (2) the Finding of Emergency. The regulatory language and Finding of Emergency are substantially equivalent to those filed with the emergency regulations enacted on March 9, 2015, and readopted on September 8, 2015. You may also review the proposed regulatory language and Finding of Emergency on CAEATFA’s website at the following address: <http://www.treasurer.ca.gov/caeatfa/cheef/reel/index.asp>.

Pursuant to Title 1, CCR §52(b)(1), CAEATFA has made progress and proceeded with diligence to comply with Government Code section 11346.1(e). After adopting the emergency regulations on March 9, 2015, CAEATFA enrolled two lenders to participate in the Program. In addition, CAEATFA Staff has closely corresponded with and actively recruited contractors and lenders to participate in the Program. As part of these efforts, CAEATFA procured the services of a master administrator to support day-to-day program operations.

Staff solicited input from both enrolled and prospective participants to evaluate the Program’s early implementation and determine if any modifications to the Program’s regulations were necessary. In consultation with the administrator and based on feedback offered by program participants, Staff identified clarifying edits and administrative modifications, which were incorporated in the

September 8, 2015 readoption. The notice for the regular rulemaking process was published on October 30, 2015, and staff has prepared and filed the Initial Statement of Reasons for the regular rulemaking file, currently in a 45-day written comment period to conclude with a public hearing on December 15, 2015.

Government Code Section 11346.1(a)(2) requires that at least five working days prior to submission of the proposed emergency regulations action to the Office of Administrative Law (OAL), the adopting agency provide a notice of the proposed emergency action to every person who has filed a request for notice of regulatory action with the agency. After submission of the proposed emergency regulations to OAL, OAL shall allow interested parties five (5) calendar days to submit comments on the proposed emergency regulations as set forth in Government Code Section 11349.6. Upon filing, OAL will have ten (10) calendar days within which to review and make a decision on the proposed emergency rulemaking package. If approved, OAL will file the regulations with the Secretary of State, and the emergency regulations re-adoption will become effective for ninety (90) days. Within the 90-day effective period, CAEATFA will proceed with regular rulemaking action, including a public comment period. The emergency regulations will remain in effect during this rulemaking action.

The subject of the proposed regulations was discussed at prior public workshops and webinars in October and December 2014. The proposed regulations were initially publicly noticed, considered, and approved by the CAEATFA Board at a public meeting held on February 17, 2015 at 10:30 A.M. in Room 587 of the Jesse M. Unruh Building. Staff incorporated clarifying edits and administrative modifications in the first readoption of the regulations, which was publicly noticed, considered, and approved by the CAEATFA Board at a public meeting held on August 18, 2015 at 10:30 A.M. in Room 587 of the Jesse M. Unruh Building, 915 Capitol Mall, Sacramento, CA 95814. No subsequent changes have been made to the text of the regulations proposed for this second readoption.

If you prefer to receive a hard copy of the proposed emergency regulation, or have any questions regarding this proposed emergency action, please contact Jennifer Gill at (916) 653-3033 or jgill@treasurer.ca.gov, or Andrew Enriques at (916) 653-2510 or andrew.enriques@treasurer.ca.gov.

Sincerely,



Deana J. Carrillo
Executive Director

Attachments: Proposed Text of Regulations
Finding of Emergency

cc: Robert Hedrick, CAEATFA Legal Counsel
Miriam Joffe-Block, Staff Services Manager I