

UCONS, L.L.C.
Utility Conservation Services

10612 NE 46th Street • Kirkland, Washington 98033

(800) 828-8440 • (425) 576-8728 • Fax (425) 827-2489

December 21, 2015

Via Electronic Filing

Mr. Steven V. King
Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, Washington 98504-7250

RE: Docket Nos. UE-151871 & UG-151872, Puget Sound Energy proposed electric and natural gas energy equipment lease tariff filing

Dear Mr. King:

I am the Executive VP with UCONS, LLC, an energy services company headquartered in Kirkland, Washington. UCONS submitted written comments in these dockets, and I provided oral comments before the Commission at the Open Meeting held on November 13, 2015. This letter will expand on the comments I offered and specifically address Commissioner Rendahl's question concerning the availability of 3rd party financing for tenants and renters, wishing to purchase energy efficiency equipment, and Commissioner Jones' query on whether or not I recommended On Bill Repayment or On Bill Financing. My comments are as follows:

- I recommend that the Commission secure an **On Bill Repayment (OBR)** process should they approve the PSE tariff.
- The OBR repayment process should be made available to PSE for leasing purposes and all third party financial/business representatives who have financed the lease or the purchase of energy efficient equipment.
- Please note, in our experience, many PSE customers want to purchase new equipment not just lease new equipment.
- Currently, the credit union and banking community that we have worked with will not finance equipment leased or purchased by a tenant or renter. These institutions file a UCC filing/lien on the property to secure their interest and only the home owner can agree to that, so the homeowners must be the loan applicants. However, several of the credit unions offer loans to lower income persons, accommodating credit ratings below those of larger financial institutions. And, we have worked with homeowners who have undertaken purchases on behalf of their tenant. Financing terms for equipment such as a ductless heat pumps and digital thermostats and/or floor insulation average \$50 a month.
- An OBR process would allow some institutions, for example Craft3, to provide financing for the working poor. Craft3 will only provide financing if an OBR process exists. Craft3 is a nonprofit community development financial institution (CDFI). Craft3 specializes in helping homeowners that cannot get needed financing from traditional sources, providing competitive loan products for energy-efficiency upgrades. Craft3's terms for financing accommodate lower credit ratings than most banks and credit unions, allowing lower income customers to finance equipment purchases. **In addition, Craft3 will offer loans to tenants and renters in 2016, allowing them to secure and finance energy efficient products and services.**

- Finally, an OBR process separates payment terms and obligations for equipment from the electric bill. A customer who has not paid for his/her equipment will not suffer the shut down of his/her electric service.

I understand that this matter now has been set for a prehearing conference and that evidence considered by the Commission will be in accordance with the Administrative Procedure Act, Commission rules, and pre-hearing order. However, because I had promised this information to the Commissioners, I wanted to file this letter as soon as possible. I ask that it be considered in the course of the formal proceeding in this matter.

Thank you for your attention. We look forward to the Commissions decision-making processes.

Respectfully,



Shani Taha, EVP

UCONS, LLC

10612 NE 46th Street, Kirkland, WA 98033

Cc: Brad Cebulko, UTC staff

Malcolm McCulloch, PSE