

SOUTHERN CALIFORNIA EDISON, ON-BILL FINANCING

City of San Bernardino Projects

Contact Info: Tony Frossard, Operations and Maintenance Division Manager, City of San Bernardino: 909-384-5244

frossard_to@sbcity.org



On-Bill Financing helped retrofit 16 City of San Bernardino buildings with energy efficient solutions. This included 12 fire stations, Perris Hill Senior Center, Fifth Street Senior Center, Delmann Heights Community Center and Animal Control.

Leveraging Energy Efficiency Resources and Incentives

In 2010, the Southern California Edison made funds available to government agencies and businesses at a zero percent interest for energy efficiency projects. The program, known as On-Bill Financing, provides capital for agencies to fund energy efficiency projects. These projects benefit Edison by reducing the demand for electricity during peak usage and benefit the customer by reducing energy consumption and, ultimately, the electric bill.

The On-Bill Financing program allows borrowers to repay the loan with the savings from their electric bill; after an energy efficient project is completed, the electric bill remains the same and the savings from the reduction in energy is applied toward the loan. Once the loan is paid off, the City of San Bernardino will save on electrical costs for that project. Each project will yield a different amount of savings per year.

Working with a contractor, City staff identified 16 projects that qualified for the On-Bill Financing program. The total cost to retrofit all 16 projects was approximately \$230,000. However, the City received rebates of approximately \$27,381, which decreased the total project costs to approximately \$203,000. In general, once a project is completed, it will take approximately 3-5 years before the City pays off the loan, but more importantly will start saving on energy costs every year thereafter.

Financial Impact

The total estimated project cost for the lighting retrofits is \$230,000, which was financed by the Edison On-Bill Financing. There was no immediate cost to the City, as debt service will be paid through energy savings.

By the Numbers

Total Number of Projects - 16
Number of City Fire Stations - 12
Number of Community Centers and Animal Control Facility - 4
Total Cost to Retrofit 16 Projects - \$230,000
Total in Rebates - \$27,381
Total Annual Electricity Cost - \$197,901
Total Calculated Annual Electricity Savings - \$63,165
Average Calculated Payback Period in Years - 2.87