CALIFORNIA ALTERNATIVE ENERGY AND ADVANCED TRANSPORTATION FINANCING AUTHORITY

Board Meeting Date: Tuesday, September 15, 2026

Request for Approval of Modifications to the GoGreen Home Program (Article 5 (Commencing with Section 10091.1) of Division 13 of Title 4 of the California Code of Regulations) under the Regular Rulemaking Process

Prepared By: *Davey Ly, Program Specialist*

REQUEST

Staff requests approval to adopt modifications to the regulations of the GoGreen Home Program (Program) (Article 5 (Commencing with Section 10091.1) of Division 13 of Title 4 of the California Code of Regulations) (Regulations) under the regular rulemaking process. The California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) seeks to make modifications to incorporate language clarifying the eligibility of victims of natural disasters in the Program. This allows those rebuilding after a natural disaster to incorporate more advanced green technology than may currently be required by a local building authority. In addition, CAEATFA proposes regulation modifications clarifying that lenders have 180 days after the last project certification date to submit loans for enrollment in the Program. These modifications were adopted under the emergency rulemaking process and CAEATFA is seeking to make the amendments permanent in the Program Regulations.

BACKGROUND

The California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) administers the California Hub for Energy Efficiency Financing (CHEEF) on behalf of the California Public Utilities Commission (CPUC). CHEEF operates three energy efficiency financing programs: GoGreen Home, GoGreen Business, and the GoGreen Multifamily funded by the investor-owned utilities (IOUs) ratepayers.

The CPUC collectively authorized the programs as pilot programs to support the State’s broader energy efficiency and environmental policy goals through leveraging private capital for energy retrofits. GoGreen Home, the first pilot program to launch in July 2016, targets the single-family residential market. GoGreen Home mitigates the risk of default for Lenders[1] through the use of a loan loss reserve mechanism. This loan loss reserve enables Participating Lenders to offer more attractive financing terms, such as reduced interest rates, longer terms, and increased financed amounts to a broader group of Borrowers. The CPUC approved the transition of the Program from pilot to full program in April 2020.

[1] Unless otherwise defined, all capitalized terms are as defined in Program Regulations.

Since its inception, GoGreen Home financing has been available to borrowers retrofitting and/or upgrading existing residential structures. However, following the destructive fires in the Los Angeles area that took place in January 2025, there was considerable interest amongst various stakeholders to assist with the rebuilding efforts by utilizing the GoGreen Home program. NPR reports that more than 10,000 homes were destroyed in the fires, and the recovery effort will necessitate rebuilding these structures from the ground up. As such, CAEATFA would like to clarify that that the Program eligibility includes "reconstruction" specifically allowing victims of natural disasters to access the Program. The second regulation modification also clarified that lenders have 180 days after the last project certification date to submit loans for enrollment in the Program. This modification ensures that lenders submit loans promptly and ensure organizational efficiency.

These modifications were adopted under the emergency rulemaking process and CAEATFA is seeking to make the amendments permanent under the regular rule making process.

OVERVIEW OF MODIFICATIONS

Clarification of eligibility necessitates the modification of GoGreen Home regulations, specifically §10091.5(b)(2). The intention of this change is to provide the opportunity for the victims impacted by a natural disaster to rebuild exceeding Title 24 requirements for energy efficiency standards.

In addition, modifications to §10091.9(j) will help to ensure that data provided to stakeholders will be accurate and timely by establishing a reasonable 180 day period for Lenders to enroll completed projects in the Program. This modification has become necessary as the Program has grown significantly both in number of Lenders as well as number of projects.

The proposed regulation amendments respond to challenges, lessons learned, and extensive stakeholder feedback received while implementing GoGreen Home. It is the Program's intention to expand the opportunity for consumers to access GoGreen Home, clarify processes, and facilitate energy efficiency improvements. The amendments:

- Allow for the possibility of superior efficiency in homes rebuilt following a federally declared natural disaster where measures installed after reconstruction would have a significantly higher cost of installation, longer payback period, and less positive environmental benefit.

- Safeguard the Loan Loss Reserve against losses that could be incurred by unscrupulous stakeholders and ensure the potential for the participation of more California residents as they work to reduce their carbon emissions.

Outreach for GoGreen Home Regulatory Action
CAEATFA staff regularly solicits feedback from Participating Contractors and Lenders and carefully monitors loan data to understand the Borrower experience and loan performance. As part of our Regulation modification process, CAEATFA meets regularly with stakeholders to solicit input and will conduct a public workshop as part of the Certificate of Compliance process to make permanent these regulation changes. Early stakeholder feedback is represented in these proposed modifications.

PROPOSED MODIFICATIONS TO REGULATIONS

Below is a brief description of each of the substantive changes to the Regulations. The specific modifications to the Regulations can be found in Attachment A, denoted in strikethrough and underlined text.

Section 10091.5. Loan Eligibility and Minimum Underwriting Criteria.
This section outlines the requirements and parameters for loans to be enrolled in the GoGreen Home Program.

- *§10091.5(b)(2)*: This subsection was amended to include an exception for reconstruction of an existing building that was destroyed in a federally declared natural disaster.

  Necessity: Under current regulations, financing through GoGreen Home is limited to upgrading existing homes and cannot be applied to new construction. As a result, victims of natural disasters who are forced to rebuild their homes are unable to access this program. This is a population for which access to low-cost financing could be an important tool as they seek to reconstruct their homes and their lives. While the impetus for this exception was the January 2025 fires in Los Angeles, given the increasing scale of and recovery costs for climate-related disasters throughout the state, there is a need for expanding the range of financing sources available to fund recovery efforts.

Section 10091.9. Loan Enrollment.
This Section describes all the documentation and data required for a loan to be enrolled into the Program in order to receive a Loss Reserve Contribution. The Section covers documentation provided by the Contractor, Borrower, and Lender, though Lenders are responsible for compiling and submitting the package.

- *§10091.9(j):* This subsection is being added to specify a reasonable 180 day time period within which a Lender is required to submit projects to the Program for enrollment.

  Necessity: To ensure accurate data reporting to stakeholders, GoGreen Home relies on the timely submission of projects into the program. Previously, this time-to-enrollment period existed in GoGreen Business, but GoGreen Home staff did not see evidence to suggest that it would be necessary. The adoption of the online portal and alternate methods of project submission have necessitated its inclusion and the renumeration of the following subsection.

REGULATORY PROCESS TIMELINE

All of the future dates below are tentative and subject to change.

September 14, 2026	Notice of Proposed Action 45 Day period for proposed modified Regulations closes.
September 15, 2026	CAEATFA Board reviews and approves proposed modified Regulations.
September 25, 2026	Proposed modified regulations are submitted to Office of Administrative Law (OAL) for review. OAL has 30 working days to review the amended regulations.
November 6, 2026	OAL decision for approval of certificate of compliance to complete the regular rulemaking process.

RECOMMENDATION

Staff recommends the adoption of Resolution No. 26-09-4.B to authorize the Chair and the Executive Director to execute the Certificate of Compliance for the GoGreen Home Program to make the proposed amendments permanent.

Attachment: Attachment A: Proposed Modified Regulations. Modifications for Board consideration are shown with strikethrough and underlined text.

RESOLUTION OF THE CALIFORNIA ALTERNATIVE ENERGY AND ADVANCED TRANSPORTATION FINANCING AUTHORITY APPROVING MODIFICATIONS TO REGULATIONS AND OTHER RELATED ACTIONS TO IMPLEMENT THE GOGREEN HOME PROGRAM

September 15, 2026

WHEREAS, the California Alternative Energy and Advanced Transportation Financing Authority ("Authority") is authorized by Section 26009 of the Public Resources Code to adopt regulations to implement and make specific the statutory provisions governing the Authority; and

WHEREAS, the Authority has determined that, under its Memorandum of Agreement with the Public Utilities Commission and its contract with the investor-owned utilities to serve as the manager of the California Hub for Energy Efficiency Financing, it is necessary to adopt modifications to the current program regulations (the "Regulations") to implement the GoGreen Home Program (the "Program").

NOW, THEREFORE, BE IT RESOLVED by the California Alternative Energy and Advanced Transportation Financing Authority as follows:

Section 1. The proposed modified Regulations, on file with the Authority, are hereby approved. The Chair and Executive Director are hereby authorized to file the Regulations, with the supporting documentation required by law, with the Office of Administrative Law as regulations in the form currently on file with the Authority.

Section 2. The Chair and Executive Director are hereby authorized to proceed with the public notice and comment procedures required by the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) prior to submitting regulations to the Office of Administrative Law and completing the regular rulemaking process.

Section 3. The Chair and Executive Director are hereby authorized to take the actions necessary for the adoption of the Regulations, including making any necessary changes to the Regulations to secure approval by the Office of Administrative Law, and to execute and deliver any documents and take any steps the Chair and Executive Director may deem necessary or advisable to effectuate the purposes of this resolution.

Section 4. This resolution shall take effect immediately upon its approval.