

Metrus Energy
5 Third Street, Suite 1212
San Francisco, CA 94103

July 2, 2013

Brad Copithorne
Financial Policy Director
Environmental Defense Fund
123 Mission Street, 28th Floor
San Francisco, CA 94105

Regarding the Proposed Decision of ALJ Darling; Agenda ID #12219

Dear Mr. Copithorne:

Metrus Energy is a leading developer and financier of energy efficiency projects for commercial properties. We believe that a properly structured On-Bill Repayment program will allow Metrus to develop and provide financing for a far broader range of commercial properties than we currently target.

To date Metrus and most other EE project investors have primarily focused on the highest quality credits which are primarily owner occupied or single tenant properties where the occupant has an investment grade credit. This represents only a small portion of the overall commercial property market. A properly structured OBR program will likely allow Metrus (and other energy services companies) to finance projects that do not qualify today. Survivability of the OBR obligation through a foreclosure, is what separates OBR from a second lien, unsecured loan or other traditional financing products. In order to be effective, however, the OBR obligation must be part of the utility bill, must not be somehow subordinated to other charges on the bill and must not be contingent on consent from a post-foreclosure owner.

We fully support the CPUC's efforts to provide high quality disclosure to prospective buyers and tenants, but we believe that sophisticated owners and tenants of commercial properties can also be expected to do due diligence before making real estate commitments.

Background on Metrus

Metrus Energy is a leader in energy efficiency financing for large retrofit and building upgrade projects at commercial, industrial and institutional facilities. Through its comprehensive financing solutions, Metrus pays for all upfront and ongoing project costs, removing initial investment as a barrier and providing facilities with the immediate financial, operational and

environmental benefits of impactful energy efficiency measures. Metrus has developed and financed a wide range of retrofit projects for its customers, including high efficiency lighting, energy management and controls systems, HVAC equipment upgrades and replacements, motors and pumps and continuous commissioning programs.

Sincerely,



Bob Hinkle