



Green Hayward PAYS® Frequently Asked Questions



What is Green Hayward PAYS®?

Green Hayward PAYS® is a City of Hayward program that allows multifamily property owners to get immediate savings on their water and energy utility bills by installing efficiency improvements with no up-front cost. Participants pay for the improvements through a surcharge on their water bill. The savings achieved by the improvements are greater than the estimated surcharge, providing a positive cash flow on utility bills.

How do you guarantee that estimated utility bill savings will exceed the cost of improvements?

City approved Contractors conduct a **free** site assessment to determine what improvements will save you the most water and energy. Installed improvements are screened at each installation, and conservative bill estimates provide for at least \$1.00 in savings for every 80 cents of the surcharge. Your surcharge remains fixed so if utility rates go up, your savings become greater over time.

What efficiency improvement are offered through the Green Hayward PAYS® program?

Green Hayward PAYS® offers a range of indoor and outdoor property improvements including: high efficiency toilets, showerheads, faucet aerators, in-unit LED, common area and outdoor lighting, domestic hot water improvements, weather-based irrigation controllers and irrigation system repairs. Green Hayward PAYS® improvements are among the most efficient available in the market. All improvements have been pre-selected to ensure high quality, come with an extended warranty, and are provided at a lower market price.

Who installs the improvement improvements?

Green Hayward PAYS® Certified Program Contractors have been pre-qualified and selected to install program improvements. These Certified Program Contractors comply fully with installation standards and codes, are insured, and their work is bonded. The City of Hayward works with Certified Contractors to ensure that the improvement improvements you select will be installed correctly and deliver savings. The City of Hayward invites customer inquiries and will work with you to resolve any issues that may arise in dealing with Certified Contractors and installed improvement improvements.

Can participants choose their contractors?

Yes. However, Customer-Choice Contractors, those selected by participants, must agree to provide the same program services as Certified Program Contractors.

What happens if the improvement breaks or stops working during the payment period?

If a improvement breaks or stops working, the customer should immediately contact the City of Hayward. The City of Hayward will verify improvement failure and work with the improvement supplier and/or Certified Contractor to have the improvement fixed or replaced according to the warranty. If the City of Hayward determines that the improvement cannot be fixed, and the customer (or their tenants) did not break it or cause its failure, the obligation to pay the Green Hayward PAYS® surcharge will end. If the improvement fails beyond the warranty period and is repaired, the payment duration will be extended to cover the repair or replacement costs, providing the improvement continues to deliver savings.

Green Hayward PAYS® sounds too good to be true - what's the catch?

There is no catch. Green Hayward PAYS® works because it offers improvement improvements that will provide significant water and energy bill savings over time compared to the cost of installing improvements. Participating Hayward customers will enjoy building improvements, lower utility bills, and help the City meet its water efficiency and greenhouse gas reduction goals.





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What is the tariffed Surcharge? Is it a loan?

The tariffed Surcharge is paid like any other charge on your utility bill. It is not a consumer loan and does not add to the participant's debt. Under Green Hayward PAYS®, improvements are paid through a tariffed Surcharge that appears on the bi-monthly water bill. Participants pay charges only when they are billed (i.e., only if they remain customers at this location and the improvements continue to function). This Surcharge pays for the selected products and all pilot fees. If the owner sells, the next owner will take over paying the Surcharge while also enjoying the utility bill savings of the installed improvements at that location.

Is interest charged on the improvement improvements? If so, how much and over what period of time?

Similar to interest, a Program Activity charge of 6.95 percent of the total installed improvement cost, including any fees, is included in the Green Hayward PAYS® Surcharge. The Program Activity charge covers the cost for the up-front capital to pay for the installations and for other Hayward operating costs. There are no hidden fees. All fees and charges (and estimated savings) will be disclosed to you before you are asked to sign a Purchase Agreement to install improvements. The flexible repayment term of 3-10 years ensures the most cost effective repayment term for the participant. Furthermore, there is no penalty for prepayment.

Is there a credit check required to qualify?

While there is no credit check required, customers need to have been current with their Hayward water bill for the previous 12 billing cycles (24 months) to qualify for participation in the pilot, and they must continue to pay the total bill (including the new tariffed Surcharge) for the duration of their ownership or the term of the Surcharge, whichever is shorter. However, since the Surcharge is less than estimated savings, total utility bills (water and energy) at the location should be less than they would have been had the improvements not been installed.

Who qualifies and how does one get to participate?

Hayward multifamily building owners can find out if they can participate in the Green Hayward PAYS® pilot by contacting 510-463-6119 or Environment@hayward-ca.gov.

What happens if the building is sold before the end of the payment period?

For work performed and installed by Certified Program Contractors, the Program's guarantee is that if you disclose the benefits and obligations associated with installed improvements to the next purchaser and you or your tenants have not damaged the improvements, your payment obligations end when you close your account. The next owner will continue to pay the remaining charges.

How did the Green Hayward PAYS® pilot program get started?

The pilot was developed by the City of Hayward and the Bay Area Regional Energy Network (BayREN), with funding provided by the California Public Utilities Commission (CPUC). The Design Team is being led by Frontier Energy and the Energy Efficiency Institute, Inc., which developed the PAYS® system

