



FEDERAL HOUSING FINANCE AGENCY  
Office of the Director

October 29, 2009

Ms. Janill L. Richards  
Deputy Attorney General  
Coordinator, Global Warming Initiatives  
State of California  
Department of Justice  
1515 Clay Street, 20<sup>th</sup> Floor  
Oakland, CA 94612-0550

Dear Ms. Richards:

Thank you for your October 12 letter to former Director Lockhart regarding Property Assessed Clean Energy (PACE) programs. As your letter notes, the Federal Housing Finance Agency has expressed concerns with the implementation of these programs, both in terms of consumer protection and investor protection. At the same time, we have been working with other Federal departments and agencies to identify and promote best practices in this area so that the goals of improved energy efficiency, consumer protection, and prudent lending practices may be aligned. I would welcome an opportunity to have my staff work with you to effectively achieve these important objectives. You may contact Chris Dickerson, our Deputy Director for Enterprise Regulation at 202-414-3754 or Alfred Pollard, General Counsel at 202-414-3788, to arrange for follow-up discussions

Yours truly,

A handwritten signature in black ink that reads "Edward J. DeMarco". The signature is written in a cursive style.

Edward J. DeMarco  
Acting Director

xc: The Honorable Shaun Donovan, Secretary, Department of Housing and Urban  
Development  
The Honorable Steven Chu, Secretary, Department of Energy  
Carol M. Browner, Director, White House Office of Energy & Climate Change Policy