

Keeping PACE: The Opportunities of PACE Financing for EE and Solar

Date: Wednesday, July 21st, 8:30am – 11:30am
Location: Palo Alto
Target group: Energy efficiency professionals/consultants, renewable energy (particularly solar) professionals/consultants, financial and investment groups

PACE (Property Assessed Clean Energy) is a municipal financing model that eliminates the cost barrier of green initiatives like solar and home energy efficiency improvements.

How it works: PACE bonds are lent to residential and commercial property owners to finance energy retrofits. The loans are repaid over a 15-20 year term via an annual assessment on their property tax bill. PACE bonds can be issued by municipal financing districts or finance companies.

Pace has been named a “Breakthrough Business Idea of 2010” by the Harvard Business Review and a “World Changing Idea” by Scientific American. The city of San Francisco has acknowledged the value and potential of PACE; it has made \$150 million available for lending to residents and businesses for the city’s own PACE program (called “GreenFinanceSF”).

The question we pose now is how businesses can optimally utilize and benefit from this shiny new financing tool?

Introduction to PACE

- ▶ Where has PACE been implemented and how successful has it been?
- ▶ What are the federal, state, and municipal legislative policies and programs behind PACE?
- ▶ What are the traditional barriers to EE retrofits and solar and how does PACE combat this?
- ▶ How does PACE compare with other financing options (mortgages, loans, SunRun’s PPA model, etc.) and when is PACE the superior option?

Navigating the Implementation Process

- ▶ Which EE improvements are covered under the PACE program?
- ▶ What are the performance requirements and expectations? What quality assurance procedures are attached to PACE?
- ▶ How do you keep transaction costs low?
- ▶ PACE programs require energy consumption reductions before solar systems can be financed. How do solar installers proceed with this in mind?
- ▶ What is the process of becoming qualified as a contractor?
- ▶ How do you tackle the issue of mortgage seniority (i.e. the senior position of debt from the retrofit to existing mortgage debt)?
- ▶ What are the potential bureaucratic tangles? How do you most effectively and efficiently work with municipalities?

The Consumer Angle

- ▶ What are the most cost-effective uses of PACE financing for consumers?
- ▶ How do you craft an appropriate and effective marketing strategy?
- ▶ How do you make information regarding PACE accessible and relatable to your customers?

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Partnerships

- ▶ Who are the PACE experts (ex. Renewable Funding) and how best to partner with them?
- ▶ Is the merger of solar and EE firms (solar installers becoming retrofitters and vice-versa) as a way to streamline PACE a viable and attractive option?

Eye toward the Energy Future

- ▶ What is next for PACE legislation?
- ▶ What will the future look like for clean energy financing?

Please contact Kimberly.Schoemaker@agrion.org for any further questions.

Please register directly in the section of the program after creating your profile on www.agrion.org.