



# Intro to Financing for Efficiency and Renewables & Five Tips for Success

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# Financing Case Studies

## Conventional

- ❑ AFC's Keystone Home Energy Loan (PA)
- ❑ City of Cambridge (new)
- ❑ Efficiency Vermont
- ❑ KEMA's California EE Loan Fund (terminated)
- ❑ MN Center for Energy and Environment
- ❑ NYSERDA's Energy Smart Loan Fund
- ❑ NYSERDA's HPwES Loan Program
- ❑ Nebraska Energy Office
- ❑ Sacramento Municipal Utility District (SMUD)
- ❑ Vermont Gas Systems
- ❑ Viewtech Financial Services

**Report available:**  
**[rael.berkeley.edu/financing](http://rael.berkeley.edu/financing)**

## On-Bill Financing

- ❑ BC Hydro (terminated)
- ❑ First Electric Cooperative (AR)
- ❑ Manitoba Hydro
- ❑ NW Natural Gas (terminated) (Portland)

## Tariffed Installation Program (TIP) w/ On-Bill Repayment

- ❑ Maui Electric Company
- ❑ Midwest Energy (KS)
- ❑ New Hampshire Electric Coop (terminated)

## Clean Energy Municipal Financing

- ❑ City of Berkeley (new)

# Clean Energy Municipal Financing



\$\$ Upfront



\$\$ Repaid  
on **tax bills**



- Creates financing district & approval process
- Provides upfront capital
- Attaches repayment obligation to the building

- Identifies work & chooses contractor
- Repays financing as a line item on the property tax bill
- **Repayment obligation transfers with ownership**

# 150+ Energy Efficiency Financing Programs in the US...



Success!!!  
Our goals are done.

**Most programs reach less than 0.5% of their potential participants each year**

# Barriers to Efficiency & Solar

- “Not worth the effort”
- Lack of convenient, actionable information
- Uncertainty about the energy savings
- Few comprehensive service providers (in CA)
- Split incentives
- High upfront cost
- Others...





# 5. Encourage Comprehensive Energy Retrofits

- Longer terms (~15-20yrs)
- Program requirements
  - Approved measures & contractors
  - Loading order
  - Residential Energy Conservation Ordinance
- Education



## 4. Work closely with contractors

- Contractors are the best sales force (NY, PA, VT)
- Time & money required to engage contractors
- More training needed
- An accepted standard would help local govts roll out energy efficiency programs



### 3. Be aware of who is left out

- Renters
- Low/moderate income
- Some options:
  - Loan guarantees
  - Lower interest rates
  - Alternative credit measures
  - Additional rebates
  - Guarantee savings
  - Pay for handholding
- Financing may not work for everyone!





## 2. Scale matters

- Larger volume programs will be *significantly* lower cost per project
- CEMF at the county level or higher?
- Streamlined program
- Marketing and outreach are KEY for long-term success



# 1. Use new messages, messengers

- Local govts are important messengers!
- Engage local groups that already have trust & connections
- More dynamic, appealing messages are needed



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