



STATES AND ECONOMIES OF SCALE IN THE C-PACE MARKET



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ACEEE Finance Forum

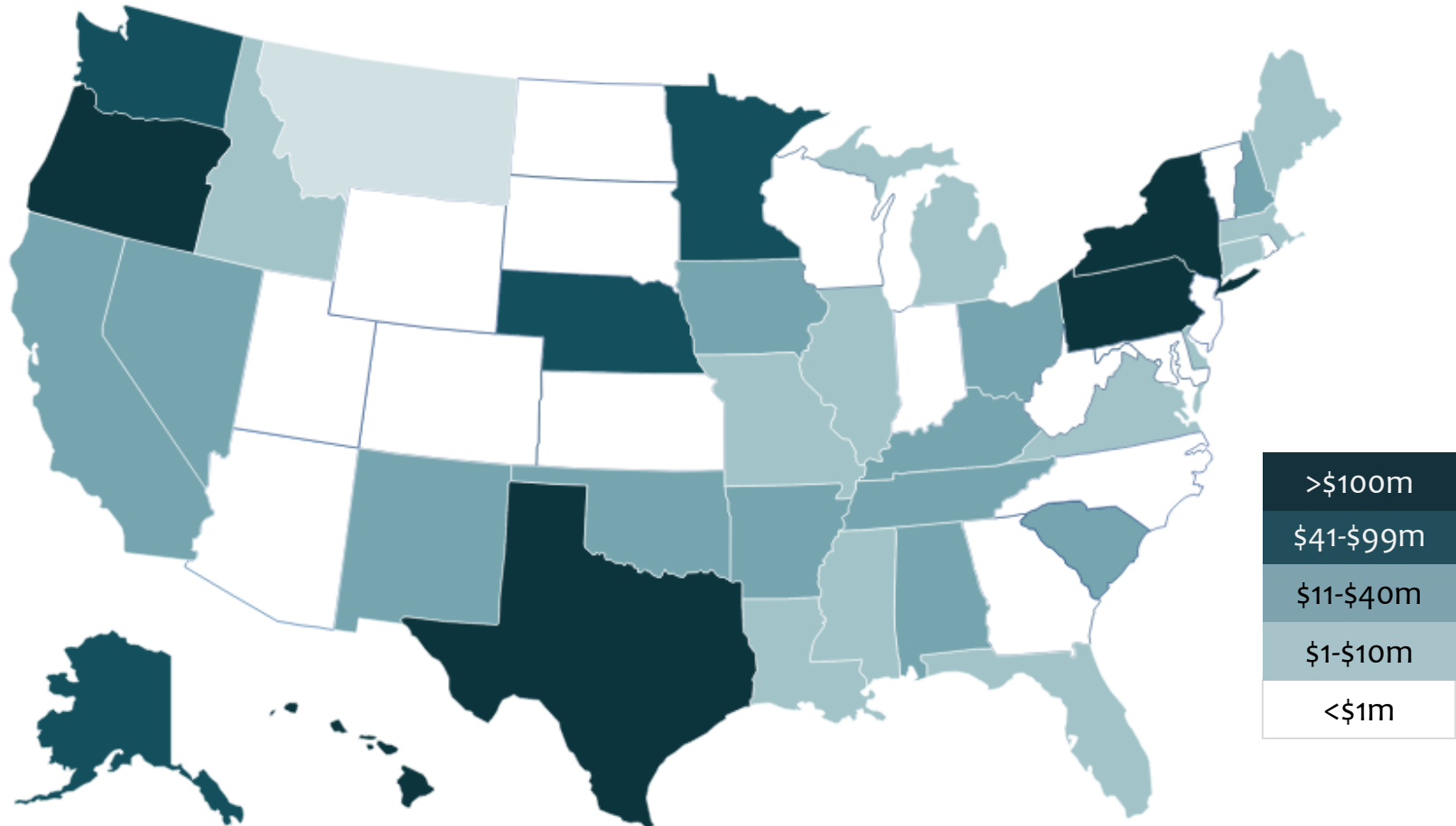
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About NASEO

- Membership includes the 56 Energy Officials from the states, territories, and the District of Columbia, as well as private-sector Affiliate partners
- Serves as a resource for and about the Energy Offices on a number of topics, including building energy efficiency, clean energy financing, fuels and grid integration, government affairs, transportation, energy policy planning, and climate
- Works through topical committees to facilitate peer learning across states to improve the effectiveness of energy policies and programs
- Visit www.naseo.org for more information

STATE ENERGY FINANCING



Known capitalization of State Energy Office-operated or –supported revolving loan funds. Source: NASEO Financing Database, <http://naseo.org/state-energy-financing-programs>.

WHAT WE KNEW

- PACE is complex, requires state, local, and private action
- Growth has been led at city- and county-level; but not cheap or easy
- Vast market opportunity (\$88-\$113b for large commercial buildings alone)
- Property owners, contractors, and financiers are not limited by city or county boundaries

WHAT WE SET OUT TO LEARN

- How does the C-PACE market benefit from economies of scale?
- How can states and localities partner to realize economies of scale?

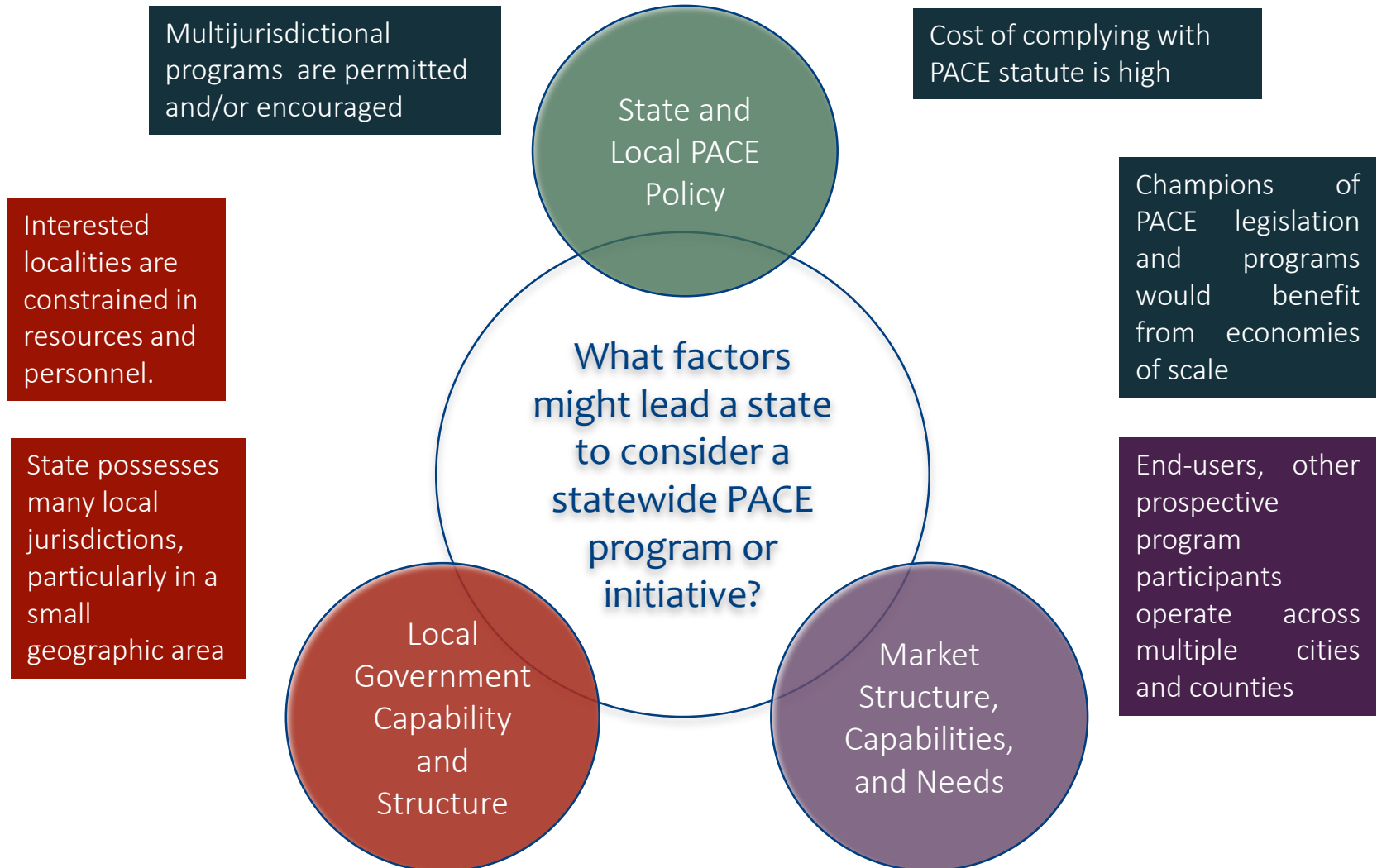


ACCELERATING THE COMMERCIAL PACE MARKET STATEWIDE PROGRAMS AND STATE ENERGY OFFICE PARTICIPATION IN PROPERTY ASSESSED CLEAN ENERGY (PACE) FINANCING



Available at <http://naseo.org/publications>.

STATEWIDE C-PACE: KEY FACTORS



How can states intervene effectively in the PACE market?

<p>TOP-DOWN</p>	<p>SINGLE STATEWIDE OPTION</p>	<ul style="list-style-type: none"> • Single C-PACE program option operates statewide • Local governments interested in C-PACE must opt-into one statewide program • Private sector partners may provide key program services under statewide administrator's oversight
	<p>STATE AND LOCAL OPTION</p>	<ul style="list-style-type: none"> • Statewide program(s) may coexist with locally administered or privately administered programs • Typically offers more attractive option than an individual locality could attain on its own • PACE authorization permits multijurisdictional or joint programs
<p>BOTTOM-UP</p>	<p>STRATEGIC STATE SUPPORT</p>	<ul style="list-style-type: none"> • Provides guidance or direct to local and private program administrators • Not a formal program a requirement, but rather a voluntary initiative offering resources and model documents

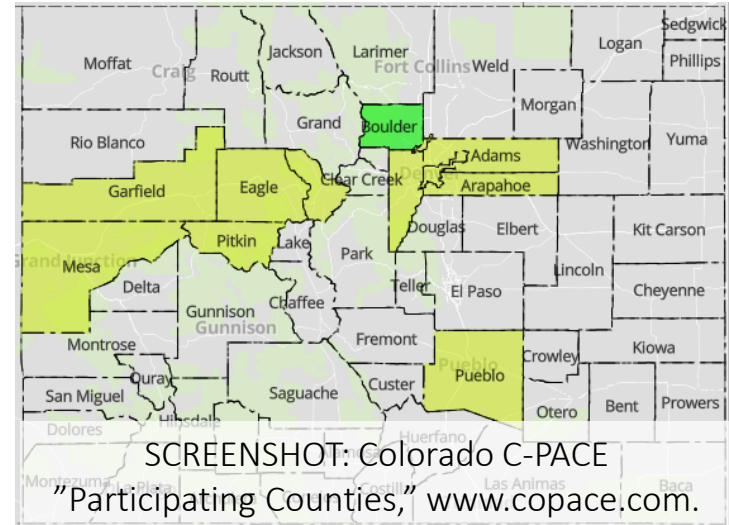
SINGLE STATEWIDE OPTION

CONNECTICUT



- Connecticut Green Bank serves as single statewide program administrator, at direction of legislature (Act No. 15-21)
- Auditors and contractors are engaged extensively to promote C-PACE use.
- One of largest C-PACE markets in country
- 121 of 169 municipalities now participate

COLORADO



- PACE legislation charges the "new energy improvement district" with developing, financing, and administering program (SB13-212)
- Owner-driven, open market financing; any qualified capital provider may participate
- Still in early program expansion phase



NEW YORK

Statewide program option, “Energize NY,” streamlines and shares services among many participating municipalities.

Administrator (Energy Investment Corporation) leverages resources from NYSERDA and credit from NY Green Bank.

Covers commercial, industrial, institutional, multifamily, agricultural, and solar

PHOTO: Wainwright House in Rye. Courtesy of the Energy Investment Corporation.

What is PACE Financing?

TEXAS

PACE program administration is decentralized.

”Keeping PACE in Texas” business coalition activated to launch statewide, voluntary, market-oriented “PACE in a Box” program.

Voluntary technical and financial underwriting standards have been adopted by the Texas PACE Authority (covers Travis, Willacy, Cameron, and Williamson Counties and the City of Houston).

Photo: Screenshot of the Texas PACE Authority’s “What is PACE Financing” Video, available at <http://www.keepingpaceintexas.org/library/videos/>.

WATER

ENERGY

0:16 / 2:17

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+ STATEWIDE C-PACE: MAY NOT BE FOR EVERYONE

- Statewide programs are not currently the norm
- Country's largest market, California, is distinctly bottom-up and decentralized
- Market research, assessment of existing PACE and property tax laws can help states determine most effective course of action

