

# IS THE UNICORN REAL?

## ESCO Services for Affordable Housing



ACEEE 2018 Energy  
Efficiency  
Finance Forum  
3C—Jeff Greenberger

# WHY ARE WE TALKING ABOUT UNICORNS?

- Design ▶ Implement ▶ Manage ▶ Pay for Comprehensive Retrofits for Affordable Housing
- **Without Lien or Parental Guarantee**



# THE ACE MODEL

## What We Give

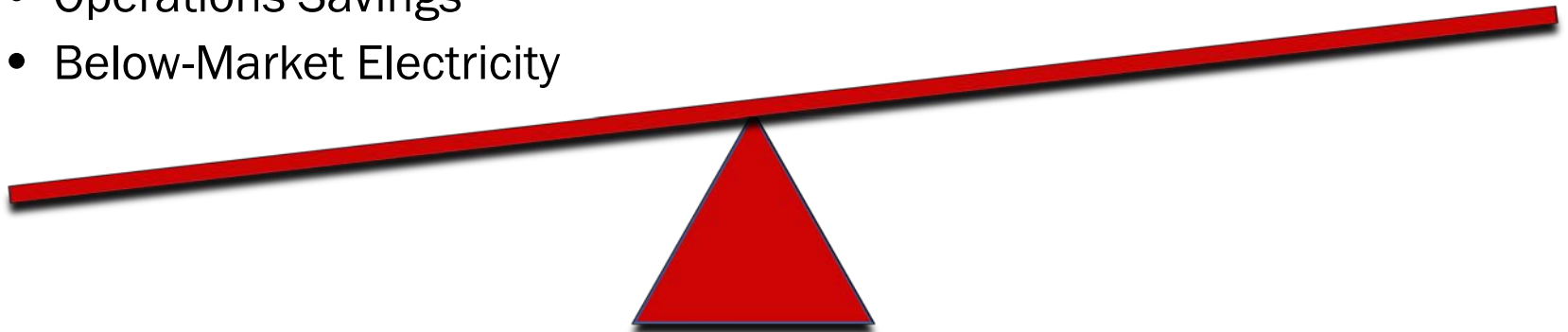
- All Resources/Expertise
- All Costs
  - Installation
  - O&M
  - Replacement
- No Risk

## Benefits

- Utility Savings
- Operations Savings
- Below-Market Electricity

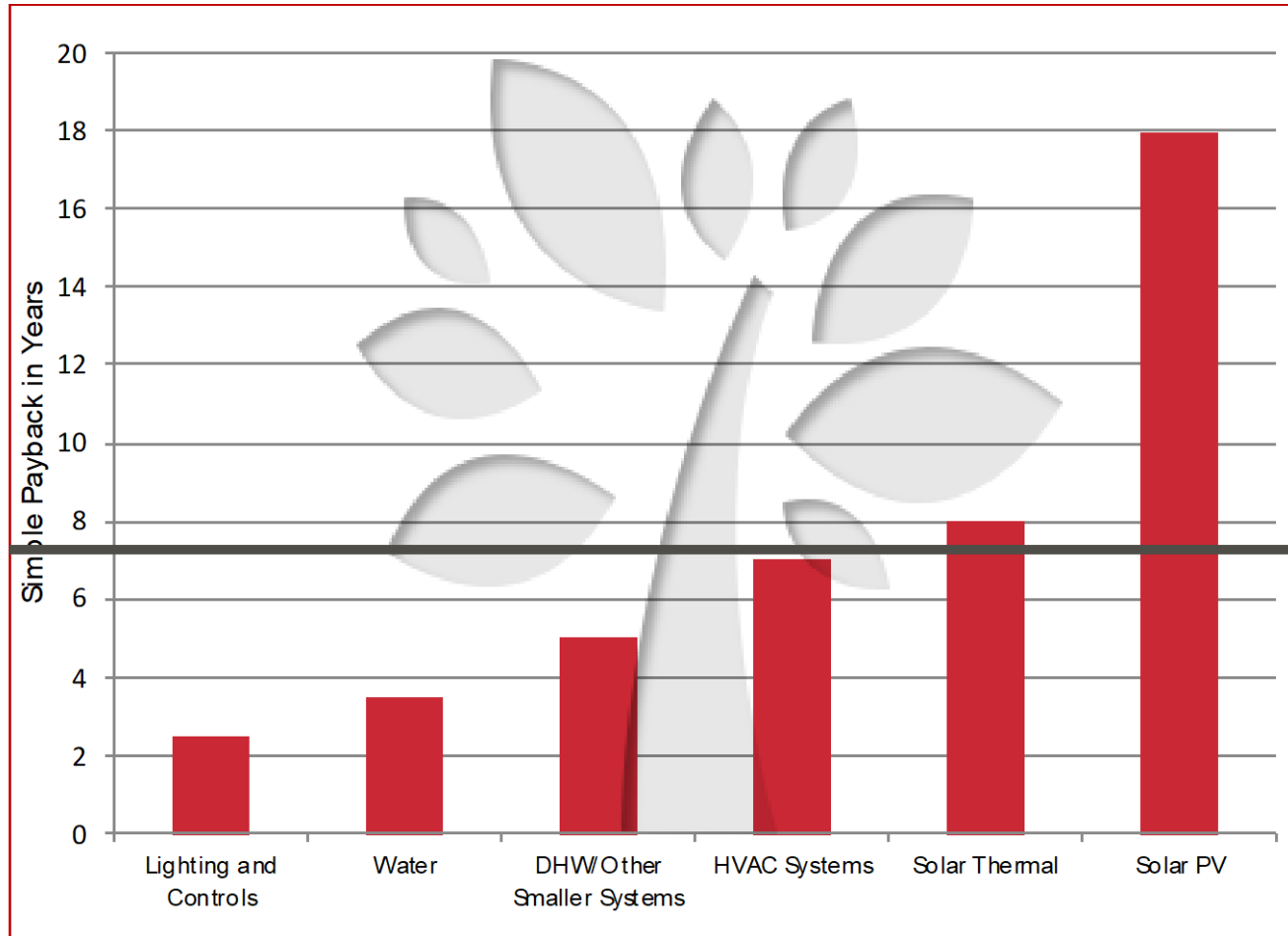
## What We Receive

- Percentage of Actual Measured Savings
- Payments for electricity



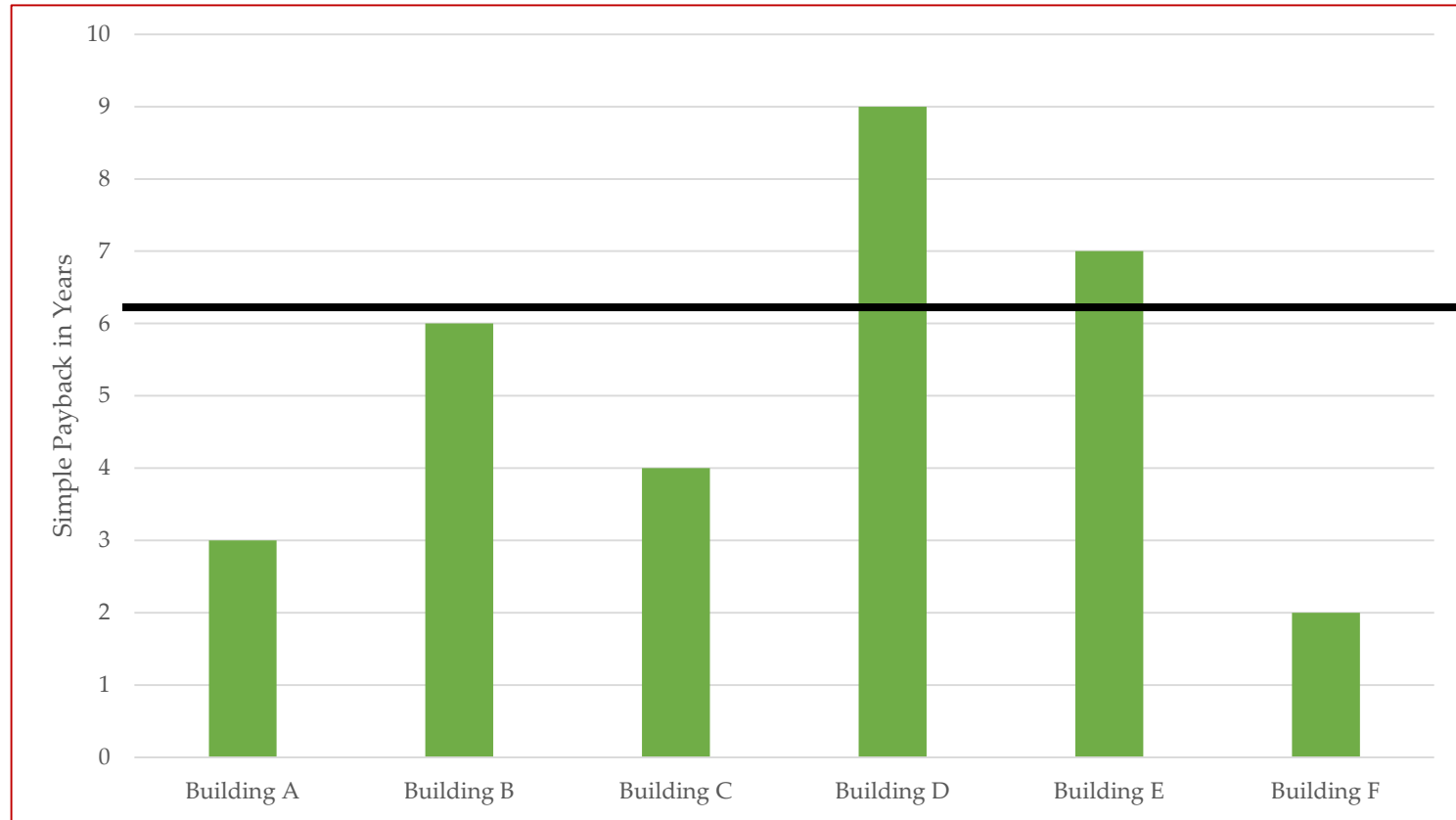
# WHOLE TREE APPROACH

Measures with Shorter Payback Enable Measures with Longer Payback



# WHOLE FOREST APPROACH

Properties with Larger Opportunities Enable Work At Those with Lesser Opportunities



We Pause Here for a Message from  
**Reinvestment Fund**

# About Reinvestment Fund

Our mission is to build wealth and opportunity for low-wealth people and places through the promotion of socially and environmentally responsible development.

Since 1993, Reinvestment Fund has invested over **\$100 million** in clean energy projects, including **energy efficiency, energy generation, portfolios of consumer loans and real estate energy measures.**

This has resulted in **7.9 million MWh** of energy conserved and clean energy created – enough to power **823k** homes for a year.



# Reinvestment Fund's Role in ACE-Mercy

- **Seasoned energy efficiency financier** with portfolio projects including universities, schools, hospitals, commercial and community facilities working with small and large ESCO's.
- Unique interest in project because of **institutional experience financing multi-family affordable housing**.
- Ability to view **risks** in transaction as **opportunities**.
- In-house **analytical capacity, process and expertise** traditionally reserved for larger commercial financing **deployed on projects that are typically un-bankable**.





# BRING US THE HEAD OF A DRAGON!

## The Quest

*De-risk Utility Rates*

## The Request

*Give Us Floor Rates*

## The White Knight

*Caitlin Rood*

National Director of Environmental Sustainability  
Mercy Housing



# NOW, BRING THE TOOTH OF A TROLL!

## The Quest

*De-risk Project Savings*

## The Request

*Give Us Minimum Guaranteed Consumption  
Reductions*

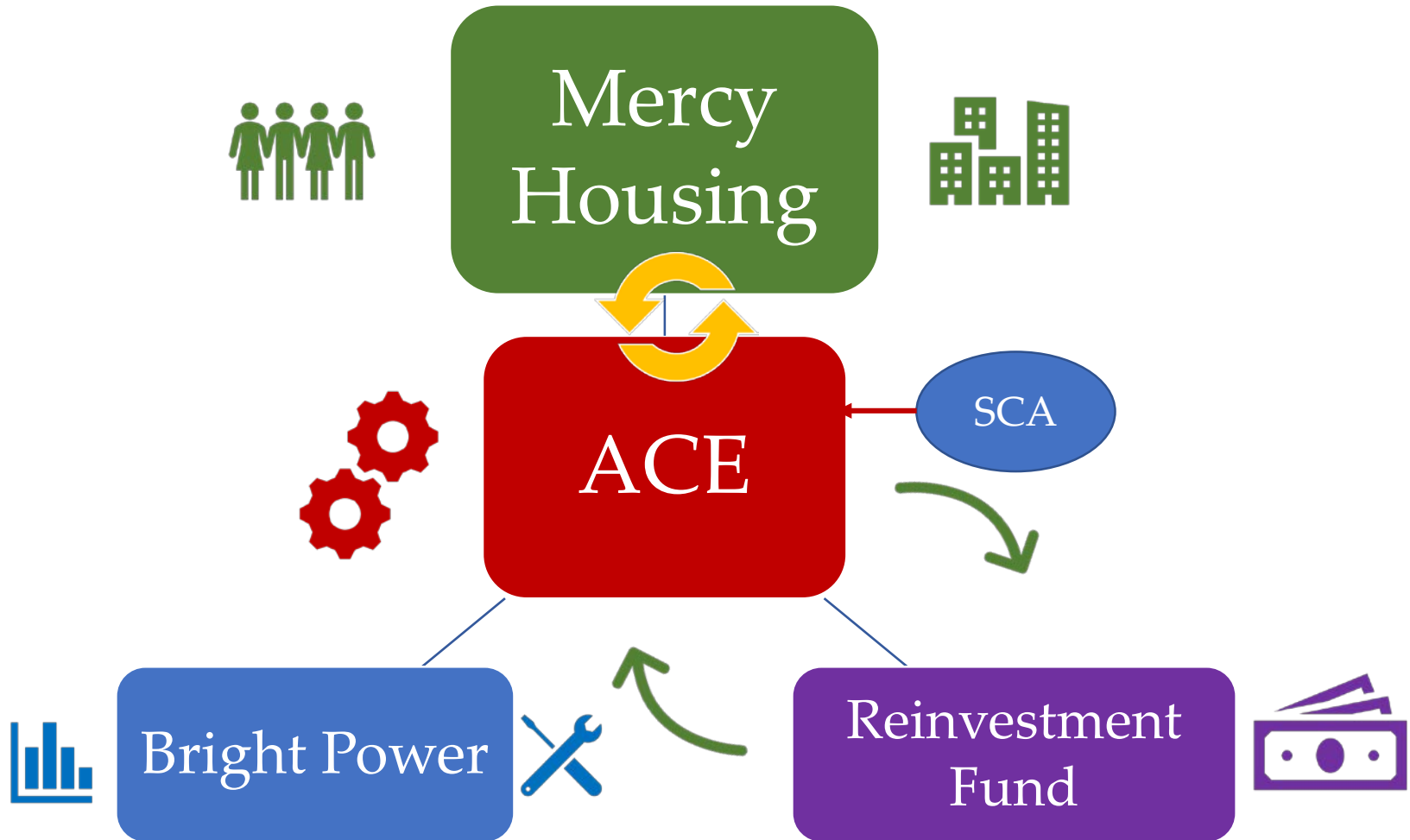
## The White Knight

*Jeff Perlman*

President of Bright Power and Many Others at Bright Power



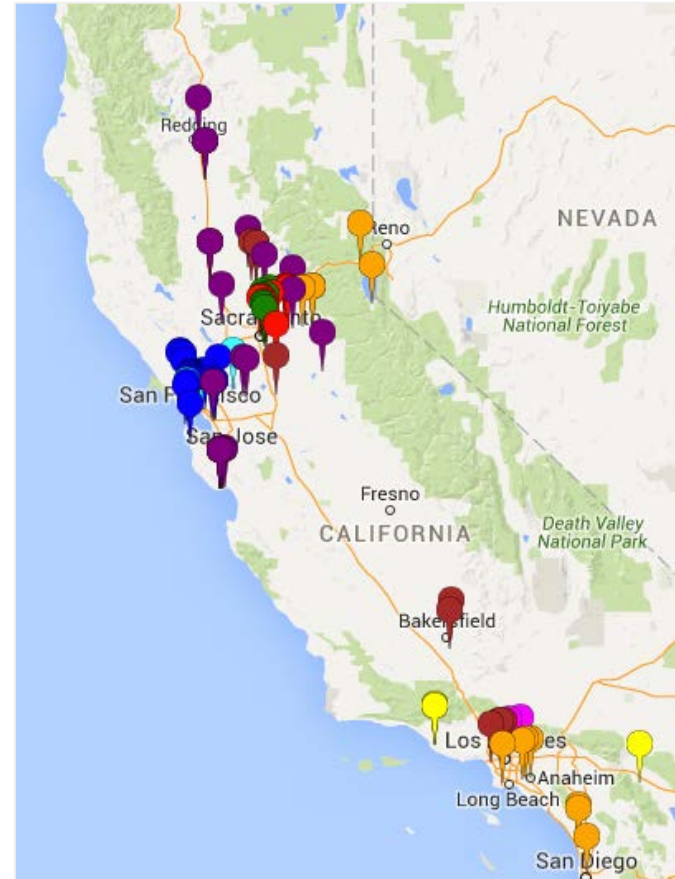
# IT TAKES A TEAM



# MERCY CALIFORNIA PORTFOLIO PROJECT

## Projected Scope

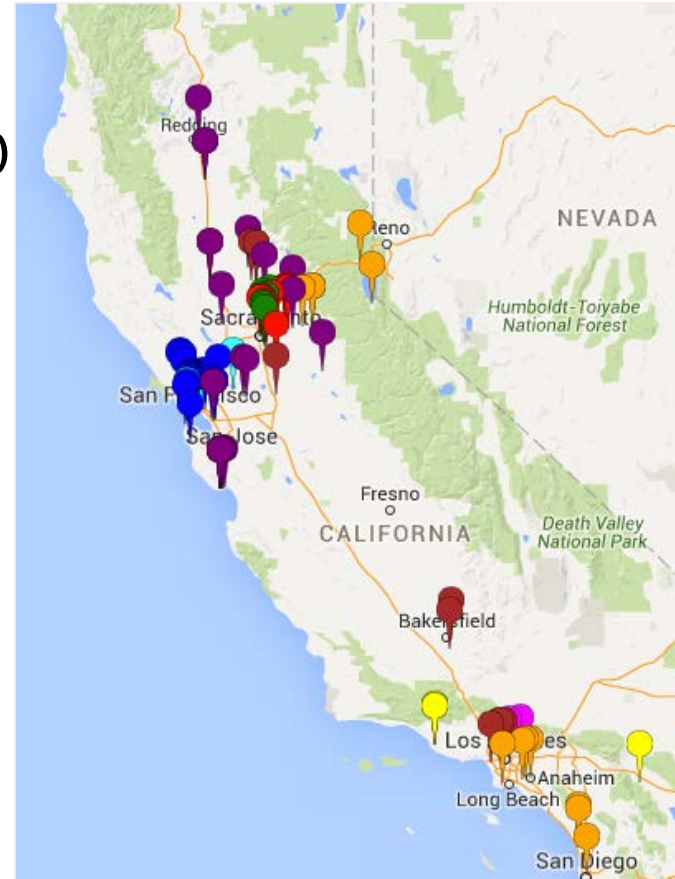
- 90 to 95 properties, 6,000 to 6,500 units
- Total Cost: \$6+ million
  - Incentives: \$3.3 million
  - Loan: up to \$3.million
- Throughout California
- 18-month implementation



# MERCY CALIFORNIA PORTFOLIO PROJECT

## Projected Benefits

- \$5 million owner savings over 10 years
- 2.1 Million Less kWh/yr
- 23,300 Fewer Therms/yr
- 3.2 Million Gallons Saved/yr



# WHO IS THE REAL UNICORN?

It isn't ACE

Reinvestment Fund is a Pioneer  
that made ACE real



**Is Caitlin/Mercy the Real Unicorn?"**

**Are there other heroes willing and able  
to champion comprehensive retrofits?**

# PANEL PARTICIPANTS

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