

Why Funders Don't Like You

Panama Bartholomy

Investor Confidence Project



**INVESTOR
CONFIDENCE
PROJECT**

Demand and Finance

Projects



Investors

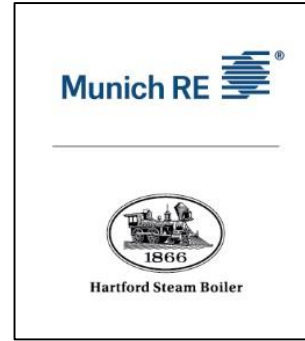


More than 100 banks managing a total of \$4 trillion in assets called for a doubling of energy efficiency by 2030.





ENERGY EFFICIENCY AND RENEWABLE SOURCES FUND



INGENIOUS INFRASTRUCTURE

Menhaden



ICP Investor Network offering over \$5 billion in energy efficiency project capital.





Investors demand
transparent,
consistent and
trustworthy
projects

*“Energy efficiency is in a category by itself, energy efficiency projects **do not yet meet the requirements of capital markets.***

*The industry is just **too disaggregated.** No two projects or contracts are alike. Securitization is not practical or possible under these circumstances.*

*Say you have 1,000 energy efficiency projects. Standard & Poor’s would have to read 1,000 documents to assess the risk. **Fees won’t pay for that level of review.”***

Michael Eckhart

Managing Director and Global Head of Finance and Sustainability at Citigroup

Top Demand and Supply Drivers of Energy Efficiency Investment:

Standardisation

Clear Business Case

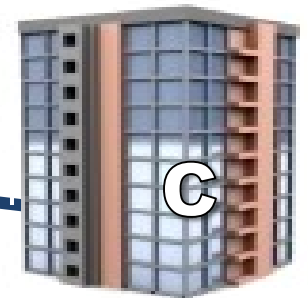
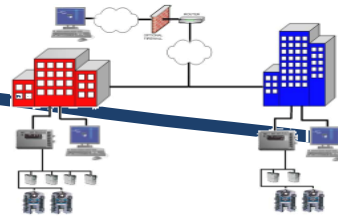
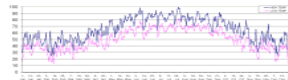
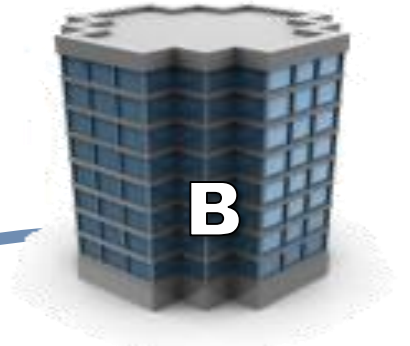
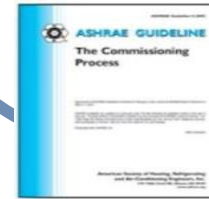
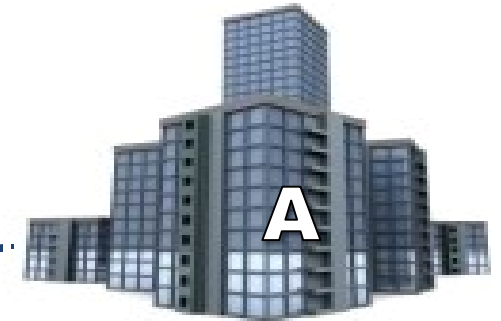
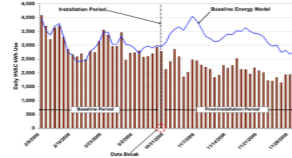
Increased Investor Confidence & Change in Risk Perception

Energy Efficiency

Transaction costs / simplicity

Measurement, Reporting & Verification (MRV) and Quality Assurance

Energy Efficiency Today





We need to create **standardized mechanisms for implementation of projects and project financing**

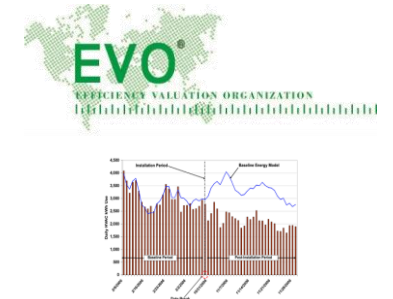
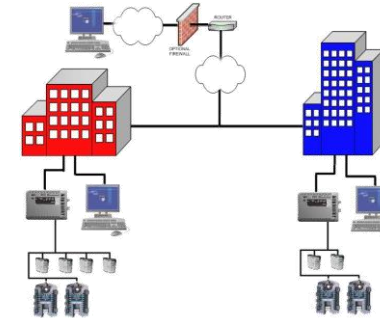
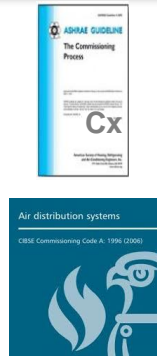
=

cut costs, train work-force, make returns visible and trust-worthy and allows aggregation

=

attract capital.

Transparency and Consistency



- BASELINING**
- Existing Building
 - Drawings
 - Weather File
 - Energy Usage
 - Energy Rates
 - Occupancy

- SAVINGS**
- Model File
 - Calibration Data
 - Bid Packages
 - Certifications

- COMMISSION**
- Cx Plan
 - Cx Authority
 - Test Procedures
 - Facilities Req.

- OPERATIONS**
- BMS Points
 - Fault Plan
 - Maintenance Plan

- MEASUREME**
- M&V Model
 - Regression Model
 - Adjustments
 - Impact
 - Baseline Adjustments



Trustworthy

Project Proposals must specify performance and data collection based on robust **Measurement & Verification** to ensure returns



What investors want

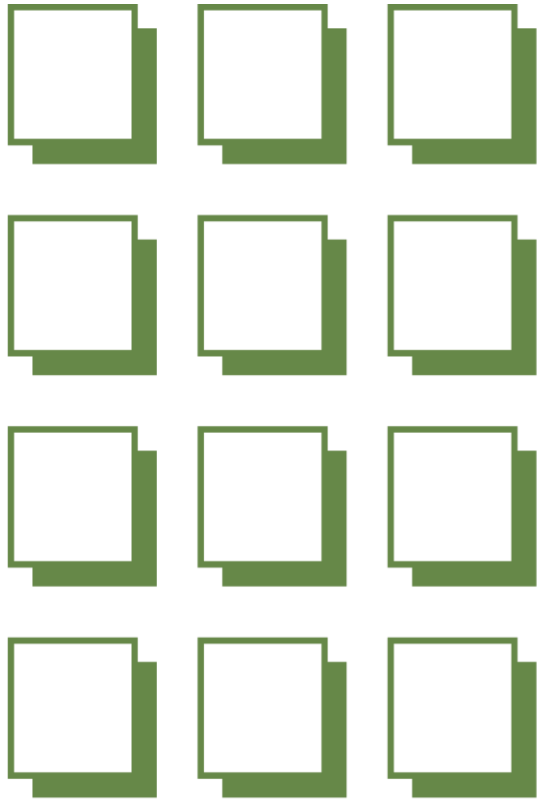
- Clear and transparent renovation project plan based on industry **best practices**
- Evidence of the **qualification of professionals**
- Third-party **measurement and verification**
- Consistent **documentation**
- A **project label** that represents these components and can live with the project



Example



**INVESTOR
CONFIDENCE
PROJECT**



GBCI[®]



Ensures transparency, consistency and trust-worthiness through **best practice, standardization and independent verification.**

32 countries



Baselining

Savings
Projections

Design,
Construction,
Verification

Operations,
Maintenance,
Monitoring

Measurement
& Verification
(M&V)

Elements

- Standards
- Data Elements
- Qualifications

Procedures

- Best Practice Workflow
- Standard Industry Practices

Documentation

- Standard Documentation Package
- Itemized Outputs Required

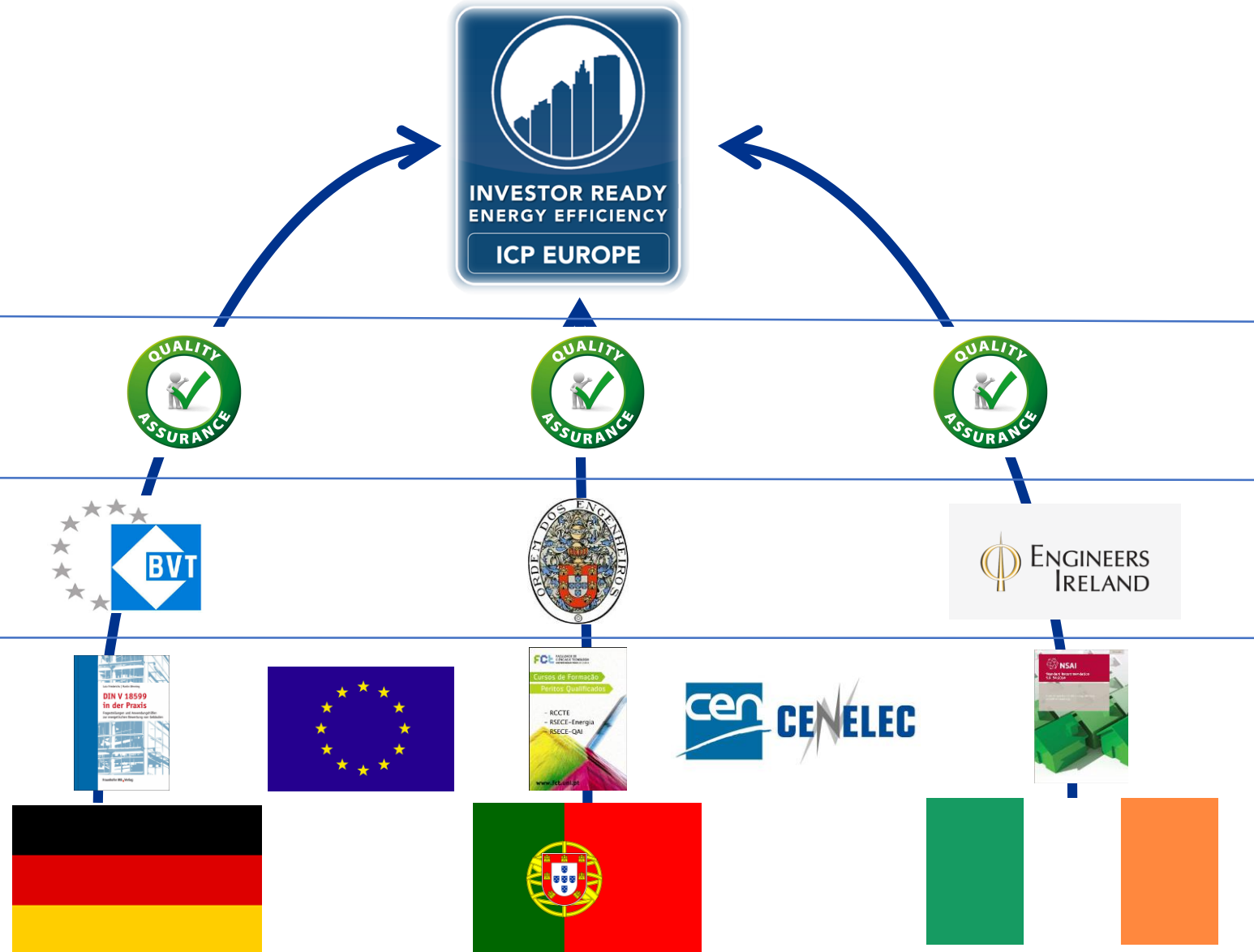
Investor Ready Energy Efficiency

Consistent
Documentation

Third-Party Quality
Assurance

Certified
Professional

Best Practices
and Standards





Commercial and Institutional

Multi-family





SM



IREE is the quality mark like BREEAM or LEED but for a building retrofit project





**Underwriting
Period**

**Performance
Period**

SM



ICP Credentialed Project Developers have been **trained** by ICP and their **qualifications and experience** have been vetted.





ICP Credentialed Quality Assurance Providers offer independent verification of project compliance for IREE™ designation.



Connecticut Green Bank



“ALTERNATIVE TO TECHNICAL REVIEW

The Green Bank will consider a project to have met the Technical Review requirement that:

- (1) receives Investor Ready Energy Efficiency certification from the Investor Confidence Project (ICP); and**
- (2) includes a letter from the ICP Quality Assurance Provider that the SIR is greater than 1.”**

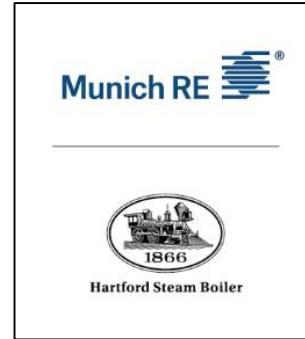


PG&E On-bill Financing

- **Alternative path for PG&E 0% financing program**
- **Joint webinars and events**
- **Outreach to trained Project Developers in PG&E territory**



ENERGY EFFICIENCY AND RENEWABLE SOURCES FUND



INGENIOUS INFRASTRUCTURE

Menhaden



CLEANFUND Commercial PACE Capital



METRUS ENERGY



SUSI PARTNERS SUSTAINABLE INVESTMENTS



ICP Investor Network offering over \$5 billion in energy efficiency project capital.



Thank you, Questions?

eepformance.org

Panama Bartholomy

ICP Director

panama.bartholomy@eepformance.org