

U.S. EPA's State and Local Energy and Environment Webinar Series

Clean Energy Finance: Green Banking Strategies for Local Governments

October 1, 2018

We will start in a few minutes.

Two audio options:

1. Listen via computer
2. Call in to 1-833-799-1917





State and Local
Energy and Environment Program

Clean Energy Finance: Green Banking Strategies for Local Governments

October 1, 2018
1:00 – 2:30 PM Eastern

Two audio options:

1. Listen via computer
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Troubleshooting Tips

- Try a different web browser (e.g., Firefox, Chrome)
- Download the latest version of Adobe Flash Player or Adobe Connect Plug-in
- Check with your Information Technology (IT) department about your internet security settings
- Find help [online](#)

Audio


- **Computer**
 - ▶ Audio will begin when the Host signs on
 - ▶ Tip! Unmute your speakers or headphones

- **Phone**
 - ▶ Call in to 1-855-210-5748
 - ▶ Tip! Mute your computer speakers to avoid audio feedback

- **Participants are muted**

Question and Answer

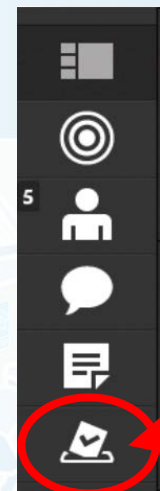
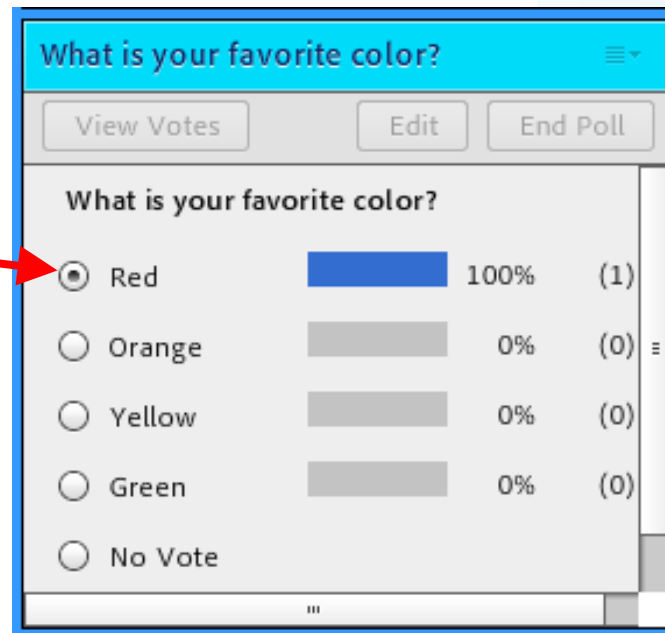
- Enter your question in the Q&A box
- Questions will be moderated at the end
- EPA will post responses to unanswered questions on the [State and Local Webinar Series page](#)



The screenshot shows a web interface for a Q&A session. At the top, there is a blue header with the text "Q & A" and icons for a printer, a user profile, and a menu. Below the header is a text input field containing the question "Question: What is a heat island?". Underneath the question is a large, empty text area for the answer. At the bottom of the interface, there is a text input field for the user's name and a speech bubble icon, which is highlighted by a red arrow pointing to it from the right.

Polling

- We'll ask several poll questions during the webinar
- On mobile devices or tablets
 - ▶ Exit full screen mode
 - ▶ Tap the Poll icon



Today's Agenda

- **Emma Zinsmeister**, Senior Community Programs Specialist
U.S. EPA State and Local Energy and Environment Program
- **Jeff Schub**, Executive Director
Coalition for Green Capital
- **Bryan Garcia**, President & Chief Executive Officer
Connecticut Green Bank
- **Tom Deyo**, Chief Executive Officer
Montgomery County Green Bank
- **Question and Answer Session**



Emma Zinsmeister, MPH
U.S. EPA State and Local
Energy and Environment
Program



U.S. EPA's State and Local Energy and Environment Program

- Investing in energy strategies that lower emissions can be an effective way for state, local and tribal governments to achieve multiple goals:
 - ▶ Improve air quality and public health
 - ▶ Strengthen energy systems
 - ▶ Reduce greenhouse gas emissions
 - ▶ Save money
- We offer free tools, data and technical expertise about energy strategies, including energy efficiency, renewable energy and other emerging technologies, to help state, local and tribal governments achieve their environmental, energy and economic objectives.
- Access all of these resources at the [Energy Resources for State, Local, and Tribal Governments site](#)



Clean Energy Finance: Green Banking Strategies for Local Governments

- Primer on green banking that addresses key points for local governments:
 - ▶ What are green banks?
 - ▶ What are the benefits of green banks?
 - ▶ What financing mechanisms do green banks offer?
 - ▶ What is involved in establishing and administering a green bank?
 - ▶ Other green banking opportunities
 - ▶ Is a green bank right for my community?
- Profiles of prominent green banks and how their work is helping to advance community environmental, energy and economic priorities

Clean Energy Finance: Green Banking Strategies for Local Governments

GREEN BANKING OVERVIEW

Green banks are financial institutions that can leverage public funding to attract private capital for clean energy projects (including energy efficiency, renewable energy, and other distributed energy resources), as well as other “green” investments. They can assist states and communities in partnering with private lenders and investors to mobilize capital, alleviate perceived risks, and design attractive financial instruments to support these investments.

While several states have established green banks, local governments are also exploring this innovative clean energy financing opportunity. The New York City Energy Efficiency Corporation (NYCEEC) and the Montgomery County Green Bank in Montgomery County, Maryland, were the first local green banks in the United States, established in 2010 and 2016, respectively. Washington, DC, passed legislation in July 2018 to create the third local U.S. green bank.

In addition to establishing their own green banks, there are multiple ways in which local governments can support “green banking.” Examples include working with state green banks or local finance agencies to help residents and businesses access financing, or establishing local nonprofit entities that attract private capital for clean energy investments by providing services similar to those offered by green banks. As such, local governments can pursue green banking opportunities that align with their own needs, abilities, resources, and operating contexts.

This paper provides a basic explanation of green banks, the benefits they offer, issues local governments might consider when deciding whether to create a green bank, and several case studies. It also provides information on other green banking opportunities for local governments.

WHAT ARE GREEN BANKS?

Although there is no single green bank model, a green bank is generally defined as an institution that leverages limited public dollars to attract additional private investment in clean energy or other “green” investments, such as green infrastructure projects. Green banks typically use their funds to support energy efficiency upgrades, renewable energy projects, and other proven clean energy

technologies. The types of projects that they support vary depending on the local context (see the examples provided at the end of this document).¹ To date, more than 73 percent of all green bank investments in the United States have been for renewable energy projects.²

Depending on state and local priorities and financing needs, green banks typically support projects in targeted sectors or with specific customer profiles, such as commercial property and business owners, residential homeowners, nonprofits, rental property owners, institutions, and government agencies.

WHAT ARE THE BENEFITS OF GREEN BANKING?

Local business owners and residents are increasingly interested in clean energy as a means to reduce energy consumption and costs, increase comfort, and protect the environment. While clean energy technologies are becoming more economically viable, the growing demand for these technologies has not always aligned with access to reasonably priced, appropriately targeted, and sustainable financing. Private investors often perceive this market segment as risky. In addition, external funds that are sometimes used to supplement local budgets, such as funds from the state or federal government or charitable foundations, may not always be available. As a result, local governments are interested in attracting more capital to this market to support clean energy investments in their communities and to help advance their environmental, energy, and economic priorities.

Green banks can help address this financing gap since they use their funds to reduce the risks and administrative burdens for private investors, making it easier for the private market to finance clean energy projects. By attracting more private investment into the market, green banks can help local governments increase the accessibility of affordable financing for clean energy projects that is independent of external sources of funding.³ This support can help local governments achieve other economic objectives, such as enabling the growth of local businesses that provide clean energy products and services. This section describes several of the primary benefits that green banks and other green banking opportunities offer.

Emma Zinsmeister

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U.S. Environmental Protection Agency



**State and Local
Energy and Environment Program**

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Poll 1



Jeff Schub

Coalition for Green Capital





coalition for green capital

Scaling Green Bank Financing to Deploy Clean Energy: Local Government Opportunities

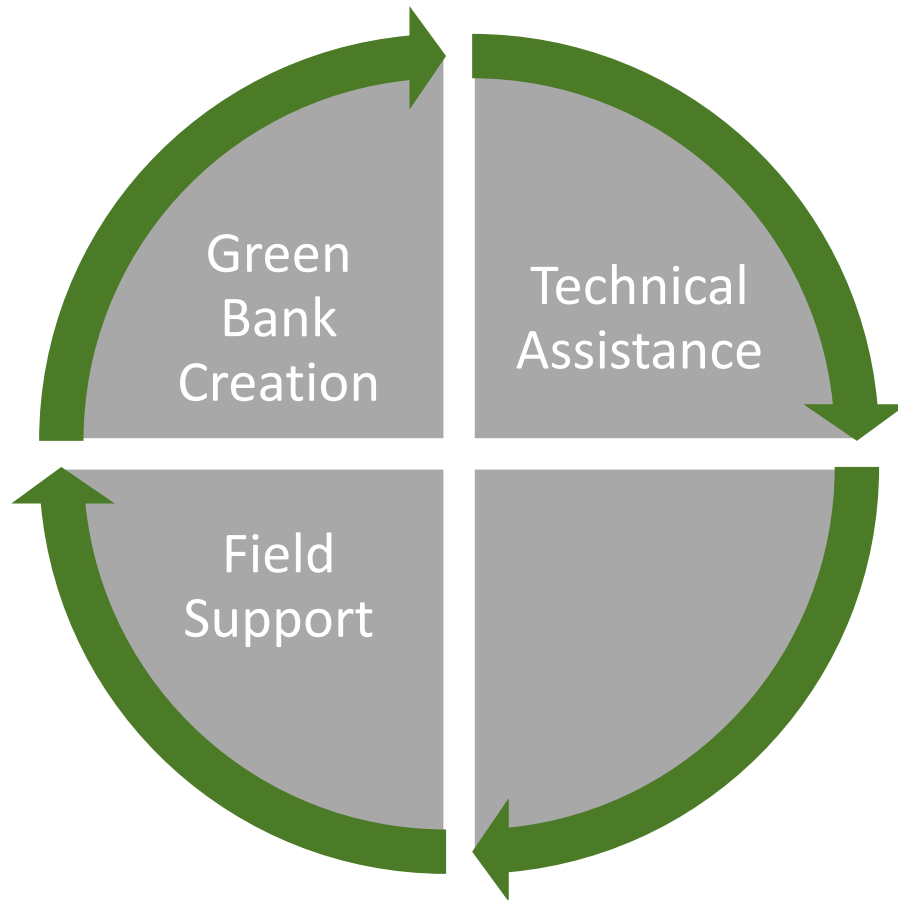
Coalition for Green Capital

Jeffrey Schub, Executive Director

*EPA Webinar - Clean Energy Finance: Green Banking Strategies for
Local Governments*

October 1, 2018

Coalition for Green Capital (CGC) unique role as Green Bank (GB) field catalyst for decade, refining GB model, implementing on the ground, coordinating partners




- CGC, a non-profit, partners with governments, non-governmental organizations (NGOs) and market actors to create Green Banks that increase volume of clean energy investment
- CGC delivers on-the-ground technical expertise to design, start-up and operate GBs
- Helped design & create multiple GBs, which have catalyzed over \$2 billion in clean energy investment
- Currently working in over a dozen states in the U.S.
- Founder and Chief Executive Officer Reed Hundt, former chairman of U.S. Federal Communications Commission
- Supported by major global foundations

Green Banks are institutions purpose-built to deliver transformation - generate demand and draw investment



- Green Bank mission is to use finance tools to mitigate climate change.
- Finance institution dedicated to increasing and accelerating investment in clean power goods and services.
- Can be funded by government, charitable contributions or both.
- May deploy capital from public or private sources, invest on its own or in conjunction with private sector investors. Does not typically take deposits.
- Uses methods that catalyze greater overall investment.

Green Bank Goal is Volume & Scale

 California Lending for Energy and Environmental Needs Center

 michigan savesSM

 NEW YORK STATE OF OPPORTUNITY.
 NY Green Bank
A Division of NYSERDA

 CONNECTICUT GREEN BANKSM

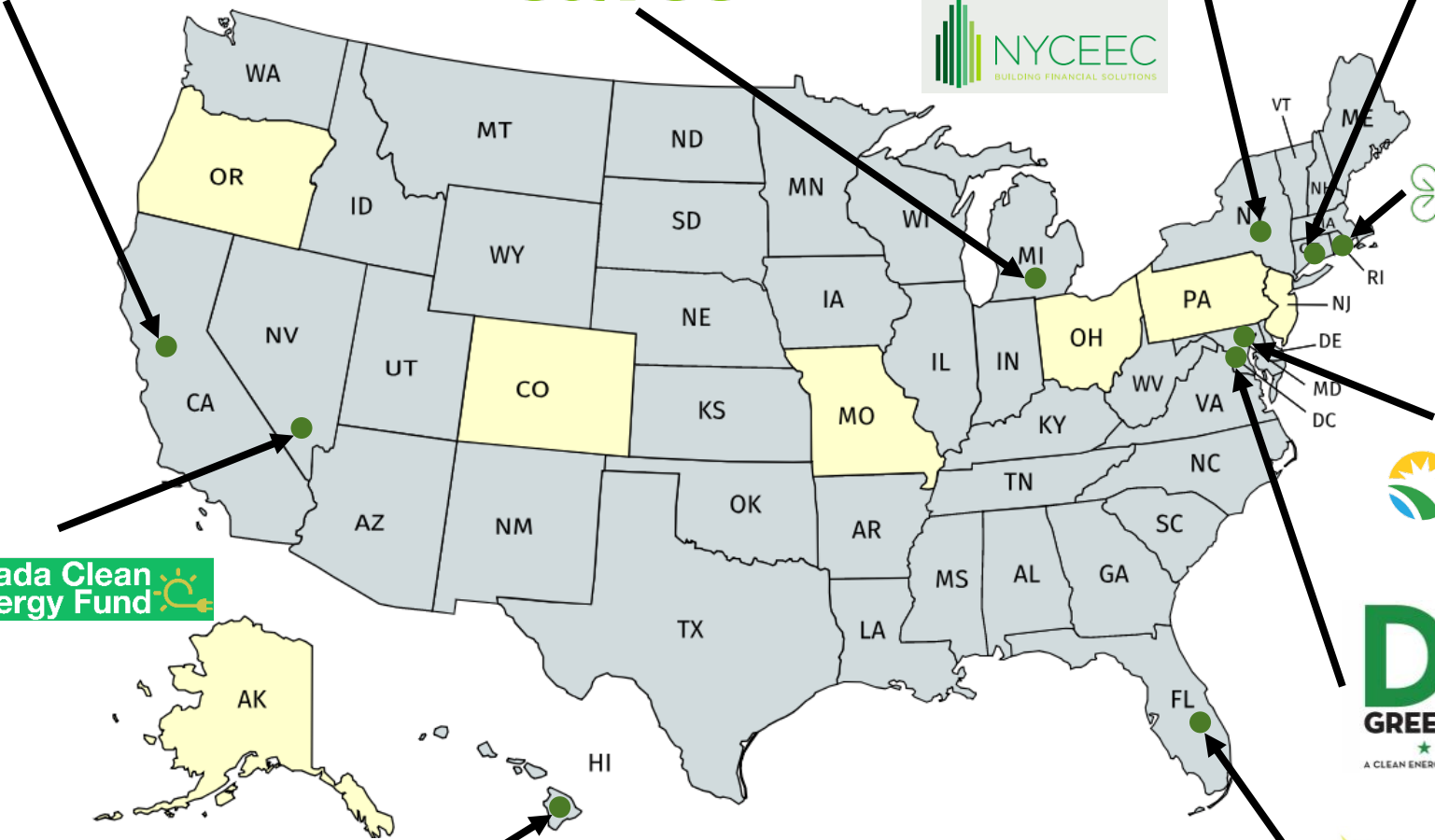
 NYCEEC
BUILDING FINANCIAL SOLUTIONS

 RHODE ISLAND INFRASTRUCTURE BANK

 Montgomery County GreenBank
Your partner for clean energyTM

 DC GREEN BANK
A CLEAN ENERGY FINANCE SOLUTION

 SELF
SOLAR AND ENERGY LOAN FUND



 Nevada Clean Energy Fund

 GEMS

 GB Exploration Project

Green Banks around the world have mobilized more than **\$29 billion** in clean energy investments

GREEN BANK NETWORK IMPACT THROUGH JUNE 2017

CALCULATIONS BY THE GREEN BANK NETWORK BASED ON AVAILABLE DATA. \$ ARE US\$

CAPITAL

TOTAL INVESTED OR COMMITTED BY GBN

\$9 BILLION



TOTAL VALUE OF PROJECTS SUPPORTED

\$29 BILLION

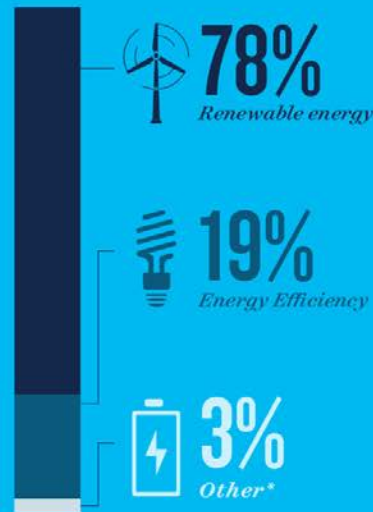
INSTITUTIONAL LEVERAGE RATIO RANGE

2:1 TO 10:1

(Non-GB \$ invested per GB \$ invested)

INVESTMENTS

BY TECHNOLOGY TYPE



*Including Low-emissions vehicles, CHP, and energy storage

RESULTS

ANNUAL CO₂EQ EMISSIONS AVOIDED*

12 MILLION METRIC TONS



Equivalent to taking

5.6 MILLION

cars off the road



*GBN members do not claim that this abatement occurs independently of complementary policies.

Governments have implemented the model through a number of forms

Public



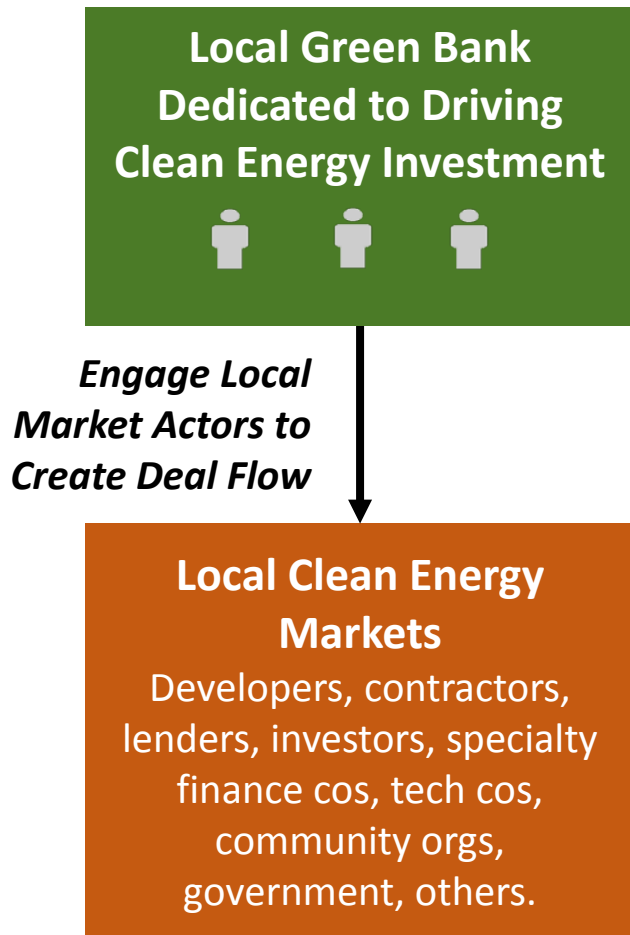
Quasi-Public



Private Non-Profit



Energy is local! Sources, uses and price all highly localized, which means need local expertise to build pipeline

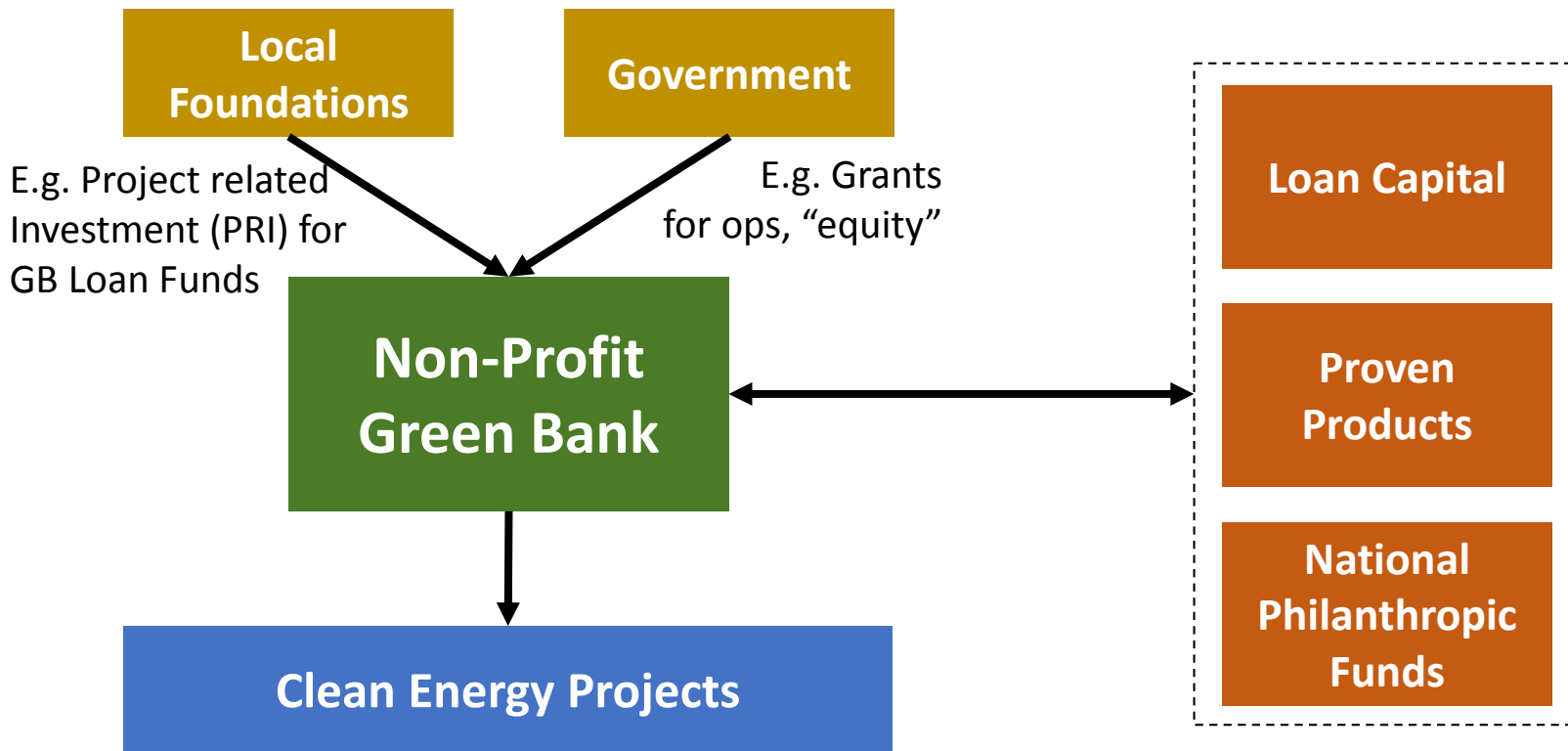


- No substitute for local expertise to understand market needs, financing challenges, market participants, and investment opportunities
- Large pools of capital want to access deal flow – but don't have resources to do it
- Local Green Banks can bring value to community in many ways, **but how to get going without large dedicated pool of public funds?**

Trend is toward “lean non-profit” Green Bank that draw on multiple resources, funding and know-how of others

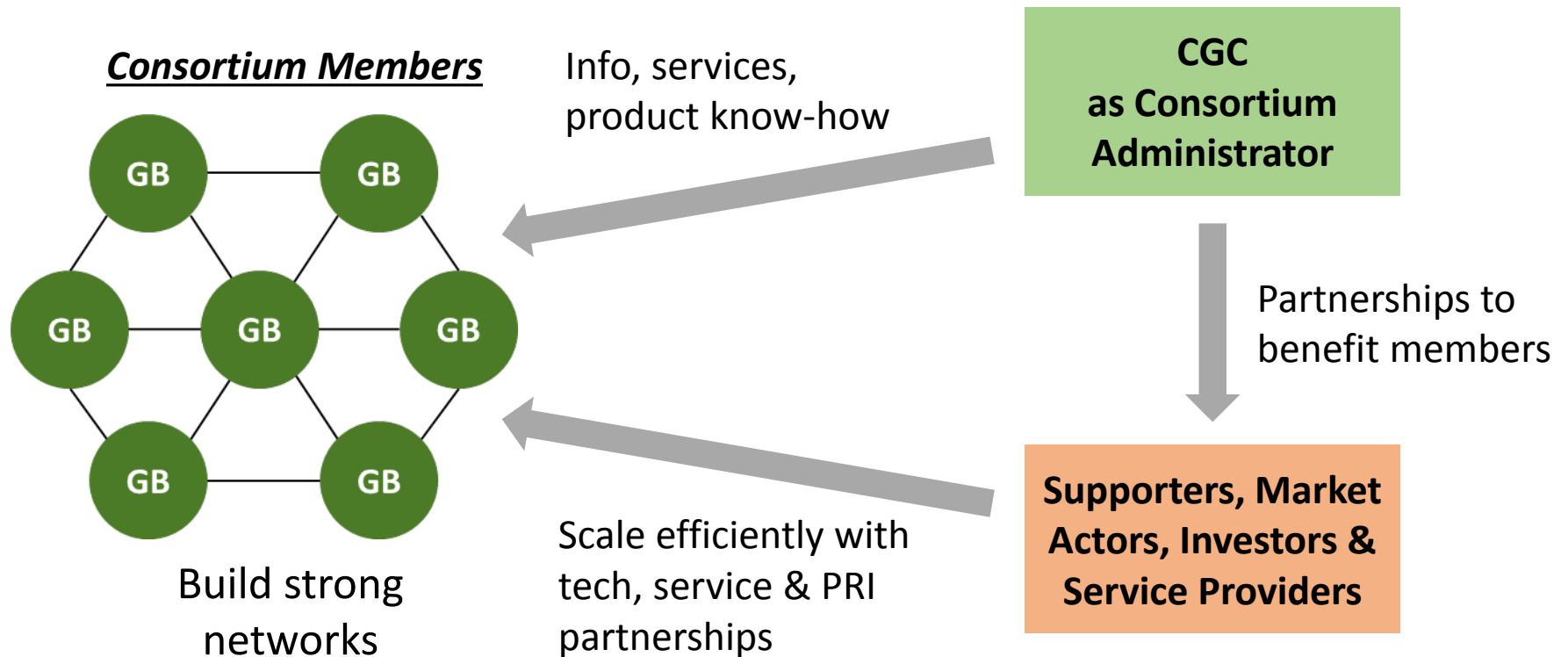
Local Green Bank Can Tap Available,
Limited Local Resources...

...But Can Also Tap National Resources
from Other Green Banks & Partners



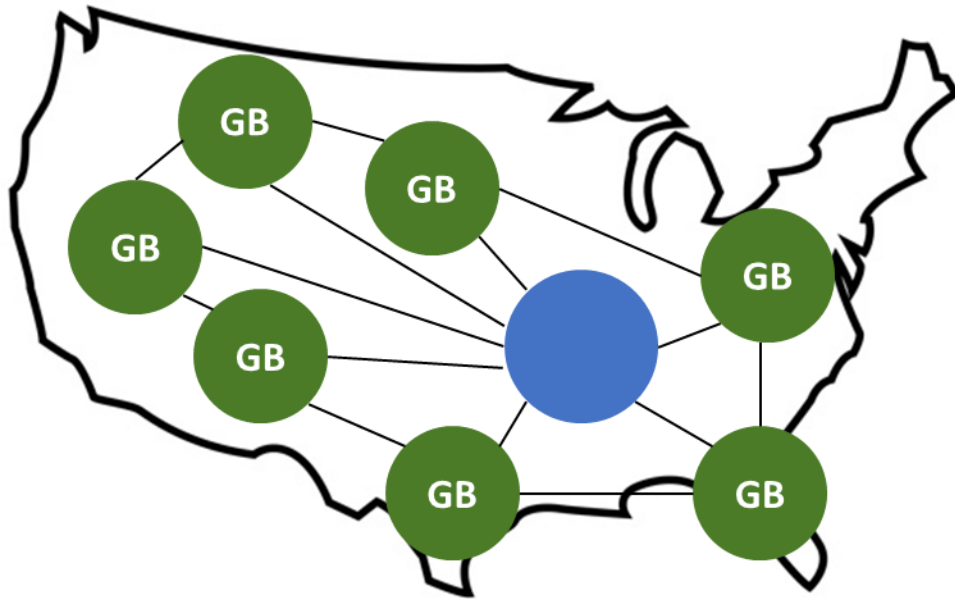
Parties connected through new Green Bank Consortium to share products, know-how; access capital, services

Consortium to be ***inclusive, large and collaborative***.
[Contact CGC to learn more and join the Consortium!](#)



Local actors can lead new national Green Bank expansion and take advantage of funding, partners, know-how

Building a powerful network of capital, demand formation, investment, and collaboration to activate clean energy



- Leaders of Green Bank movement all developing new models to make Green Banking easier across the entire country

Philanthropy wants to spark new national system that can activate Green Banks in new states

Can leverage opportunity to draw in funding, capital, expertise, standard products for your communities



coalition for green capital

Thank You

Jeffrey Schub, Executive Director

Coalition for Green Capital

Jeff@coalitionforgreencapital.com

Twitter: [@CGreenCapital](https://twitter.com/CGreenCapital)

Poll 2



Bryan Garcia

Connecticut Green Bank





Connecticut Green Bank

Attracting Private Investment, Growing Our Economy,
Creating Jobs, and Helping Our Communities Thrive

U.S. Environmental Protection Agency

Clean Energy Finance: Green Banking Strategies for Local Governments

October 1, 2018

Glossary



- AMI – Area Median Income
- CEO – Chief Executive Officer
- CO₂ – Carbon Dioxide
- C-PACE – Commercial Property Assessed Clean Energy Program
- CSCU – Connecticut State Colleges & Universities
- CT – Connecticut
- DEEP – Connecticut Department of Energy and Environmental Protection
- EE – Energy Efficiency
- EPBB – Expected Performance Based By-Down Incentives
- ESA – Energy Savings Agreement
- FY – Fiscal Year
- HDF – Housing Development Fund
- HES – Home Energy Solutions
- IPC – Inclusive Prosperity Capital
- IRB – Interest Rate Buy-down
- LLR – Loan Loss Reserve
- LMI – Low-to-Moderate Income
- MFAH – Multi-Family and Affordable Housing
- MM – Millions
- MW – Megawatt
- NO_x – Nitrogen Oxides
- PBI – Performance Based Incentives
- PPA – Power Purchase Agreement
- PRI – Program Related Investment
- PV – Photovoltaic
- RPS – Renewable Portfolio Standard
- RSIP – Residential Solar Investment Program
- SBEA – Small Business Energy Advantage Program
- SF – Single Family
- SHREC – Solar Home Renewable Energy Credits
- SIR – Savings to Investment Ratio
- SO_x – Sulfur Oxide

Connecticut Green Bank

Mission and Goals



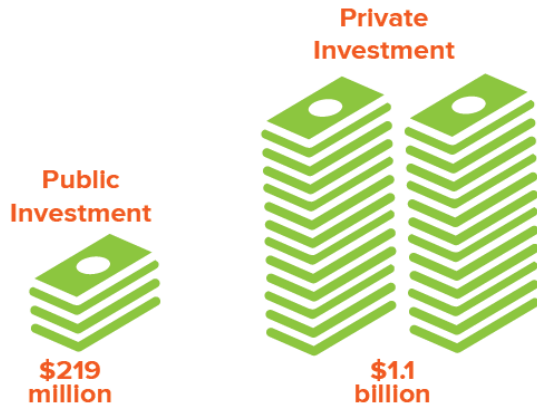
Support the strategy to achieve **cheaper, cleaner, and more reliable** sources of energy while **creating jobs** and supporting **local economic development**

- **Attract and deploy private capital investment** to finance the **clean energy policy goals** for Connecticut
- **Leverage limited public funds to attract multiples of private capital investment** while **reinvesting public funds over time**
- Develop and implement strategies that **bring down the cost** of clean energy in order to make it more **accessible** and **affordable** to customers
- Support affordable and healthy homes and businesses in distressed communities **reduce energy burden** and **address health & safety**

Green Bank Impact Report

Investment (FY 2012-FY 2018)

Investment



Mobilized **\$1.3 billion** of investment into the state economy

Leverage Ratio



Achieved a **leverage ratio** of **6 to 1** of private investment to Green Bank investment

Tax Revenues



Generated nearly **\$60 million** in **state tax revenues**

NOTES

Based on data collected in the Connecticut Green Bank data warehouse

Tax revenue estimation methodology for individual income, corporate, and sales taxes developed by the Connecticut Green Bank in consultation with Navigant Consulting with review for reasonableness by the Department of Revenue Services (coming in the Fall of 2018)



Green Bank Impact Report

Economic Development (FY 2012-FY 2018)



Jobs

Energy Burden

Accessible and Affordable

15,890 direct, indirect and induced job years

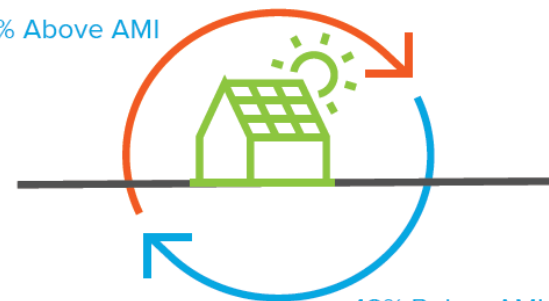


30,000+ families



300+ businesses

51% Above AMI



48% Below AMI

Supported creation of nearly **16,000** direct, indirect and induced **job-years**

Reduced the **energy burden** on families and businesses

Supported the residential market to reach **income parity** and **beyond parity** for rooftop solar PV



NOTES

Based on data collected in the Connecticut Green Bank data warehouse

<https://www.ctgreenbank.com/strategy-impact/impact/>

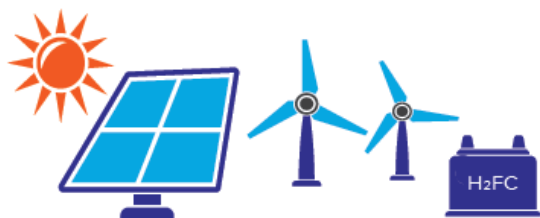
Job estimation methodology developed by the Connecticut Green Bank in consultation with Navigant Consulting, assistance from Avangrid and Eversource Energy, and review for reasonableness by the Department of Economic and Community Development

Green Bank Impact Report

Environmental Protection (FY 2012-FY 2018)



Deployment



286.3 MW
of installed capacity

Accelerated the growth and installation of nearly **300 MW** of clean energy

Pollution

4.6 million tons of CO₂

which equals



108 million
tree seedlings
grown for 10 years

or



23.6 million
barrels of oil not
consumed

Helped **reduce air emissions** that cause **climate change** and worsening **public health**

Public Health



\$8 million of public
health value created

Improved the lives of families helping them **avoid sick days, hospitalizations, and even death**

NOTES

Based on data collected in the Connecticut Green Bank data warehouse

<https://www.ctgreenbank.com/strategy-impact/impact/>

Pollution estimation methodology developed by the Connecticut Green Bank in consultation with the United States Environmental Protection Agency and review for reasonableness by the Department of Energy and Environmental Protection

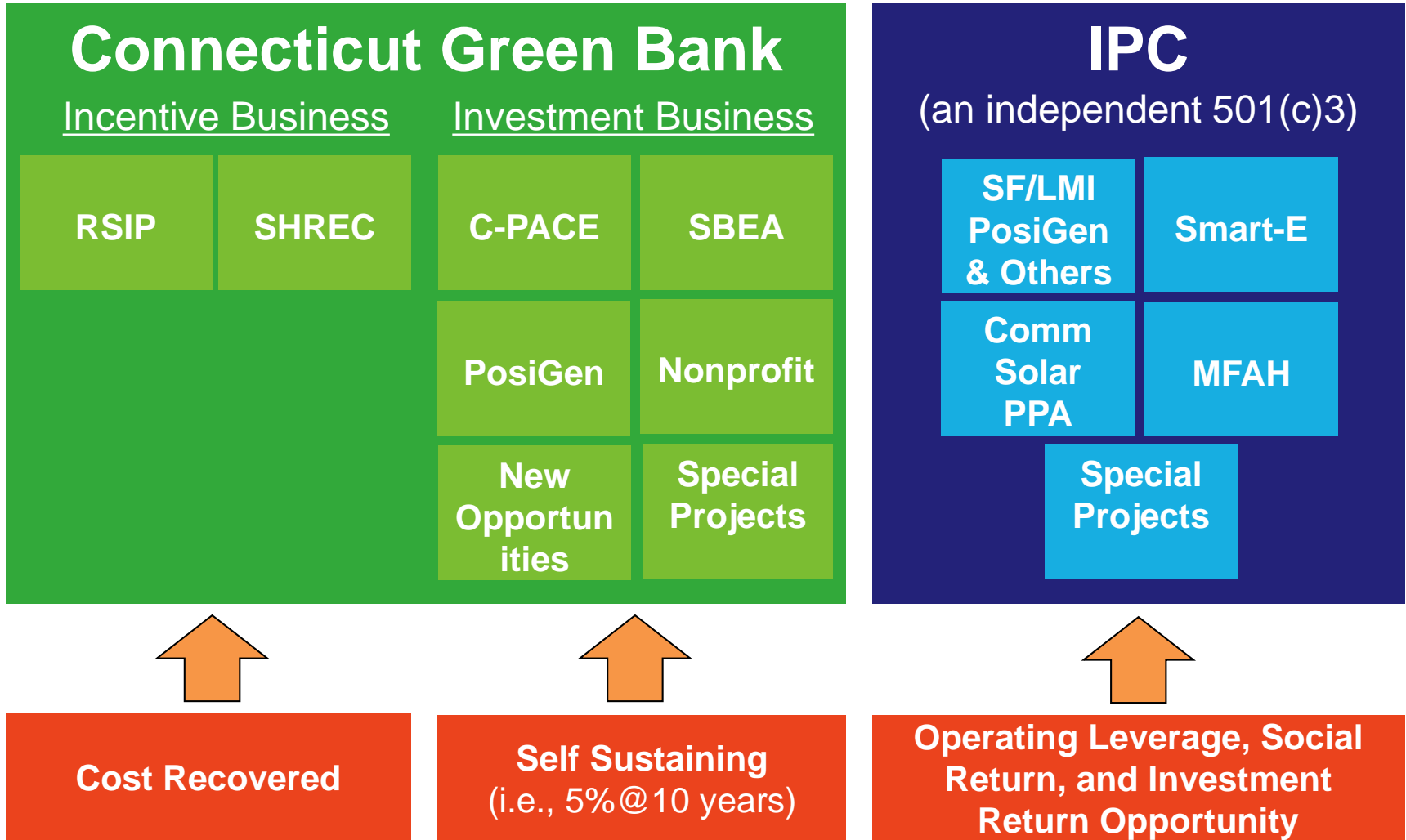
Public health estimation methodology developed by the Connecticut Green Bank in consultation with the United States Environmental Protection Agency and review for reasonable by the Department of Energy and Environmental Protection and the Department of Public Health.



Connecticut Green Bank



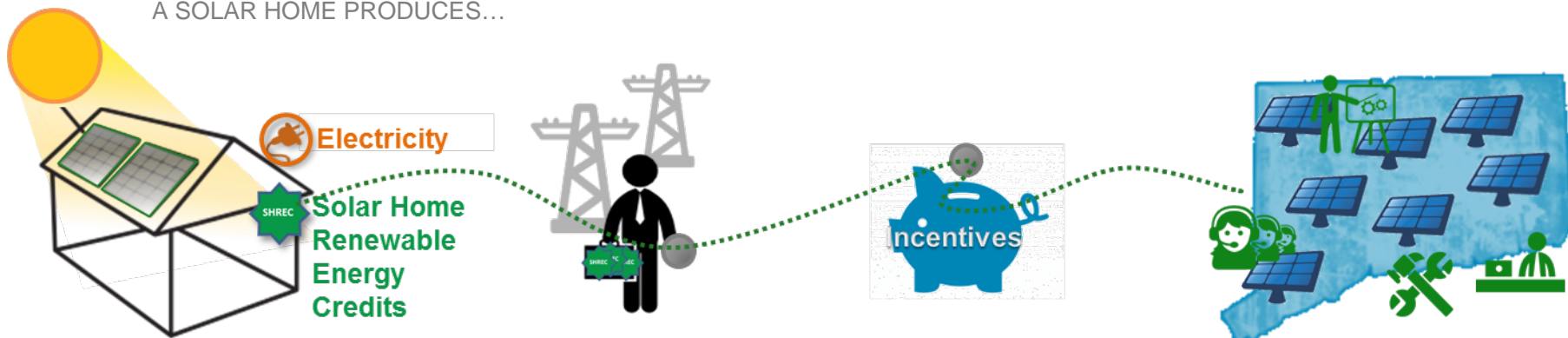
Business Units and Nonprofit “Spinoff”



Incentive Business

RSIP Incentive and Solar Home Renewable Energy Credits (SHREC) Securitization

A SOLAR HOME PRODUCES...



When panels produce electricity for a home, they will also produce **Solar Home Renewable Energy Credits (SHRECs)**. The Green Bank provides upfront incentives through RSIP and collects all the SHRECs produced per statute.

Utilities required to enter into **15-year contracts** with the Green Bank to **purchase the stream of SHRECs produced**. This helps utilities **comply with their clean energy goals (i.e., Class I RPS)**.

The Green Bank would then use the revenues from the 15-year fixed price contracts to **support the RSIP incentives (i.e., PBI and EPBB), cover administrative costs, and fund securitization or financing costs**.

A public policy with **300 MW** target will create more locally-sourced sustainable energy, **creating jobs**, helping make our power grid more secure and less congested, and also **curbing pollution**.

Investment Business

Local Partners



“Liberty Bank has been a partner with the Connecticut Green Bank from the start. Liberty Bank recently provided a financing facility for the Green Bank’s capital needs for solar on homes across the state, which is supporting the state’s growing green economy.



Chandler Howard, President and CEO



“The CT Solar Loan program was a game-changer for solar financing and Sungage Financial. Our partnership with the Green Bank in Connecticut helped our company grow and become a national leader in helping families finance solar and realize the important benefits it provides.

Sara Ross, Co-Founder and CEO

“Our partnership with the Green Bank has helped us to invest in our local communities, while assisting the State of Connecticut in achieving its important energy, environment, and economic goals.”

Larry Holderman , President and CEO



Investment Business Public-Private Partnerships



Credit Enhance	Warehousing	Tax Equity Finance		Project Finance	PRI	Tax Credit Bonds
<p>\$45 MM OPEN 20:1¹</p> <p>Residential Energy</p>	<p>\$50+ MM OPEN 9:1</p> <p>C-PACE</p>	<p>\$75 MM CLOSED 7.5:1</p> <p>Residential Solar Commercial Solar</p>	<p>\$60+ MM OPEN 6:1³</p> <p>Green Bank Solar PPA</p>	<p>\$65 MM CLOSED 10:1</p> <p>Grid-Tied</p>	<p>\$5 MM OPEN 100%²</p> <p>Multifamily Energy</p>	<p>\$9 MM CLOSED 9:1</p> <p>Green Bank Solar PPA</p>
<p>\$6 MM CLOSED</p> <p>Residential Solar</p>	<p>\$30 MM CLOSED 4:1</p> <p>C-PACE</p>	<p>\$35 MM OPEN 4:1</p> <p>Solar for All</p>	<p>\$22 MM CLOSED 8:1</p> <p>Colebrook Wind</p> <p>5 MW Wind Project</p>	<p>\$3 MM OPEN 100%⁴</p> <p>Residential and Commercial Storage</p>	<p>\$3 MM CLOSED 3:1</p> <p>Archimedes Screw Hydroelectric Project</p>	

REFERENCES

1. LLR yields high leverage – and it is 2nd loss and thus with no to low defaults, we haven't used to date. IRB's not considered in the leverage ratio.
2. Foundation PRI is to HDF, guaranteed by the CGB in the case of MacArthur Foundation.
3. Onyx Partnership has no upper limit and CGB currently has authorization to commit up to \$15mm.
4. Foundation PRI's are backed by CGB balance sheet

Investment Business

C-PACE (Example)



Market Segment	Commercial, Industrial, Nonprofit and Multifamily
Product Summary	Commercial Property Assessed Clean Energy (C-PACE) applies a benefit assessment to a property to finance clean energy improvements with SIR>1
Support Needed	<ul style="list-style-type: none"> ▪ Capital to finance clean energy improvements ▪ Contractors to install clean energy improvements ▪ Supportive municipality ▪ Supportive mortgage lender
CT Results	232 projects for \$135.9 MM investment and \$220.5 MM in savings over the life of the projects



Investment Business w/ IPC



Solar Lease and Energy Efficiency ESA (Example)

Market Segment	Residential Single Family LMI
Product Summary	Solar lease + energy efficiency package (fixed 20-25 years) to reduce energy burden with alternative underwrite/no credit score using community based marketing approach
Support Needed	<ul style="list-style-type: none">▪ Good solar economics including tiered LMI incentive▪ Municipal, community and nonprofit introductions▪ Subordinated debt capital – if available, but not required
CT Results	1,615 leases for \$44.5 MM investment, 99.9% get EE (HES), 63% ESA, and 63% LMI





Inclusive
PROSPERITY



Inclusive Prosperity Capital



Sparked by the Connecticut Green Bank



INCLUSIVE
PROSPERITY CAPITAL

- **Foundation of Success** – mobilized over \$1.3 billion of public and private capital deployed in Connecticut from 2012–2018 (\$360 million in underserved markets)
- **Geographic Expansion** – \$810 billion of renewable generation investment potential across the U.S. from 2018-2050 (Real 2017 \$'s);
- **Cost Reductions & Scale** – origination expansion, geographic diversification, and operational efficiencies; and
- **Project Deployment & Risk-Adjusted Returns** – successful capitalization of underserved markets & credits with private capital at appropriate returns.

Inclusive Prosperity Capital

Fund Launch



- **Launch Date:** August 2018
- **Assets Under Management at Launch:** \$20 million
- **Assets Under Management Year 1 Total Target Raise:** \$75+ million
- **Key Contributors at Launch:** Connecticut Green Bank, DEEP, Kresge Foundation, Hewlett Foundation, Calvert Impact Capital
- **Fund Leadership:** Seven (7) program and investment professionals transferring from the Connecticut Green Bank at launch
- **Unique Features:** In addition to capital injection, Connecticut Green Bank to provide full operational support of \$10 million¹ over first six (6) years of operation (no “going concern” risk)

NOTES

1. Of this total, \$6 million will run through Inclusive Prosperity Capital, while \$4 million will be expenses covered directly by the Connecticut Green Bank

Thank You

Bryan Garcia

President & CEO

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(860) 257-2170

Poll 3



Tom Deyo Montgomery County Green Bank





Montgomery County
GreenBank

Your partner for clean energy™

Clean Energy Finance: Green Banking Strategies for Local Governments

*Presented on
US Environmental Protection Agency Webinar
Oct 1, 2018*

Tom Deyo, CEO, Montgomery County Green Bank



Who We Are

Montgomery County Green Bank (MCGB)

- The nation's FIRST County-level green bank, designated in July 2016, chartered by the County in 2015
- Not a Bank, a **Fund**.
- Independent, 501(c)3 non-profit corporation; 11 member board (2 County members)
- Capital opportunity of \$14 million (County settlement from Pepco-Exelon merger)



What are we trying to do?

In partnership with private capital, grow the clean energy market
for all in Montgomery County, Maryland.

Cascade of results:

More EE / RE¹ Capital in the market =

More EE / RE Projects and Jobs =

Greater Energy Savings =

Better Financial Security =

Less Energy Demand =

Lower Greenhouse Gas Emissions

1/ EE = Energy Efficiency; RE = Renewable Energy



How Do We Approach Our Work?



Find gaps in the existing market for private sector financing products (e.g., loans) offered to property owners for energy efficiency/renewable energy projects.



Partner with private lenders to co-invest Green Bank capital, reducing their risk in order to attract their capital into the market. Target 5:1 leverage of Montgomery County Green Bank capital. Bring more attractive and affordable products to market.



Achieve market transformation when private lenders become comfortable with investing in these projects and no longer need the green bank.



Meet key goals of leveraging our dollars at 5:1, lowering county's green house gas emission, reaching lower income households and multifamily communities, and generate revenue to sustain operations.



Can a local green bank work?

❑ **Local is a benefit – everything is local:**

- Understand and connect to local energy sector issues
- Define products that meet specific gaps
- Build partnerships that bring new resources
- Support local goals: **greenhouse gas reduction goals, jobs, business strength, and equity**

❑ **Being local does not mean being alone - green banks have network**

- Knowledge exchange
- Resources
- Peer mentoring

❑ **Scale – many different considerations**

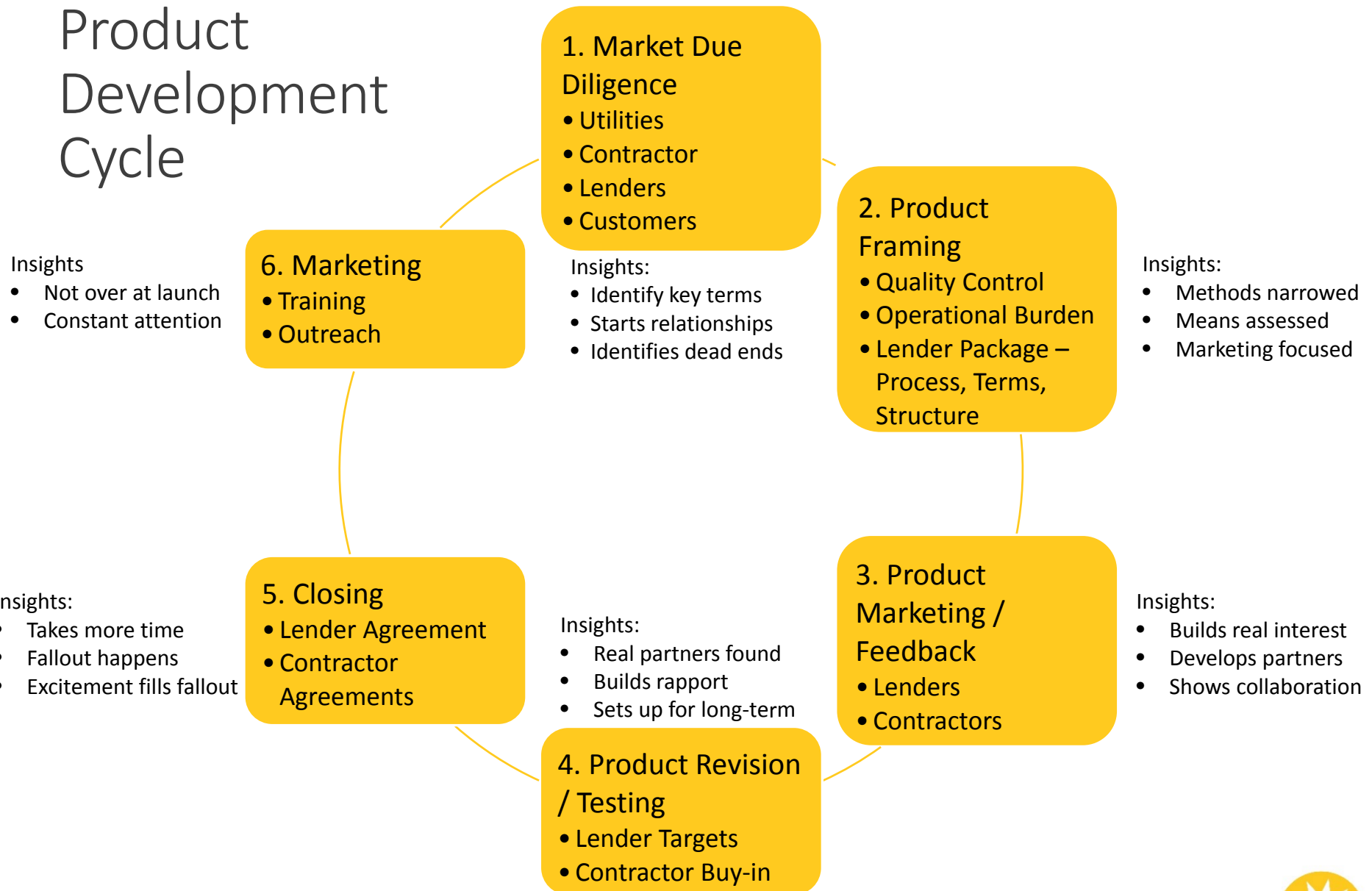
- Production is important
- Scale of connections on energy efficiency and clean energy
- Scale of Partnerships – bring new players into markets
- Scale on voice – identify issues and get parties focuses on a response



Putting the Green Bank Idea Into Practice



Product Development Cycle



First Product Due Diligence

Commercial and Industrial Sector

- County's Commercial Property Assessed Clean Energy (C-PACE) serves larger investments - \$250,000 and above
- Potomac Electric Power Company's (Pepco's) Small Business Advance Program serves smaller businesses with grants and 0% financing.
- Contractors identified gap in financing for medium size businesses between Pepco Small Business Advance C-PACE financing programs.
- Lenders are not proactive in this market and do not desire to underwrite the energy savings.



First Product:

Commercial Loan for Energy Efficiency and Renewables (CLEER)

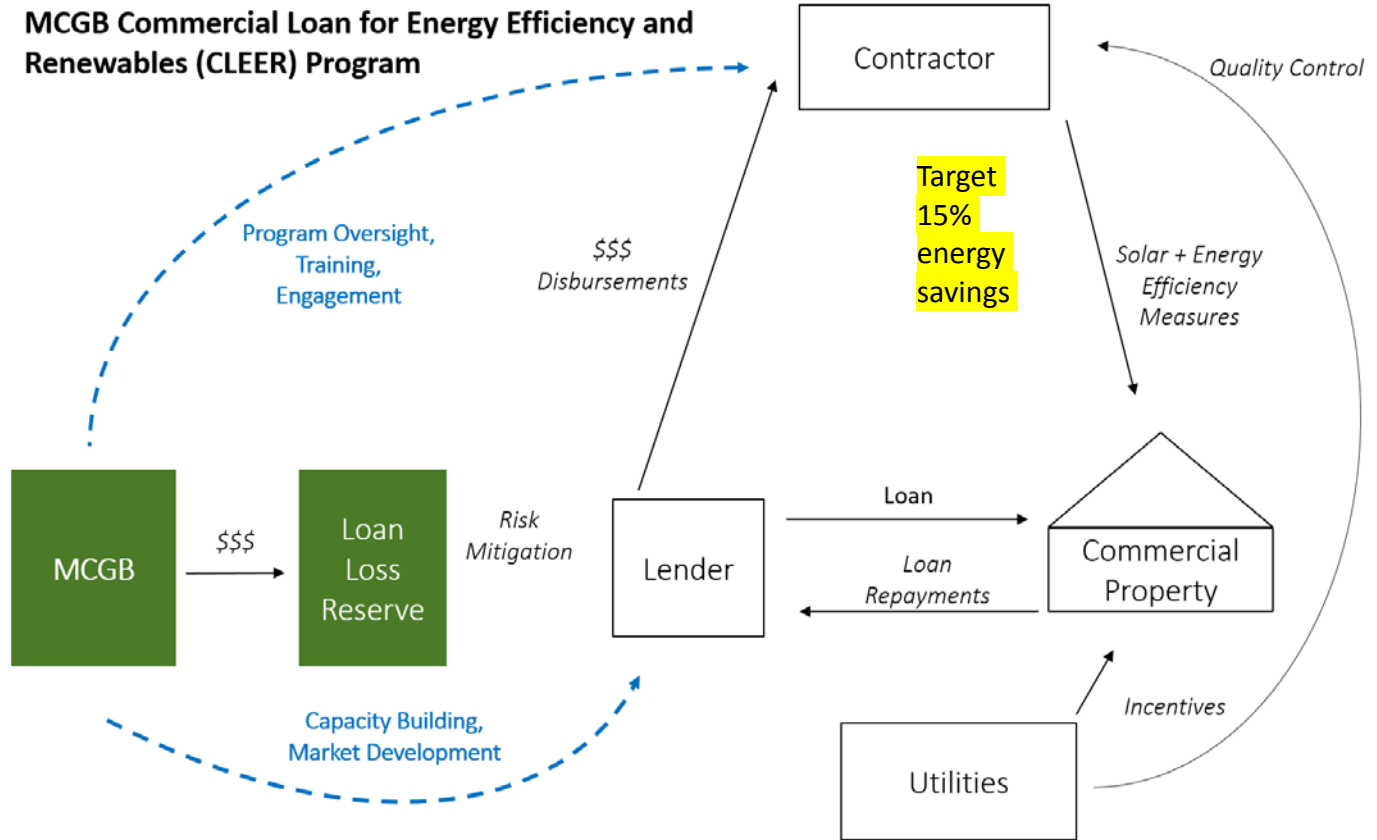
- Commercial buildings and businesses (include nonprofit, multifamily properties)
- Scope of work – energy efficiency, Co-Gen, Solar Photovoltaic, Energy Storage, water conservation
- Loan Loss Reserve Structure
- Revere Bank (local) and Ascentium Capital (national) lenders in pilot
- Contractors are on Pepco list for Commercial and Industrial Program
- Loans generally between \$10,000 to \$250,000
- 100% financing for retrofits
- Up to 12 years – helps match savings to loan payment
- Not Secured by Property
- Lower rates
- Customer underwritten for credit and not energy savings



First Product – How It Works

Simple structure:

- MCGB stands behind lender for losses
- MCGB authorizes contractors for program
- Lenders make loans on specific energy efficiency and renewable scopes of work
- Borrowers approved on credit; but savings support payments
- MCGB provides oversight



Keys to Effort

- Outreach / Relationship Building – Getting insights of partners early and repeatedly
- Network – Providing wisdom, examples, and materials to learn and adapt
- Alignment – Finding lenders with an interest and drive to be a part of the effort and understanding this is a pilot that will need to adapt
- Patience – Set aggressive timeline and keep it in mind, but be flexible to amend but not lose sight



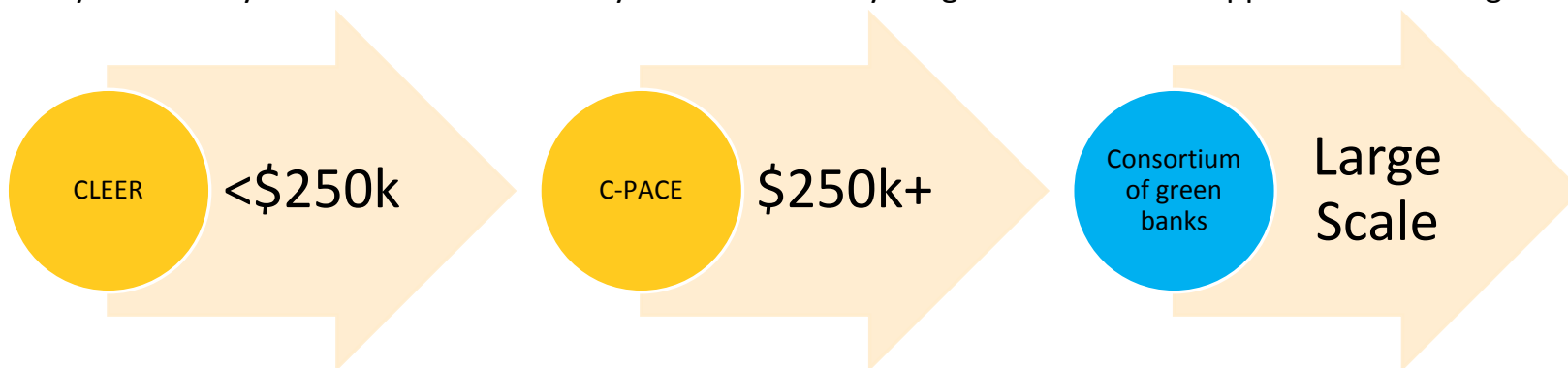
Creating a Product Continuum using Own, Government, and National Products

Commercial and Industrial Sector

Locally Created by Green Bank

Locally Available County Program

National Opportunities Brought Locally



Financial Products in the Pipeline

Residential Energy Efficiency and Renewables

- Homeowners throughout County
- Focus on low and moderate income households

Community Solar

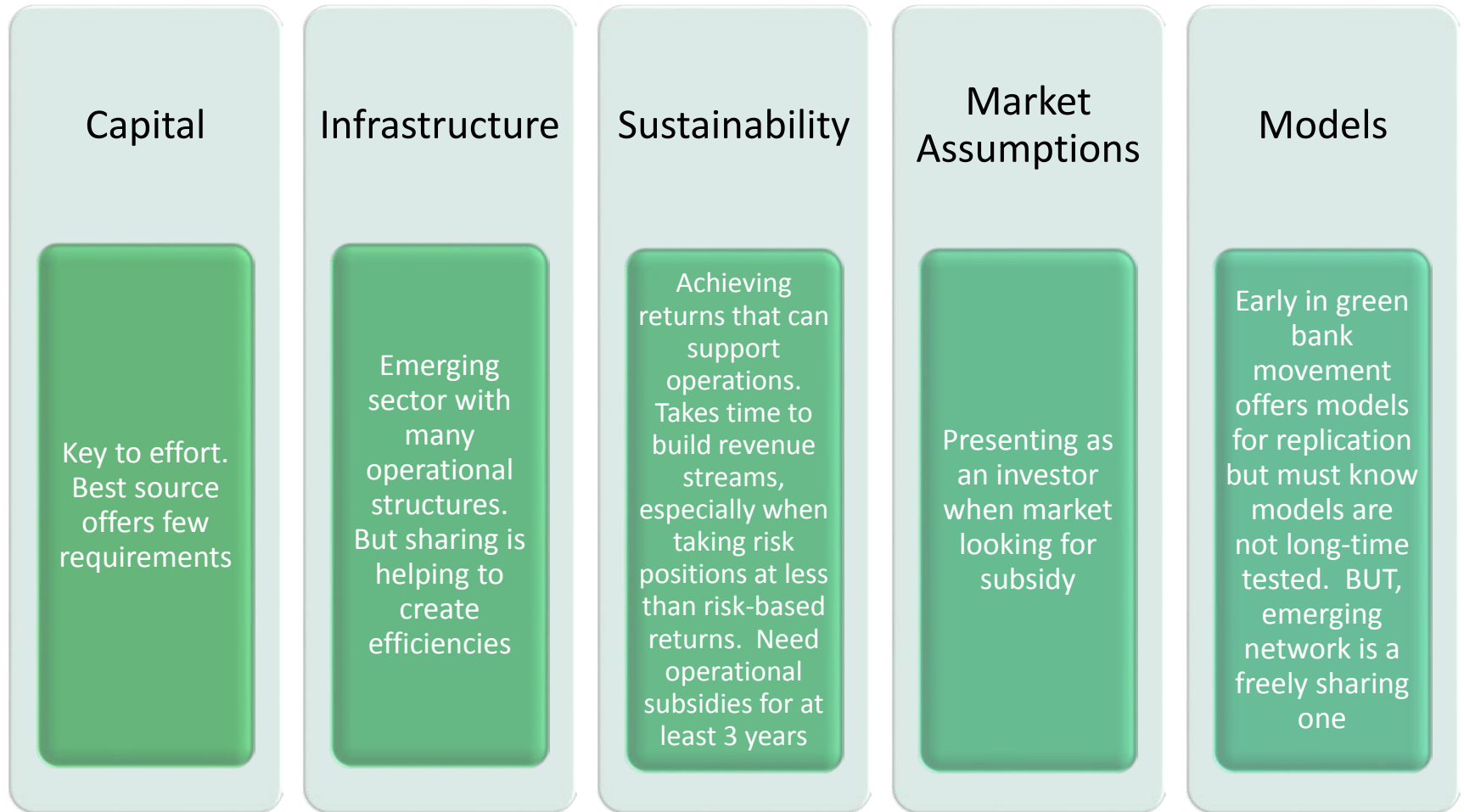
- Supports market and low and moderate income communities
- Various models under review

Affordable Rental

- Low and moderate income communities
- Technical assistance support being evaluated



Challenges For Standing up a Green Bank



Info on Local Green Bank Model

Summary documents of discussion at regional meeting in June 2018 on local green banks:

- 1) The Green Bank Model – Accelerating Local Clean Energy Investments**
- 2) Getting Your Green Bank off the Ground: Products, Funding and Operational Approaches**

[Read the Papers Online](#)

Thank You



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Question and Answer Session



Today's Speakers

- **Emma Zinsmeister**, Senior Community Programs Specialist
U.S. EPA State and Local Energy and Environment Program
- **Jeff Schub**, Executive Director
Coalition for Green Capital
- **Bryan Garcia**, President & Chief Executive Officer
Connecticut Green Bank
- **Tom Deyo**, Chief Executive Officer
Montgomery County Green Bank



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