



NEW: 100% Financing for Clean Energy for Commercial, Industrial, Institutional & Multifamily Residential Properties

NJPACE AT A GLANCE

New Financing for Renewables & Efficiency

NJPACE provides 100%, long term, off-balance-sheet financing for energy conservation measures and renewable energy upgrades for commercial, industrial, institutional, and multifamily real estate in New Jersey.

This financing includes:

- Approved Energy Conservation Measures
- Envelope Improvements
- Smart Microgrids
- Onsite Generation and Cogeneration
- Solar, Wind, Geothermal

—and many other improvements.

A full list of approved measures is available at our web site at NewJerseyPACE.org.

The program serves **municipalities** as a business attraction and retention strategy, as an economic development strategy, and as a carbon-emissions reduction strategy.

The program serves **property owners and tenants** by lowering net operating costs and increasing property values.

The program serves **lenders and investors** by providing long term securities and increased asset values.

The program serves **energy contractors** by providing more favorable financing terms than PPAs or leases.

The program serves **New Jersey** by lowering energy costs, reducing carbon pollution, and creating jobs.

Ideal for Office Buildings, Malls, Hospitals, Universities, and Apartment Buildings

Nationally, our buildings account for 45% of our energy consumption and our carbon pollution.

PACE has been described as the first truly effective long term financing model for upgrading our built environment to meet the requirements of a more resilient future. PACE financing is widely seen as overcoming most if not all of the barriers to implementing “deep retrofits” and other clean energy improvements, including renewables, combined heat and power (CHP), intelligent micro grids, and more.

NJ’s PACE legislation, signed by Governor Christie in 2012, enables municipalities to create special assessment programs, and to issue or obtain bonds to finance them.

An amending bill now before the NJ Legislature will expand PACE to cover water conservation, hardening and resilient construction, and will explicitly permit third-party administration and private financing.

A wide range of businesses and industries have a strong interest in seeing the New Jersey PACE program come into full fruition. Commercial property owners, energy auditors and contractors, equipment manufacturers, and financial institutions all play an important role in expanding what is already a world-class renewable energy and efficiency sector, and all stand to benefit significantly.

This is an economic opportunity is one that is truly attractive: it makes a difference, and it makes money.

New Jersey PACE combines “first mover advantage” with “best practices” in execution and management. A select few philanthropists and investors will have the opportunity to make a tangible contribution to this effort, building a more sustainable economic and ecological future.

Creating “Climate Wealth”

A recent Rockefeller Foundation study found that PACE is part of an investment opportunity of nearly \$280 billion in the U.S. over the next ten years, resulting in more than \$1 trillion in energy savings, 3 million jobs, and resulting in 600 million fewer tons of carbon pollution each year.¹

New Jersey’s Energy Picture

The cost of energy, especially electricity, is a source of major concern in New Jersey. According to the 2011 NJ Energy Master Plan,

As of May 2011, New Jersey’s retail electric rates remain among the most expensive in the nation.... Electric energy costs have a significant effect on the economic well being of commercial and industrial (C&I) customers. High electricity prices discourage new manufacturing and commercial entry, and may cause electricity-intensive industries to relocate. Against the backdrop of the recent recession, businesses hesitate to expand in part due to high electricity prices.

The most cost-effective way to reduce energy costs is to use less. Passive energy conservation, the use of energy-efficient appliances, equipment building materials / practices, and active DR programs result in the reduction in total energy use. Reducing customer usage.... is less costly than expanding the supply chain infrastructure—new power plants, transmission lines, and both primary and secondary distribution facilities.

The C&I sector represents 65% of the overall electric power used in the State and returns the greatest savings for the dollars invested. Identifying opportunities for EE in this sector will require outreach to thousands of businesses, building owners, and lessees. Success will depend upon the ability to deliver improvements that reduce energy use and costs immediately, with a reasonable pay back period on investments.

The challenge of reducing our building energy use by even one third is an enormous one. Yet we have to achieve this if we are going to meet the targets set out in the Energy Master Plan, to achieve at least 70% clean energy by 2050.

New Jersey has over \$960 billion in existing real estate value, of which approximately \$206 billion is classified as non-residential—commercial (\$142 billion) industrial (\$37 billion), and the rest (farms, apartments, etc. \$28 billion). But this sector includes a disproportionate share of energy consumption, approximately 36% vs. 24% (with the rest being transportation). Investing, e.g., \$8 billion in this sector is equivalent to about 4% in value, but will result in energy savings of more than \$1 billion a year and increase total valuations by more than 8% for the properties involved.

¹ Source: 2012 Rockefeller Foundation study, cited by PACENow.

Investing in Clean Energy in New Jersey

According to the Center for American Progress:

Investments in a clean-energy economy will generate major employment benefits for New Jersey and the rest of the U.S. economy. Our research finds that New Jersey could see a net increase of about \$4.6 billion in investment revenue and 48,000 jobs based on its share of a total of \$150 billion in clean-energy investments annually across the country. This is even after assuming a reduction in fossil fuel spending equivalent to the increase in clean-energy investments. Clean-energy investments create 16.7 jobs for every \$1 million in spending. Spending on fossil fuels, by contrast, generates 5.3 jobs per \$1 million in spending.²

NJPACE helps businesses, contractors, communities, lenders and the public by:

- ❖ Promoting the purchase/installation of clean energy systems for commercial and industrial properties
- ❖ Educating professionals, business leaders and associations to introduce their clients and members to PACE
- ❖ Engaging municipal and county officials to opt-in and help spread the program
- ❖ Enrolling banks and private investors to provide funding
- ❖ Scaling up to meet the anticipated demand, so projects are processed efficiently and effectively
- ❖ Increasing and accelerating the adoption of energy conservation and renewables to reduce carbon emissions

Now’s the Time to Act

New Jersey PACE, a 501c3 NJ nonprofit, acts as a state-wide program administrator for municipalities at no cost to taxpayers. We assist property owners, contractors and investors by processing each PACE project from application to closing to final approval. While our services are customized to the needs of each community, we have adopted best practices from programs in other states, including standardized forms and procedures designed to work across NJ’s many municipalities; this helps streamline the process for owners who want to use PACE financing in several municipalities.

For more information please contact:

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² Center for American Progress, “Clean-Energy Investments Create Jobs in New Jersey.”

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