



CONNECTICUT
GREEN BANK

C-PACE Financing: Developments in Commercial PACE

CT Commercial PACE Program

New Jersey PACE Summit

June 12th, 2015



Agenda



1. Background
2. Drivers of Success in CT
3. Program Progress / PACE Setters

Four Macro Energy Challenges



Connecticut



High Energy Costs

CT has THE highest cost for electricity in the "lower 48"



Old, Energy Inefficient Building Stock

CT has some of the oldest and most energy inefficient building stock



Need for "Cleaner / Cheaper" Energy Sources

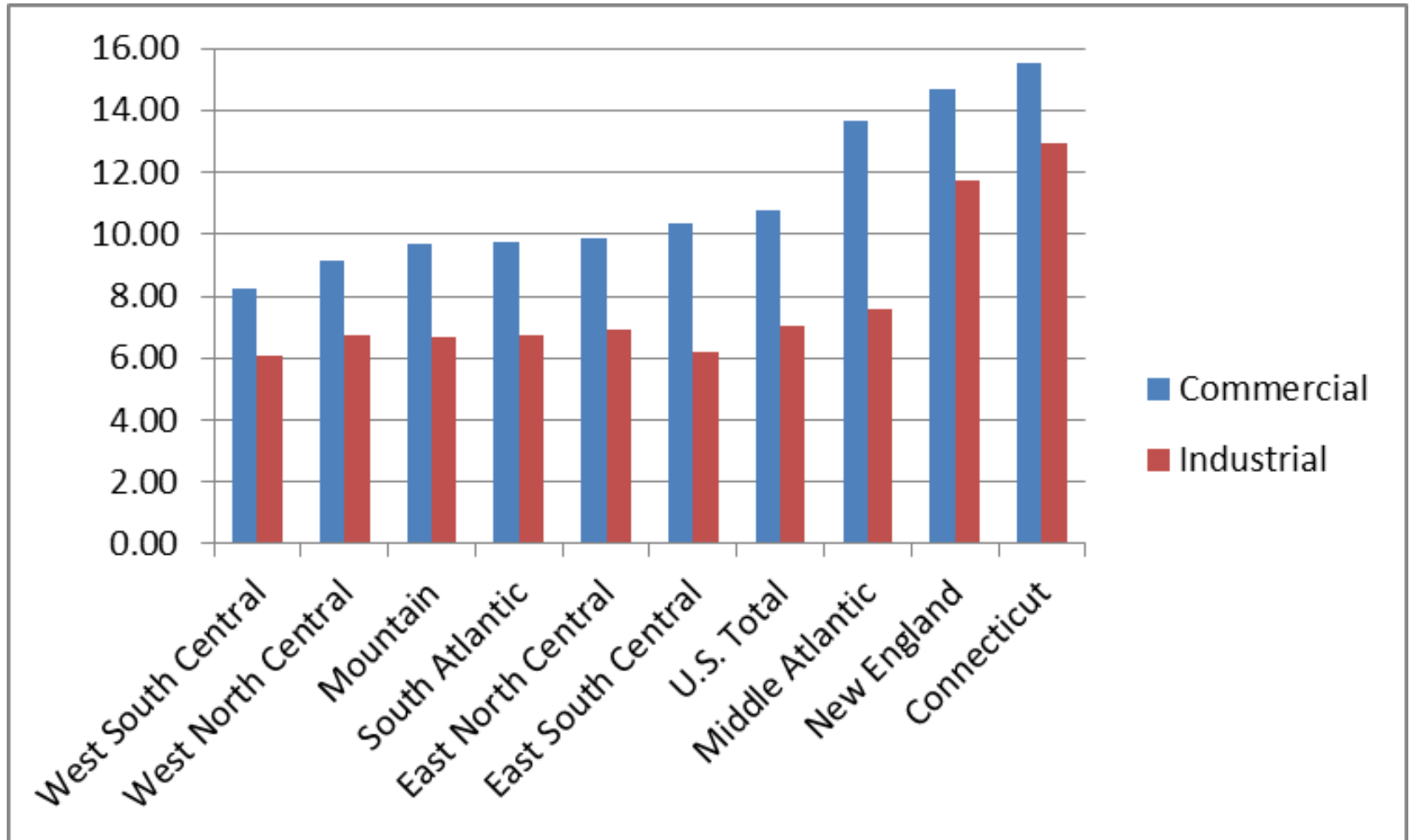
Programs that will diversify our energy mix into renewable/clean power



Grid Reliability

5 major storms in 2 years with unacceptable outages

Comparative Energy Costs (2014)



Connecticut Special Session Public Act 12-2 (June 2012)



- Commercial, industrial & multi-family property
- Requires the consent of the existing mortgage lender
- Requires $SIR > 1$; permanently affixed
- Single Statewide Program – municipalities “opt-in”
- Energy Efficiency / Renewables / Microgrids /
Shared Energy Situations (District Energy)

CEFIA's Role in C-PACE

Design Program

- Design guidelines, bring on technical team
- Onboard municipalities
- Market the program

Determine Project & Building Eligibility

- SIR > 1 - **OUTSOURCED**
- Financial due diligence – **GREEN BANK**
- Secure lender consent – **GREEN BANK**

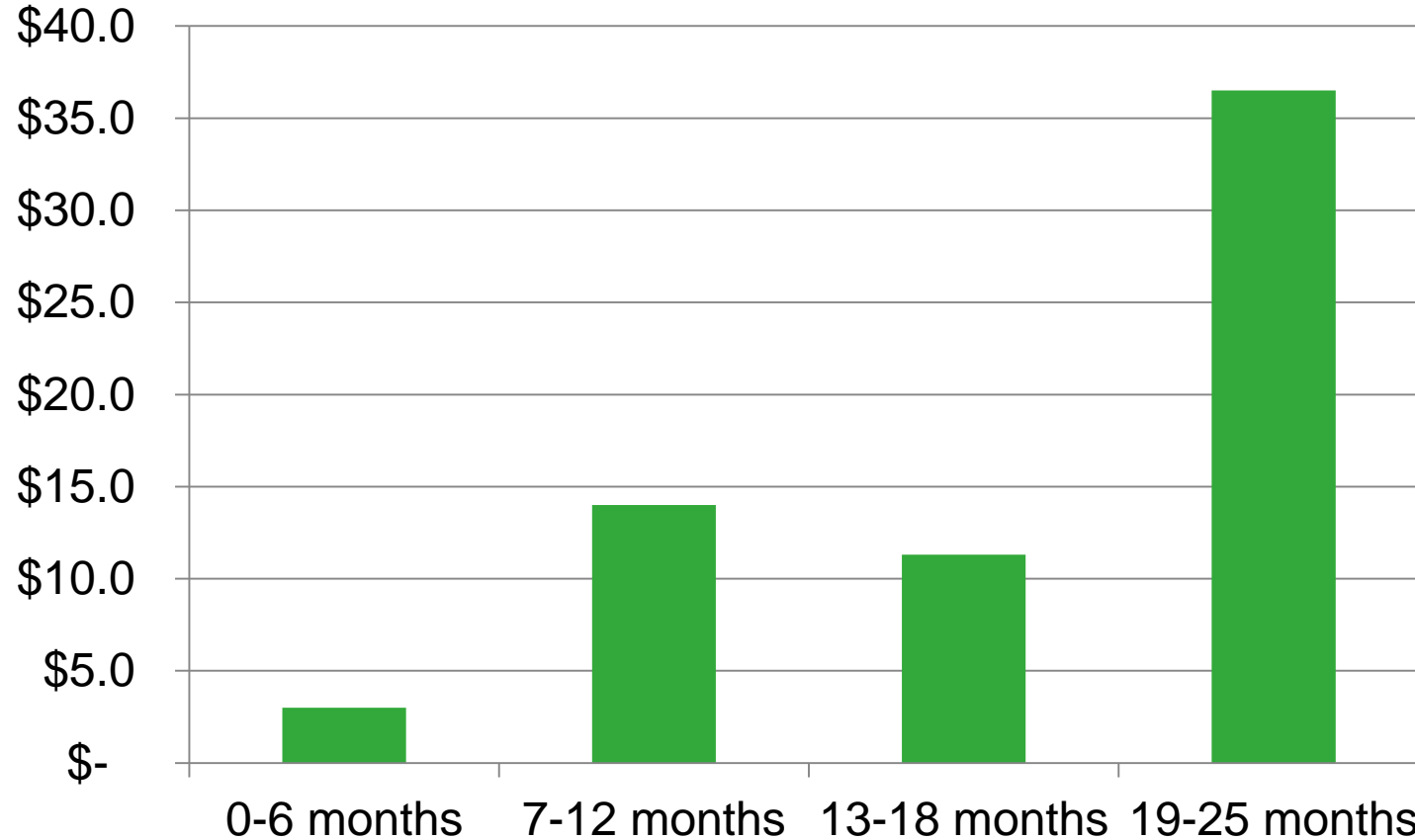
Attract Private Capital

- Qualify Capital Providers – **GREEN BANK**
- Provide capital (as needed) – **GB & Others**
- Sell-down portfolio – **GREEN BANK**

Commercial PACE (C-PACE) Program Growth



CT C-PACE Approved/Closed



Commercial PACE (C-PACE) paceSETTERs



With C-PACE financing of \$145,000, Paul Breglio, President of Crest Mechanical Services, made a significant long-term cut to the annual electricity bill at 41 Walnut Street with a roof-mounted solar installation. The project will add nearly \$8,000 annually to the company's bottom line and is expected to yield over \$400,000 in electric savings over the financing term, helping Crest Mechanical grow its business of manufacturing clean and energy efficient equipment for years to come.

Commercial PACE (C-PACE) paceSETTERs



PACEsetter: Paul Breglio, *President, Crest Mechanical*

C-Pace Financing: \$145,000

Energy Upgrade: 55 kW roof-mounted solar photovoltaic system

Projected Savings: \$418K over the life of the upgrades

Location: 41 Walnut Street,
Hartford, CT

Building Size: 34,500 Square Feet

Year Built: 1925

Total Project Cost: ~~\$170,000~~ \$145,000

Incentives: ZREC (Zero-emissions
Renewable Energy Credit)

C-PACE Financing: \$145,000

Term: 20 years

Annual Interest Rate: 5.5%

Annual C-PACE Assessment:
\$12,044

Annual Energy Cost Savings:
~~\$12,044~~ \$21,000

Lifetime Energy Cost Savings:
\$418,690

Annual Energy Savings: 65,000
kWh

Commercial PACE (C-PACE) paceSETTERS



THIS YEAR C-PACE WILL HELP
SAVE INSPORTS CENTER
\$91,678 IN ENERGY COSTS

With C-PACE financing of \$1,001,298, Peter Corbett, CEO & President of InSports installed a 252 kW solar photovoltaic system along with energy efficient lighting. The upgrade is expected to save \$91,678 annually in net operating costs (after payment of the C-PACE charge) and \$1,833,569 over the financing term, allowing InSports to efficiently and sustainably serve its customers for years to come.

Commercial PACE (C-PACE)

paceSETTERS



PACEsetter: Peter Corbett, *CEO & President*

C-Pace Financing: \$1,001,298

Energy Upgrade: 252 kW solar photovoltaic system; energy efficient lighting

Projected Savings: \$1.8M over the life of the upgrades

Location: 29 Trefoil Drive, Trumbull, CT

Building Size: 108,000 Square Feet

Year Built: 2001

Total Project Cost: \$1,001,298

Incentives: ZREC (Zero-emissions Renewable Energy Credit)

C-PACE Financing: \$1,001,298

Term: 20 years

Annual Interest Rate: 5.5%

Annual C-PACE Assessment: \$83,171

Annual Energy Cost Savings: ~~\$83,171~~ \$92,000

Lifetime Energy Cost Savings: \$1,833,569

Annual Energy Savings: 341,853 kWh

Commercial PACE (C-PACE) paceSETTERs



THIS YEAR C-PACE WILL HELP
MERIDEN YMCA SAVE OVER
\$34,000 IN ENERGY COSTS

With C-PACE financing of \$372,466 John Benigni, CEO Meriden YMCA installed a cogeneration system, energy efficient lighting and occupancy controls. The upgrade is expected to save \$34,450 annually in net operating costs (after payment of the C-PACE charge) and \$688,991 over the financing term, allowing the Meriden YMCA to efficiently and sustainably serve its patrons while providing additional funding for scholarships for kids camp and memberships for those families in need.

Commercial PACE (C-PACE)

paceSETTERs



PACEsetter: John Benigni, *CEO*

C-Pace Financing: \$372,466

Energy Upgrade: Cogeneration system, energy efficient lighting and occupancy controls

Projected Savings: \$688,991 over the life of the upgrades

Location: 110 W Main St, Meriden,
CT 06451

Building Size: 40,000 sq ft

Year Built: 1997

Total Project Cost: \$372,466

Incentives: none

C-PACE Financing: \$372,466

Term: 19 years

Annual Interest Rate: 4.94%

Annual C-PACE Assessment:
\$30,446

Annual Energy Cost Savings:
~~\$30,446~~ \$34,500

Lifetime Energy Cost Savings:
\$688,991

Annual Energy Savings: 489.2
MMBtu

Commercial PACE (C-PACE) paceSETTERs



With C-PACE financing of \$2 million, Brandon Hall and Brett Wilderman of Forstone Capital replaced the windows and overhauled the HVAC systems at 855 Main Street in Bridgeport to save energy, lower operating costs, and draw new tenants. Their upgrade project is expected to save \$80,000 annually in net operating costs (after payment of the C-PACE charge) and \$6 million in energy costs over the financing term, helping expand their business for years to come.

Commercial PACE (C-PACE)

paceSETTERs



PACEsetter: Brandon Hall and Brett Wilderman, *Principals, Forstone Capital*

C-Pace Financing: \$2M

Energy Upgrade: VFDs on pumps and chillers, fan powered VAV boxes, new cooling towers, data center retrofit, new direct digital control for HVAC, new chillers

Projected Savings: \$6.05M over the life of the upgrades

Location: 855 Main Street,
Bridgeport CT

Building Size: 112,000 Square Feet

Year Built: 1966 ~~\$1,992,683~~

Total Project Cost: ~~\$2,462,000~~

Incentives: \$469,317

C-PACE Financing: \$2M

Term: 20 years

Annual Interest Rate: 5.5%

Annual C-PACE Assessment:

\$166,563

Annual Energy Cost Savings:

~~\$166,563~~ \$241,000

Lifetime Energy Cost Savings:

\$6,047,504

Annual Energy Savings: 781

MMBTU

C-PACE ... A WIN – WIN – WIN

- Saves Energy Dollars for businesses & NFPs
- Economic Development for your State
 - JOBS that CAN'T be OUTSOURCED
 - MULTIPLIER EFFECT
 - MUNICIPALITIES BENEFIT
- Improved Collateral / Property Value for Lenders
- “Sustainability” is increasingly in demand
- Reduced Emissions
- Better climate conditions for workers & customers

Thank you!

www.c-pace.com

Bert Hunter
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