



Intro to Financing for Efficiency and Renewables & Five Tips for Success

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Financing Case Studies

Conventional

- ❑ AFC's Keystone Home Energy Loan (PA)
- ❑ City of Cambridge (new)
- ❑ Efficiency Vermont
- ❑ KEMA's California EE Loan Fund (terminated)
- ❑ MN Center for Energy and Environment
- ❑ NYSERDA's Energy Smart Loan Fund
- ❑ NYSERDA's HPwES Loan Program
- ❑ Nebraska Energy Office
- ❑ Sacramento Municipal Utility District (SMUD)
- ❑ Vermont Gas Systems
- ❑ Viewtech Financial Services

Report available:
rael.berkeley.edu/financing

On-Bill Financing

- ❑ BC Hydro (terminated)
- ❑ First Electric Cooperative (AR)
- ❑ Manitoba Hydro
- ❑ NW Natural Gas (terminated) (Portland)

Tariffed Installation Program (TIP) w/ On-Bill Repayment

- ❑ Maui Electric Company
- ❑ Midwest Energy (KS)
- ❑ New Hampshire Electric Coop (terminated)

Clean Energy Municipal Financing

- ❑ City of Berkeley (new)

Clean Energy Municipal Financing



\$\$ Upfront



\$\$ Repaid
on **tax bills**



- Creates financing district & approval process
- Provides upfront capital
- Attaches repayment obligation to the building

- Identifies work & chooses contractor
- Repays financing as a line item on the property tax bill
- **Repayment obligation transfers with ownership**

150+ Energy Efficiency Financing Programs in the US...



Success!!!
Our goals are done.

Most programs reach less than 0.5% of their potential participants each year

Barriers to Efficiency & Solar

- “Not worth the effort”
- Lack of convenient, actionable information
- Uncertainty about the energy savings
- Few comprehensive service providers (in CA)
- Split incentives
- High upfront cost
- Others...



5. Encourage Comprehensive Energy Retrofits

- Longer terms (~15-20yrs)
- Program requirements
 - Approved measures & contractors
 - Loading order
 - Residential Energy Conservation Ordinance
- Education



4. Work closely with contractors

- Contractors are the best sales force (NY, PA, VT)
- Time & money required to engage contractors
- More training needed
- An accepted standard would help local govts roll out energy efficiency programs



3. Be aware of who is left out

- Renters
- Low/moderate income
- Some options:
 - Loan guarantees
 - Lower interest rates
 - Alternative credit measures
 - Additional rebates
 - Guarantee savings
 - Pay for handholding
- Financing may not work for everyone!



2. Scale matters

- Larger volume programs will be *significantly* lower cost per project
- CEMF at the county level or higher?
- Streamlined program
- Marketing and outreach are KEY for long-term success



1. Use new messages, messengers

- Local govts are important messengers!
- Engage local groups that already have trust & connections
- More dynamic, appealing messages are needed



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Cal HERC
California Home Energy Retrofit
Coordinating Committee

Guidance and Training for Local
Governments

**Local Government Training:
How a Home Energy Retrofit Program
can help your City meet AB 32, AB 811
and Stimulus Funding Goals**

When: May 21, 2009 8:30am-3:30pm
**Where: Center for Sustainable Energy,
8690 Balboa Ave, Suite 100, San Diego**

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