



Clean Energy Financing

Presented by

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C-PACE

What is C-PACE?

- C-PACE is a mechanism for financing energy efficiency, renewable energy, and resilience improvements on private property
- The program allows a commercial property owner to finance the up-front cost of energy improvements and pay them back through a voluntary assessment attached to a property tax bill
- A unique characteristic of PACE assessments is that the assessment is attached to the property rather than an individual, thereby the assessment stays with the property upon transfer of ownership



Background

- Previous legislation (SB97) was thought to enable C-PACE financing, however, the statute was not designed well and thus lacked legislative details and components of a C-PACE program.
- The NC Clean Energy Plan in 2019 identified C-PACE as a viable option to finance clean energy projects. In response, the NC DEQ assembled a PACE Workgroup to identify barriers and draft legislation to enable the program
- Senate Bill 358 was filed on March 25, 2021, which would authorize a statewide C-PACE program for NC



Program Design

State Administrator:

- Responsible for preparing guidance, all documentation, determining eligibility, imposing fees, evaluate and approve applications

Capital Provider (NC Green Bank?):

- Responsible for all billing, collection, and enforcement of the special assessment and lien

Local Government:

- Must adopt a resolution authorizing C-PACE in their jurisdiction
- Place voluntary assessments and liens on properties that participate



Barriers to Commercial Solar

Are Commercial Solar financing options currently available?

- Most developers provide in-house financing and/or work with private lenders; rates are good

Commercial Developers Identified Impediment to adoption as:

- ROI – typically 9-10 years is too long for most commercial businesses; 4-5 yrs is desired
- NC Cost of electricity is low on avg. making ROI longer (5-6 yrs in areas with more expensive kWh)

Alternative Options authorized by GS

- Revolving Loan Fund and Loan Loss Reserves
- Update Economic Development policy to include renewable energy incentive
- Work with Chamber to commercial entities that might be interested in solar
- Explore incentives for new construction
- Partner with Blue Horizons on Commercial Solarize campaign/education & outreach



Focus Areas

1. Water Quality
2. Open Space
3. Climate Resiliency
4. Renewable Energy Transition
5. Clean Energy Financing



FUTURE AGENDAS

Meeting Date	Discussion Topic
Nov. 19, 10am	Solid Waste program overview; follow-up items
Dec 17, 10am	Finalize prioritization discussion; ?

