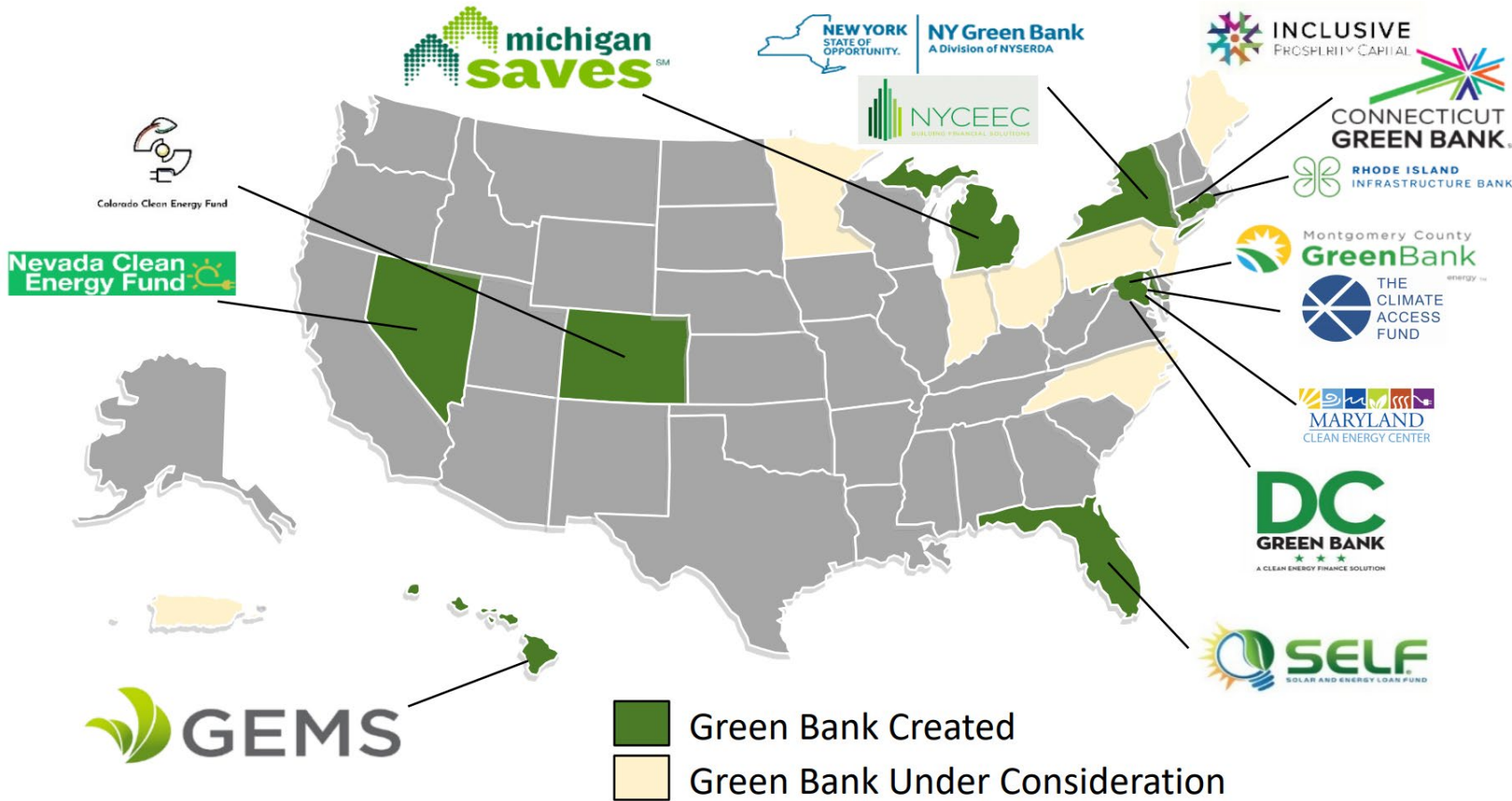


# North Carolina ▶ Clean Energy Fund

August 2022

# Agenda

- ▶ Green Bank Model
- ▶ Introduction to NC Clean Energy Fund
- ▶ The Opportunity for North Carolina
- ▶ Discussion



# The green bank model

A green bank uses public capital to mobilize more private investment into underserved green and resilient financing markets to fill market gaps.

Green banks have the goal of enabling private capital partners to enter clean energy markets at scale without green bank assistance.

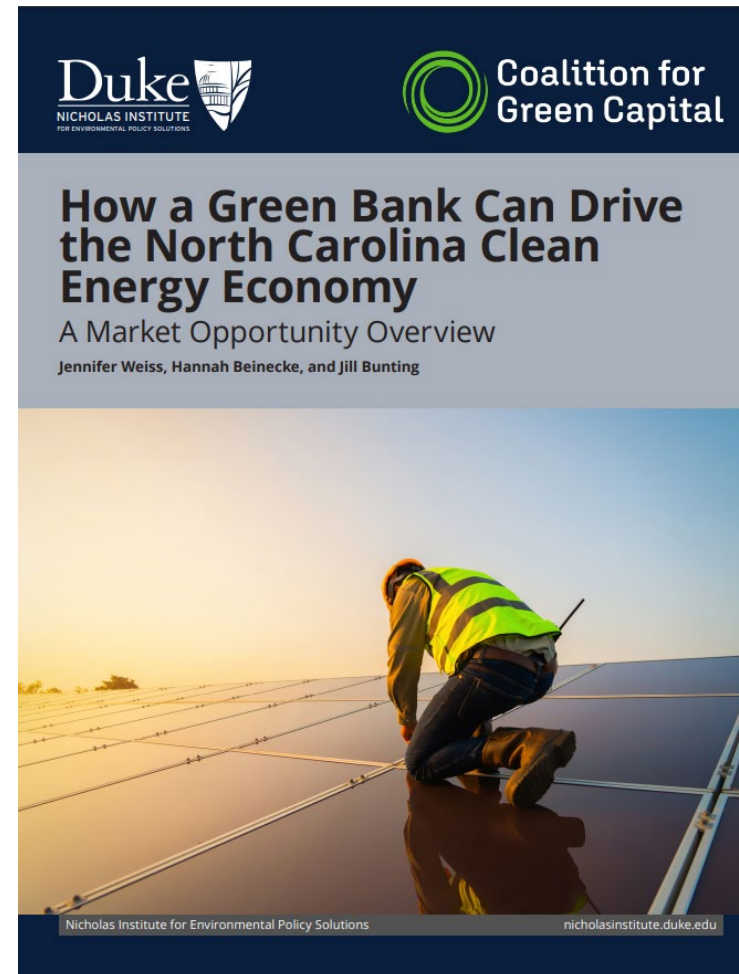
Across the U.S., Green Banks have driven over \$7 billion of investment into clean energy projects since 2011.

# Examples

- ▶ **Michigan Saves**, the nation's first independent, nonprofit green bank celebrated ten years of energy financing and surpassed \$300 million in private investments in Michigan's homes and businesses. In 2020 alone, Michigan Saves supported more than \$53 million of energy improvements.
- ▶ **Connecticut Green Bank** has used \$250 million in public funding to drive over \$1.6 billion in overall investment in the state's clean energy market, including critical investment into the low-income residential housing market
- ▶ Florida's **Solar Energy Loan Fund**, a locally-based green bank, completed 2,000 sustainable home improvement projects in the last three years totaling \$18 million, with 74 percent of the lending activity in underserved markets and a default rate below 2 percent
- ▶ **Montgomery County Green Bank** closed 24 clean energy loans totaling \$3.5 million in 2021 (16 homeowners, 8 commercial)

# NC Clean Energy Fund

- ▶ NCCEF grew from 2020 market assessment
- ▶ Diverse stakeholder groups analyzed financing gaps preventing the state from realizing full clean energy and energy efficiency potential
  - ▶ NC Clean Energy Plan
  - ▶ NC Energy Efficiency Roadmap
- ▶ Focus on finance gaps in
  - ▶ renewable power
  - ▶ building efficiency
  - ▶ industrial decarbonization
  - ▶ clean transportation
  - ▶ reforestation
  - ▶ climate-resilient infrastructure



# Our Mission

Accelerate investment in clean and efficient energy solutions and increase climate resilience in North Carolina, particularly to the benefit of underserved populations.

We partner with public and private investors, foundations and other non-profit organizations to deploy sustainable financing solutions that will create long-lasting environmental, economic and social benefits.

# The opportunity ahead of us

- ▶ Inflation Reduction Act: \$27B federal loan capital available by February 2023 for eligible entities (including non-profits green banks)
- ▶ NCCEF has key pieces in place:
  - ▶ \$215K operational funds raised
  - ▶ Operational partnership with NCSEA
  - ▶ 501(c)(3) recognition
  - ▶ Board of Directors - diverse and well-connected

# Our experienced and committed Board



**Jennifer Weiss**

Senior Policy Associate, Climate and Energy,  
Nicholas Institute



**Ajulo Othow**

Founder, CEO of EnerWealth Solutions



**Tyler Norris**

Director of Development, Cypress Creek  
Renewables



**Armeer Kenchen**

Executive Director of the  
Small Business Credit  
Initiative and CornerSquare  
Community Capital



**Everette P. Winslow**

Attorney, Winslow Wetsch, PLLC, founder and  
Advisory board member of the Electric  
Cooperative Bar Association



**Melissa Malkin-  
Weber**

Sustainability Director, Self-Help Credit Union &  
Ventures



**Bridget Herring**

Energy Program Coordinator at the City of  
Asheville



# Near-term Strategies

- Hire experienced Executive Director and staff
- Target, design, deploy and monitor 2-3 scalable financing products
- Accelerate and strengthen clean energy lending via credit unions, Community Development Finance Institutions (CDFIs), and regional banks
- Grow the pipeline of fundable projects through partner collaborations
- Grow pipeline through contractor networks and close relationships with key trade associations

# Focus areas for scalable products

- ▶ Create tariffed on-bill financing for energy efficiency and pre-requisite urgent repairs
- ▶ Credit enhancements for local lenders to catalyze home and small business energy efficiency and distributed generation projects
- ▶ Financing platform for residential contractors to offer fair financing for HVAC, hot water, insulation and solar
- ▶ Unsecured financing program for landlords of affordable housing to make energy efficient investments (modelled on SEER Atlanta).

# Discussion