

Property Assessed Clean Energy

Cisco DeVries

Renewable Funding

CDIAC * October 9, 2009

Climate and Energy Crisis



Our Secret Weapon



- Reduce energy use
- Save money
- Create jobs
- Cut greenhouse gas emissions

\$520B investment by 2020 would yield savings of \$1.2 trillion and 1.1 gigatons of GHG. (McKinsey Report, 2009)

Create 6.2 million new jobs

Current Policy Tools

- Easy, Cheap Permits
- Education, Social Marketing
- Step-by-Step Assistance
- Green Building Codes
- Rebates and Incentives
- **Upfront Cost Remains**

What's the Hold Up?



- Utility bills:
Simple monthly service



- Solar, Energy Efficiency:
Large upfront cost



Cisco's iPhone Bill

\$119/ month

\$1428/ year

\$28,560/ 20 years



Cisco's Utility Bill

\$129/ month

\$1548/ year

\$30,960/ 20 years

An Elegant Solution?

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PACE Financing

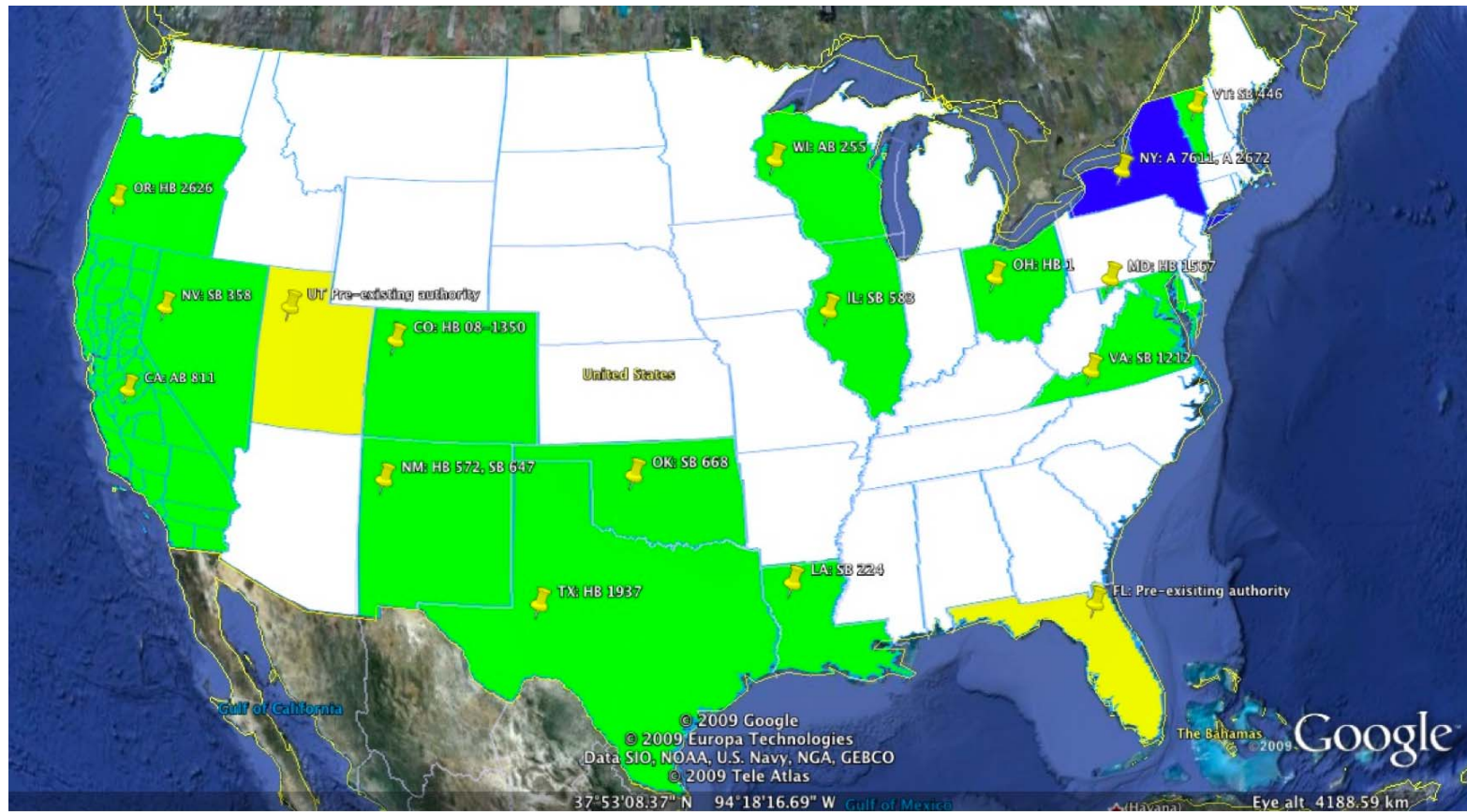
Property Assessed Clean Energy

Voluntary Program allows property owners to install solar and energy efficiency projects with little or no upfront cost. Costs repaid on property tax bills over 20 years.



State Legislation

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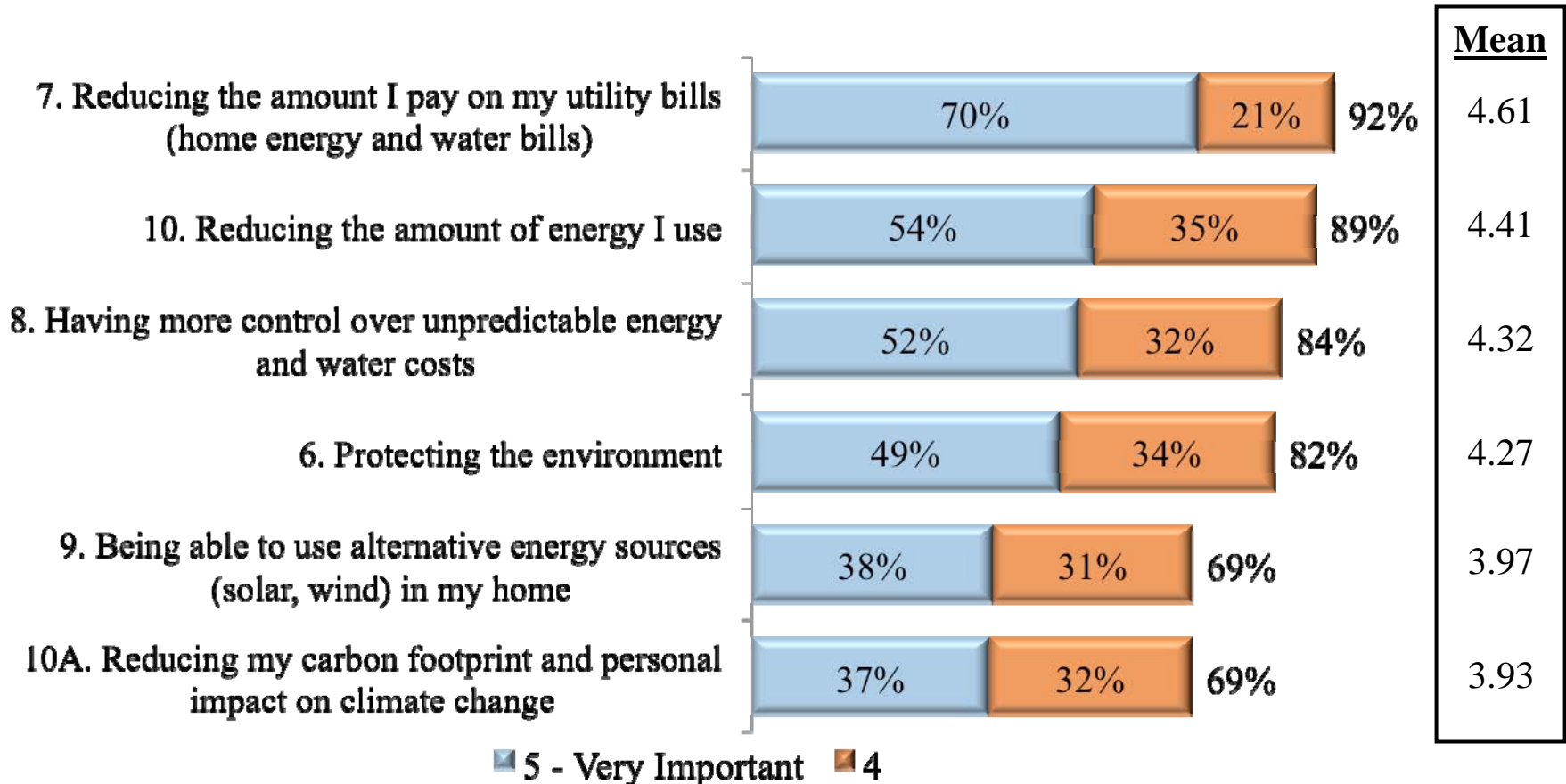
Is it Worth the Trouble?

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- If you build it, will they come?
 - Demand survey results
- Will your homeowners really save money?
 - Sample projects
- Which type of PACE program is best for my community?
 - City, county, regional

Reducing Utility Bills is Priority

On a scale of one to five, where one is 'not important at all' and five is very important, 'how important is each of the following to you personally?'



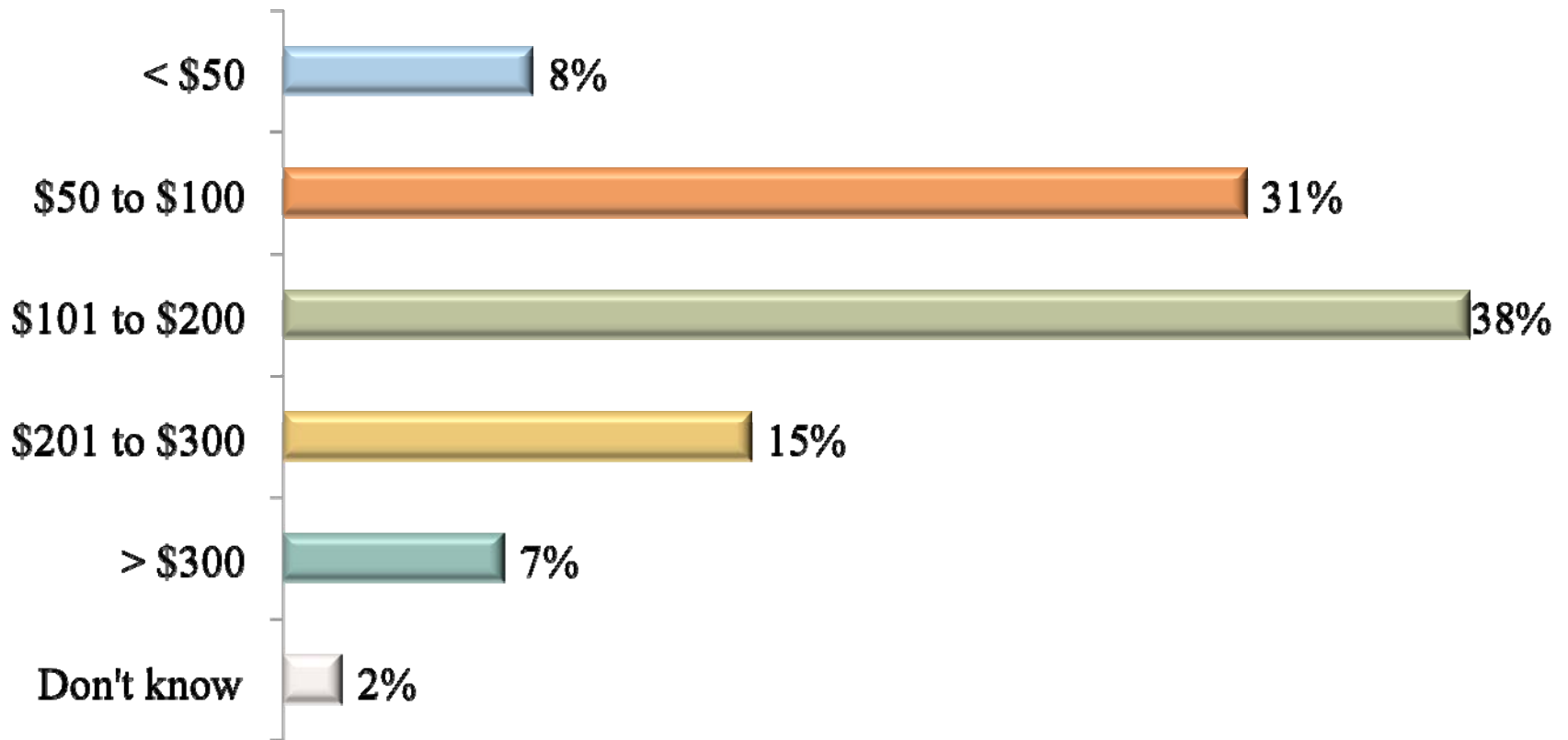
Strong Statewide Demand

Now that you know a little more about local government financing programs for energy and water improvements, how interested would you be in participating in this type of program if it were made available?



Most Utility Bills Over \$100

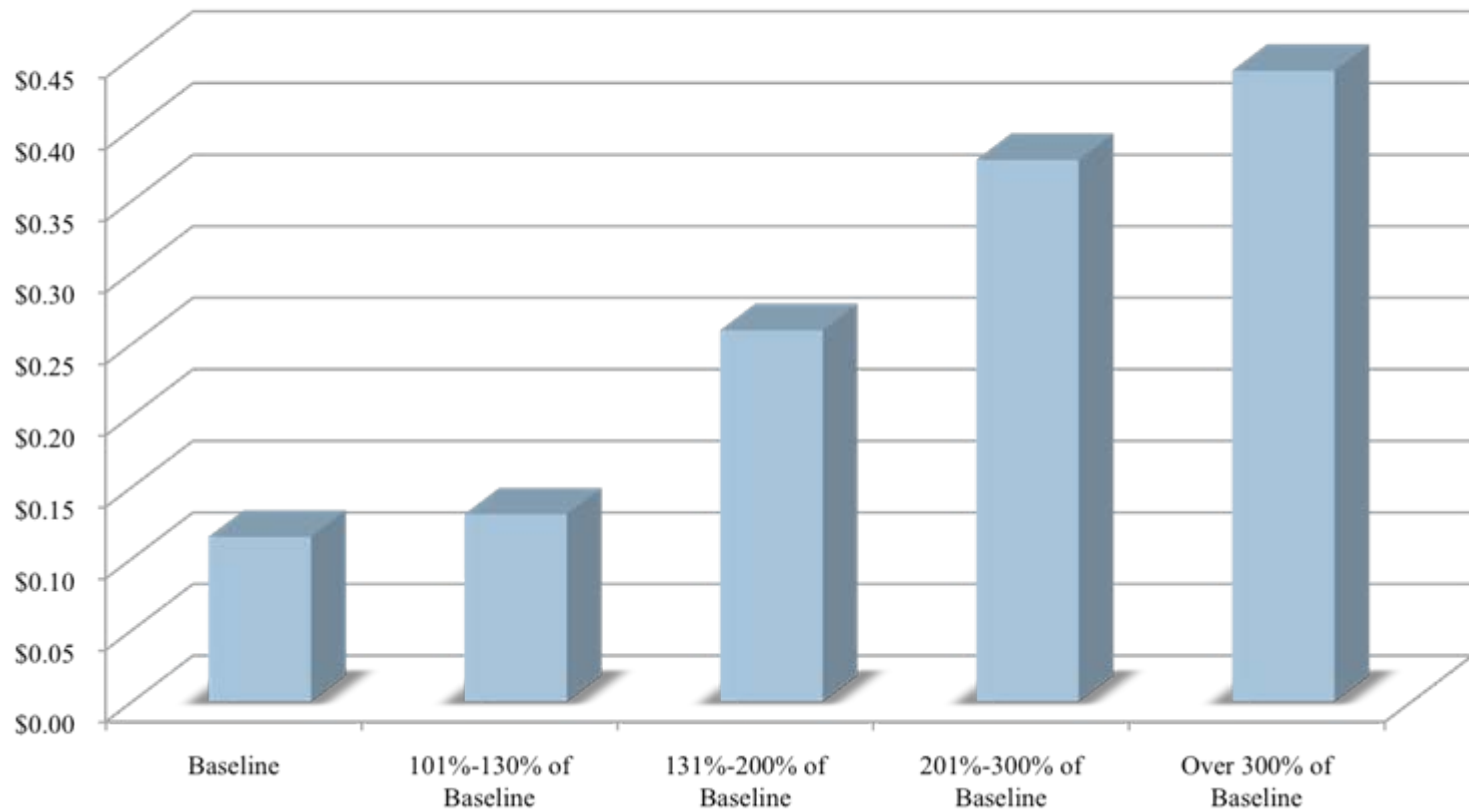
About how much are your average monthly electric and natural gas bills?



Utility bill structure

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PG&E Rate Schedule



Sample Project Economics (1)

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- 8% interest, 10% expenses
- PG&E territory
- \$150 monthly electric bill

Project	Cost after incentives	Monthly payment	First Year Savings	Net Present Value
1.2 kW PV	\$7,930	\$74	\$3.68	\$1,147
1.2 kW PV w/ Energy Efficiency	\$11,896	\$111	\$19.81	\$4,014

Sample Project Economics (2)

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- 8% interest, 10% expenses
- PG&E territory
- \$300 monthly electric bill

Project	Cost after incentives	Monthly payment	First Year Savings	Net Present Value
1.2 kW PV	\$7,930	\$74	\$17	\$3,537
1.2 kW PV w/ Energy Efficiency	\$11,896	\$111	\$58	\$11,037

Options for PACE Program

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- City
 - Berkeley, Palm Desert
- Countywide
 - Sonoma, Boulder, LA County
- CaliforniaFIRST
 - Pilot program with ~10 counties



Renewable Funding Services



partner to provide
a turnkey PACE
program for cities
and property
owners

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