

**CLEAN ENERGY ADVISORY BOARD
AGENDA**

November 5, 2021 (Friday)

11:00 am – 12:00 pm

Attendee link (recommended):

<https://covaconf.webex.com/webappng/sites/covaconf/meeting/info/406dacf80a7c42a9a0b4ea74d6ae923a?siteurl=covaconf&MTID=m9c7167daa119ceb2151336654ce614e0>

Event password: VAEnergy1

Dial in: +1-866-692-4530

Access code: 243 724 32849

****Meeting will be VIRTUAL and open to the Public ****

Times	Topics	Speakers/Presenters
11:00 – 11:05 am	Introductions and Welcome	Hannah Coman, Chair
11:05 – 11:20 am	Green Bank Market Assessment for Virginia	Bettina Bergoo, Virginia Energy
11:20 – 11:45 am	Board Q&A and input on Green Banks and Interplay with LMI Solar Fund, CEAB, and Virginia Energy	All
11:45 – 11:55 am	Public Comment	Public
11:55 am – 12:00 pm	Wrap up and Adjourn	Hannah Coman, Chair



Exploring a Clean Energy Financing Authority in the Commonwealth

Bettina Bergoo
Energy Efficiency and Financing Programs Manager
bettina.bergoo@dmme.Virginia.gov

November 5, 2021

Topics

- What is a Green Bank?
- Clean Energy Financing Authority Market Assessment
- Interaction between a prospective Clean Energy Financing Authority and the CEAB

What is a Green Bank?

They vary in structure and specific activities, but...

Green Banks are institutions that **accelerate** the deployment of clean energy using **limited public dollars** to attract **private capital** investment to clean energy projects **underserved** by the private financial sector.

Existing network of state and local green banks have driven \$5B of investment

\$3 of Private Capital Deployed for Each Green Bank Dollar



Common Priority Market Segments

- Existing residential, including LMI
- Small commercial/nonprofits
- Multifamily affordable housing
- Traditionally solar and EE, but increasingly electrification and energy storage
- Also increasingly, community solar and clean transport

Common Strategies Used

- Offering loan loss reserves or interest rate buy downs to private financial partners to offer attractive products (rate, term, underwriting)
- Extending financing to projects struggling to access private capital, often de-risking private financial partners in the transaction
- Extending financing to companies to enable expansion into a new market (geographic and/or demographic)
- Standardization of financial products and contracts to enable aggregation and securitization of small projects

Clean Energy Financing Authority Market Assessment

Local and State-level Opportunity

Localities may now establish local green banks, but:

- It is resource-intensive (staff and financial) to establish a new entity
- Institutions require **scale** to spur engagement of private sector partners and to cover operating expenses

Thus, Virginia Energy is exploring the potential role of a Clean Energy Financing Authority (statewide Green Bank)

Market Assessment: Your Input Requested

- What kinds of clean energy or climate resilience projects are underserved by the private financial sector in Virginia? Why?
- What existing programs might the Clean Energy Financing Authority be able to complement, and how might it do so?
- If a Clean Energy Financing Authority were to prioritize two objectives, what should they be, and what metrics should capture performance against those objectives?

Interaction Between Prospective Clean Energy Financing Authority and the CEAB

Initial List of Options for Consideration

- 1: No legal connection, with CEFA and CEAB coordinating on joint objectives (e.g., EE for HHs with 60-80% SMI)
- 2: CEAB serves as official CEFA advisory group on LMI programs
- 3: CEFA and CEFA Fund are established via legislation, with CEAB(+) designated as CEFA Board
- 4: CEAB mission/authority/membership is expanded, via legislation, to serve as CEFA, and a new CEFA Fund is established