



## **Financial Partnerships to Advance Energy Efficiency**

Moderator: Trisha Miller, HUD

Panelists: Jeff Greenberger, Affordable Community Energy,  
Kim Latimer-Nelligan, Low Income, Investment Fund,  
Rick Samson, Stewards of Affordable Housing for the Future Energy,  
Bruce Schlein, Citi

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# Financial Partnerships to Advance Energy Efficiency

Affordable Community Energy, Inc.,  
A Subsidiary of Hispanic Housing  
Development Corporation



## DISCUSSION OUTLINE

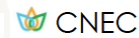
- Who We Are
- What We Do
- How We Do It
- Challenges/Opportunities
- Discussion



# HHDC & ACE



## "IT TAKES A VILLAGE"

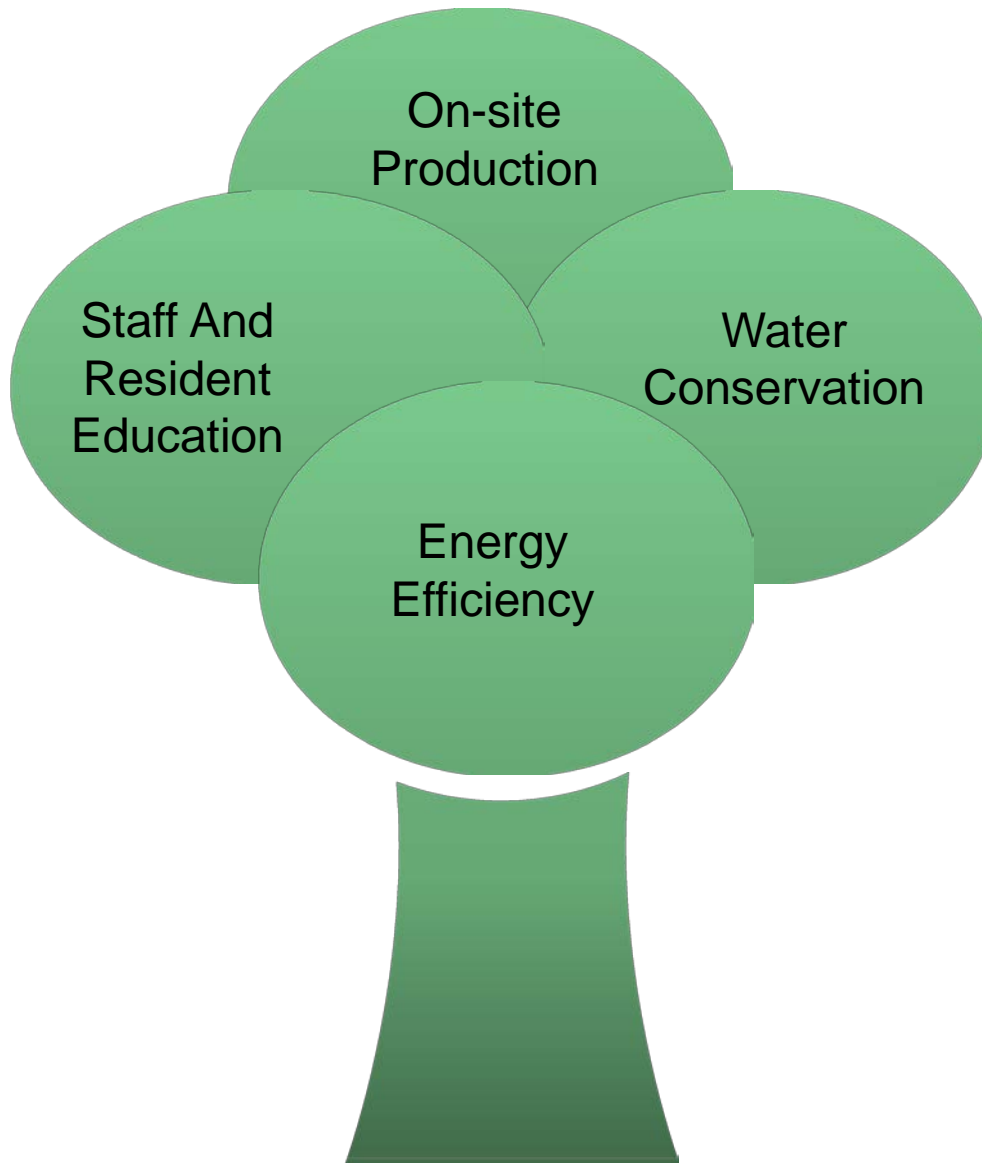


AND AFFILIATES





## THE WHOLE TREE



### Energy Efficiency

- Air-sealing, insulation
- Lighting and controls
- Energy efficient systems/controls
- Energy efficient appliances (in some cases)

### Water Conservation

- New Fixtures
- Tightening, leaks fixed, etc.
- On-going maintenance

### On-site Production

- Solar Photovoltaic
- Solar Thermal
- Geothermal
- Wind
- Combined Heat and Power
- New technologies



## WHAT WE DO

## SCOPE OF SERVICES



**MANAGE**

**INSTALL**

**DESIGN**

**AUDIT**

**MOST IMPORTANTLY WE PAY FOR EVERYTHING**



## HOW WE DO IT

### ENERGY SERVICES COMPANY (ESCO)

- Retrofits
- Most value when there is no “capital event”
- Generally any size building; but want to do portfolio-size projects
- Measured savings not “deemed” savings

10-Year Contract

After 10 years **all** savings and production go to our Customers

- Cost of improvements
- Cost of operations

- % of Energy Savings
- % of Water Savings
- Payment for onsite electricity production (@ 90% mkt cost)





## HOW WE DO IT

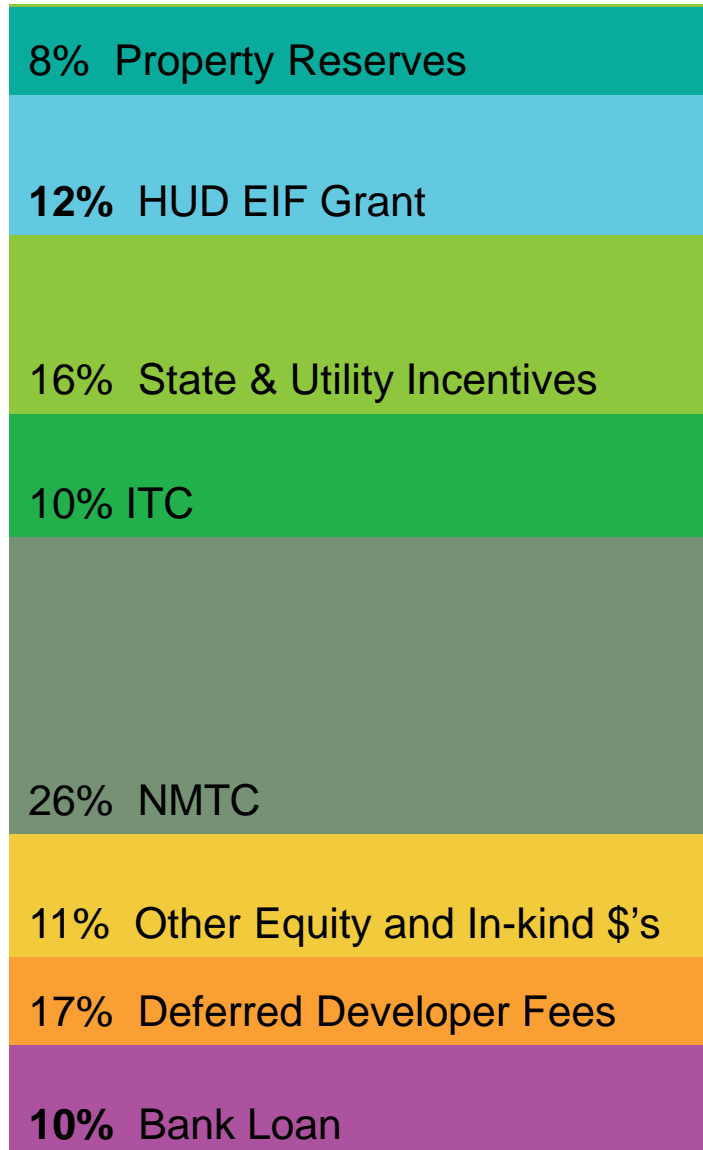
## CAPITAL STACK

### PHASE ONE

- \$6.25 million
- 1,174 units/11 properties
- 660 kW production
- 30%+ Savings

### PHASE TWO

- \$8.5-10 million
- 1,500 units/17 properties







1. Options for portfolio-wide initiatives?
2. What makes an attractive loan product?  
How do we bridge the gap between this and what is offered in the market?
3. Specialized loan products vs. adapting traditional products?
4. Requirements for consents from 3rd parties?
5. Other challenges for lenders, ESCO's and owners?

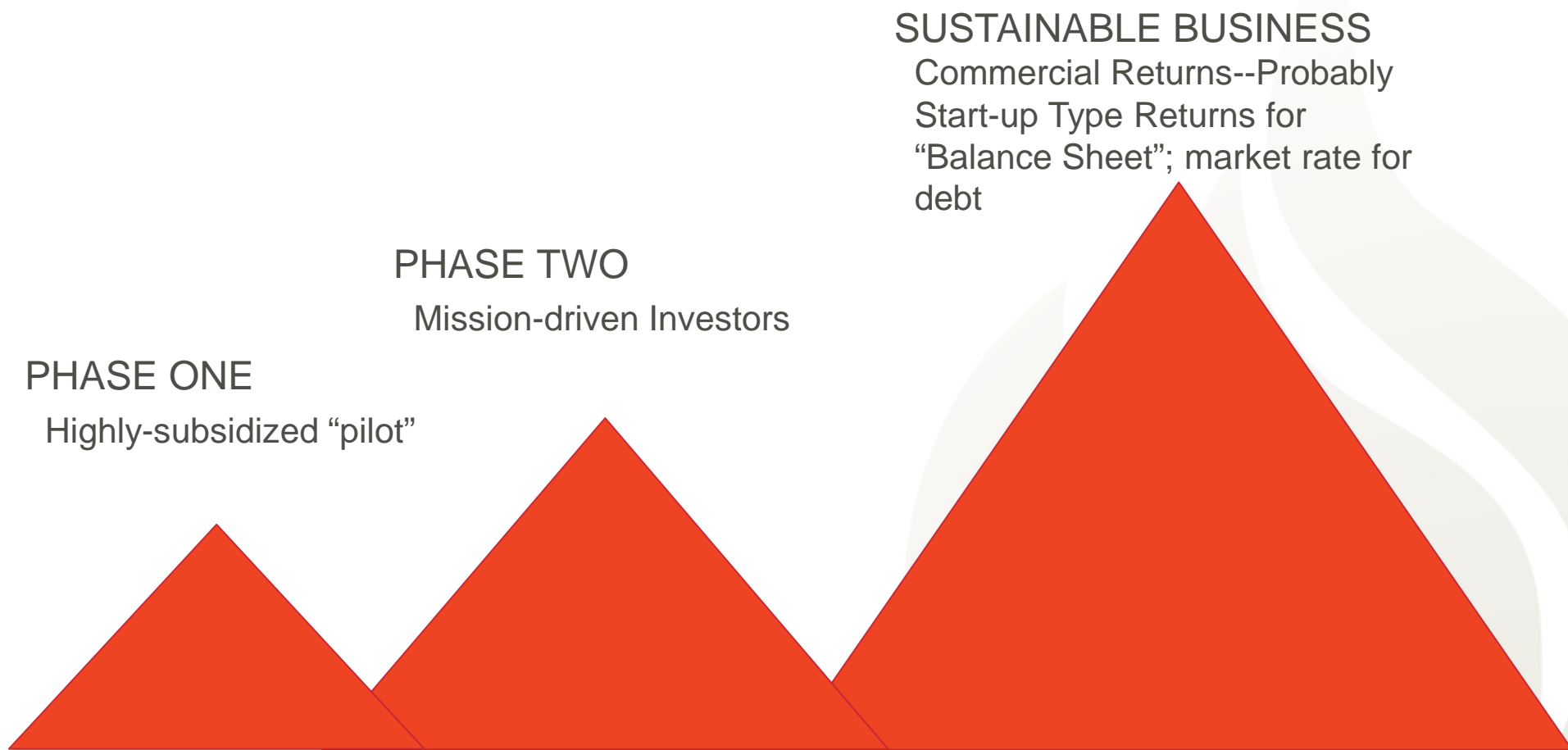


1. Options for portfolio-wide initiatives?
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*ACE is an option for  
Affordable Housing owners*

*Currently:*

- *Willing to underwrite savings and production*
- *Willing to underwrite credit*
- *Relax security requirements*





4. Requirements for consents from 3rd parties?
5. Other challenges for lenders, ESCO's and owners?

### *Wish List*

- *HUD: Solve "Split Incentive"*
- *DOE: Open up RFP for Innovative Models as well as Innovative Technology*
- *FNMA: Unblock PACE*
  
- *Customer Credit Support*
- *Underwriting the weather, "Good Guys," sunshine, the "Rebound Effect," HUD, IHDA, most existing lenders, etc.*
  
- *"Bad Guys"*
- *Some LIHTC Investors*

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