

**NASEO State Energy Financing Task Force Call Notes  
January 7, 2011; 12:30-1:30pm ET**

**Attendees**

NY	NC
AR	VA
MD	SC
NE	MI
FL	
HI	NASEO
KY	Energy Programs Consortium
ME	

**Introduction**

Jeff Pitkin, Treasurer of NYSERDA and Chair of the NASEO State Energy Financing Task Force, opened the call.

**Update on Warehouse for Energy Efficiency Loans (WHEEL)**

Howard Banker from the Energy Programs Consortium (EPC) provided an update on WHEEL, which is a piloting a warehouse facility to be located in Pennsylvania to pool and securitize energy efficiency loans on the secondary market. Currently 3 states have approved lenders with structures that permit PA's State Treasurer to buy their loans: AZ (using utilities fund), NC (using SEO funds), and CT (using utilities fund). In addition, MD and KY have organized state programs to purchase loans, and WHEEL has committed to purchase these loans.

The goal is to create a national program, where WHEEL is buying loans from all states, packaging and selling them. EPC has issued a Request For Information, and so far has heard from 6 national banks/financial institutions who are interested in helping run this program. If your state is interested in having your loans purchased, please let EPC know.

NASEO will circulate the RFI for states to reference. Feel free to contact Howard Banker ([hbanker@energyprograms.org](mailto:hbanker@energyprograms.org)) with questions.

**Update on Rebuilding America's Commercial Building Retrofit Initiative**

The Rebuilding America Coalition is exploring an initiative, called the "Downtown Area Retrofit," which is looking to start pilot projects in cities that target entire commercial building districts. They are looking for partners at the state level who may be willing to engage.

Currently, they are targeting the following locations:

- Atlanta
- Charlotte
- Baltimore
- Chicago
- Pittsburgh
- Des Moines
- Denver
- Cincinnati
- Cleveland
- Philadelphia

If you are interested, let Diana Lin ([dlin@naseo.org](mailto:dlin@naseo.org)) know and she can put you in touch with the point of contact at Rebuilding America.

## **NASEO Energy Outlook Conference**

The [NASEO/ASERTTI Energy Policy and Technology Outlook Conference](#) is taking place in Washington, DC from January 31 – Feb 3, 2011. We have a number of states registered, but we encourage your state to register as soon as possible. If you have questions about travel or accommodations, please contact Shemika Spencer ([sspencer@naseo.org](mailto:sspencer@naseo.org)) for assistance.

## **Discussion on Extending Task Force Membership to NASEO Affiliates**

Many Affiliate members have expressed interest in participating in the Financing Task Force. The group discussed whether or not to include NASEO Affiliates in the task force. The state members decided that Affiliate perspective and input would be very valuable in certain areas and topics, but states also want to have a dedicated forum for open discussion without private party interests. It was decided that the NASEO staff will keep Affiliate members apprised of the task force's activities, and in the future NASEO may invite Affiliates to task force calls when deemed appropriate, or even organize dedicated topical calls for both state task force members and Affiliates.

## **Developing National Financing Recommendations**

NASEO would like to use the expertise of the task force to develop a set of national recommendations on what needs to be done on financing. Since very little is likely to happen in Congress, we want to focus this activity for what would be most helpful to states. The first step would be to hold a scoping call to develop the key questions, objectives, and timeline.

States that indicated interest in participating in that scoping call included:

- HI
- MI
- MD
- ME
- AR

If your state is interested, please contact Diana Lin ([dlin@naseo.org](mailto:dlin@naseo.org)).

## **Update on State and Local ESPC Meeting**

NASEO recognizes the potential for ESPC in a period of budget constraints and recently held a meeting with other state and local groups to discuss how to advance ESPCs in light of all the recent and upcoming transition. NASEO presented a series of best practices that the Energy Services Coalition, NAESCO, and NASEO partnered on. This was a good first step to start a much-needed education and training process.

Amy Butler (MI) expressed a concern that there might be confusion between state and national chapters of an organization. For instance, the local chapters of the national organizations that NASEO meets with may not be aware of these discussions and vice versa. We need to be careful to coordinate and avoid confusion.

To help address that issue, NASEO will circulate the notes and materials presented at that ESPC meeting to the task force.

## **Update from Maryland**

Dan Bresette (MD) provided an update of Maryland's new residential program through the MD Clean Energy Center, which soft launched in December. The program is modeled on PA's Keystone HELP program and will be funded initially with ARRA dollars. MD is exploring other sources of capital (debt and/or equity) and would like to set up some kind of credit enhancement, maybe a LLR. AFC First is the financial partner, and MD has set up the program to be compatible with WHEEL.

Improvements are limited to eligible measures in MD's Home Performance with ENERGY STAR, and compared to PA, MD has a smaller menu of options. (Basically only option is a loan capped at \$20,000 for eligible measures). Additionally, MD recognizes the importance of using this as a sales and delivery force and is ramping up auditor and contractor training/education. Also, MD is actively trying to align this with their just-launched rebate program so customers can be aware of this loan option when they come in for rebates. Ultimately, the goal is to prove that this sort of activity works in the long term and is viable.

One anticipated challenge will be high volume and reporting paperwork. If people have best practices or worst practices in these kinds of programs, MD would really like to learn more about it and is open to suggestions. Conversely, if MD's experience could benefit others, please get in touch with Dan Bresette ([DBresette@energy.state.md.us](mailto:DBresette@energy.state.md.us)), and he can help share what MD has learned.

### **Update from Maine**

Dana Fischer (ME) provided an update the progress of residential PACE with a subordinate lien structure in Maine. It took some time to go through state statutory rule-making to set up out secondary-lien PACE program, but Efficiency Maine has made good progress and aims to start issuing loans by end of January. The PACE loan program will be essentially very similar to a secured home equity loan in a secondary position, and fits into a residential programmatic framework that the state has been building for the past year. AFC First is also partnering on this.

Local governments and municipalities must pass ordinances to participate. So far 46 have completed applications or passed ordinances (this is about 35% of the state). With most town meetings upcoming in the spring, Efficiency Maine hopes to really increase state coverage by the end of the spring. When legislation passed in April 2010, municipalities could choose to do it themselves, or have Efficiency Maine administer some or all of the program. In practice, municipalities are cash-strapped and have no capacity to learn how to do this. They've all opted to have Efficiency Maine run the program on their behalf. Local groups can get citizens excited about this, and their enthusiasm helps to carry the program. At the same time, they do not have to worry about running the program, and it's a good partnership. Working with local communities has really changed marketing and outreach and allowed the state to tap into local networks.

Efficiency Maine is also providing both technical and sales training for auditors and offering consumers increased incentive rates. This is all intended to open up new markets.

Please refer to the links listed below or contact Dana Fischer ([dana.fischer@efficiencymaine.com](mailto:dana.fischer@efficiencymaine.com)) for more information.

- *Energy Advisor Look Up Tool:* [http://www.efficiencymaine.com/at-home/hesp\\_program/find\\_an\\_energy\\_advisor](http://www.efficiencymaine.com/at-home/hesp_program/find_an_energy_advisor)
- *Model Documents:* <http://www.efficiencymaine.com/documents-services>
- *PACE Rulemaking:* <http://www.efficiencymaine.com/docs/AgencyRules/Chapter110-PACE-Rule120110.pdf>
- *Program Home Page:* [http://www.efficiencymaine.com/at-home/hesp\\_program](http://www.efficiencymaine.com/at-home/hesp_program)

### **Next Call Date**

Normally, the State Energy Financing Task Force holds calls every first Friday of the month from 12:30-1:30pm ET. However, since NASEO's Energy Outlook Conference is that week, the February task force call is cancelled and will meet again starting in March on Friday, March 4, 2011; 12:30-1:30pm ET.