Energy Investment Partnerships

What They Are & How to Get Started

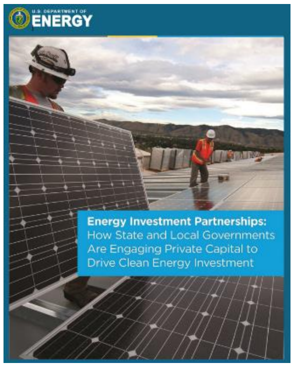
Implementing an Energy Investment Partnership

What is an Energy Investment Partnership?

Energy Investment Partnerships (EIPs)—sometimes called Green Banks—are newly emerging public-private partnerships with the authority to raise capital. These partnerships rely on a variety of means and can align clean energy finance initiatives and traditional development finance tools to maximize the impact of public funds. The end goal is to accelerate clean energy deployment and economic development.

DOE's Energy Investment Partnership Report

In December 2015, the U.S. Department of Energy released a report that examines innovative financing mechanisms adopted by eight states— California, Connecticut, Florida, Hawaii, New Jersey, New York, Ohio, and Oregon—to spur investments in clean energy, energy efficiency and resilient infrastructure. The report, "*Energy Investment Partnerships: How State and Local Governments Are Engaging Private Capital to Drive Clean Energy Investments,"* illustrates how states and entities are driving clean energy deployment through leveraging private capital.



By leveraging private dollars, Energy Investment Partnerships generate an impact well beyond what would be possible with public funds alone.

States and Local Governments Taking Action

An EIP helps to attract private capital to clean energy projects in many ways, including through the traditional development-finance tools, such as issuing bonds, co-lending with banks, and insuring or credit enhancing private loans.

Innovative financing mechanisms like EIPs are critical for mobilizing the public and private capital necessary to transition to a low carbon economy. States, cities, and counties are beginning to deploy EIPs to help meet carbon emissions reductions goals and to fund more resilient infrastructure.

By developing public-private partnerships and bringing the right mix of partners, authorities, and strategies to the table, each state, region, municipality, and market can create a unique—but effective—vehicle to support clean energy finance and deployment.

The implementation of these EIPs is typically a result of carefully structured public-private partnerships, cooperative political environments, legislative mandates, and access to credit enhancement tools. By leveraging private dollars, EIPs generate an impact well beyond what would be possible with public funds alone, and are expanding the legacy of financing infrastructure and economic development for clean energy deployment.

The full report is available online at:
energy.gov/epsa/energy-investment-partnerships

Looking Ahead

This trend is continuing to spread across the nation as additional state and local governments prioritize investments in clean energy. For example, in 2015, the State of Rhode Island passed legislation for the Rhode Island Infrastructure Bank, and Montgomery County, Maryland, also passed legislation for a "Green Bank"—both entities are now moving forward in their development. Other states and counties are following suit and are paving a path forward in the creation of EIPs. Due to the success and growth of these kinds of programs, there is much anticipation that additional state and local EIPs will emerge in the coming years.

The potential impact of EIPs extends across environmental, fiscal, social, and physical boundaries. Through forming partnerships and addressing the diverse needs of stakeholders, EIPs contribute valuable direction toward reducing the need for public capital in the transition to a clean energy economy.

EIP Factsheet written by the Council of Development Finance Agencies | www.cdfa.net

Summary of Energy Investment Partnerships and Related Programs

The table below provides an overview of the EIPs and programs profiled in the EIP report. By establishing state and regional partnerships to repurpose existing funding sources and attract private capital, each EIP has generated an impact well beyond savings on utility bills. Programs and states were chosen based on a wide range of factors, yet aimed to show a diversity in structure, markets, and execution, and illustrate the multitude of ways that EIPs can increase investment in clean energy projects. The EIPs profiled in this document represent a few of the ways that public and private funding sources can combine to optimize access and affordability of financing for businesses and homeowners.

The full report is available online at **energy.gov/epsa/energy-investment-partnerships.**

State	Entity	Programs (in report)	Legal Structure	Capitalization	Market Sectors
CA	CA Alternative Energy & Advanced Transportation Financing Authority	PACE Loss Reserve; CA Hub for Energy Efficiency Financing	State agency	State allocation + CA PUC allocation	Resident & commercial; efficiency & renewables
CA	CA Infrastructure and Economic Development Bank	CA Lending for Energy and Environmental Needs Center	State agency	Self-capitalized	State and local govt.; efficiency, renewable, water conservation, & distribution
CT	CT Green Bank	CT Solar Lease; Energize Connecticut Smart E-Loan; Commercial PACE; CT Solar Loan	State agency	Systems Benefits Charge + RGGI funds + U.S. DOE grant +private investments+fees	Resident & commercial; efficiency & renewables
FL	Solar & Energy Loan Fund	Clean Energy Loan Fund	Nonprofit, CDFI	U.S. DOE grant + private investments	Resident & commercial; efficiency & renewables
HI	Hawaii Green Infrastructure Authority	Green Energy Market Securitization	State agency	Bonds + utility fees	Resident & commercial; efficiency & renewables
NJ	NJ Board of Public Utilities	NJ Clean Energy	State agency	Self-capitalized	Resident & commercial; efficiency & renewables
	NJ Energy Resilience Bank	Wastewater and Water Treatment Plant Funding	State agency	U.S. Dept. of Housing & Urban Development grant	Utilities; renewables
NY	NY State Energy Research & Development Authority	Green Jobs – Green NY	State agency	Systems Benefits Charge + RGGI funds + U.S. DOE grant + Qualified Energy Conservation Bonds	Residential & commercial; efficiency
	NY Green Bank	Clean energy financial products and advisory services	Division of a state agency, NYSERDA	Allocation of uncommitted Efficiency & RPS & System Benefits Charge funds	Resident & commercial; efficiency & renewables
OH	Toledo-Lucas County Port Authority	BetterBuildings Northwest OH	Local agency	Fees + U.S. DOE grant + tax levy	Resident & commercial; efficiency & renewables
	Greater Cincinnati Energy Alliance	Greater Cincinnati Home Energy Loan; Building Communities Loan	Nonprofit	U.S. DOE grant + private impact investment + fees	Residential & nonprofit; efficiency & renewables
	Port of Greater Cincinnati Development Authority	Greater Cincinnati PACE	Local agency	Fees + county & city allocation	Commercial; efficiency & renewables
OR	Energy Trust of OR	General efficiency incentives	Nonprofit	System Benefits Charge	Residential & commercial; efficiency
	Enhabit	General efficiency incentives	Nonprofit	Fees + U.S. DOE grant	Residential; renewables
	Craft3	Home Energy Efficiency Loan	Nonprofit, CDFI	Private investments + private contributions + grants	Residential; efficiency