



Financing Energy Efficiency: Investing in our Energy Future

ACEEE Market Transformation Conference

Stephen Cowell, CSG

March 30, 2009



Conservation Services Group



Residential Efficiency: The Gap

- 1,000,000 Massachusetts households could carry out significant efficiency improvements
- 600,000 households are between 80% and 120% of median or are in older multifamily buildings
- This group has little access to financing





Funding Availability

- Green Communities Act; RGGI and SBC will provide significant new funds (between 500 million and 600 million per year for all sectors)
- Size of just the residential efficiency challenge: 1,000,000 homes spending \$5,000 each on cost effective measures = 5 billion dollars





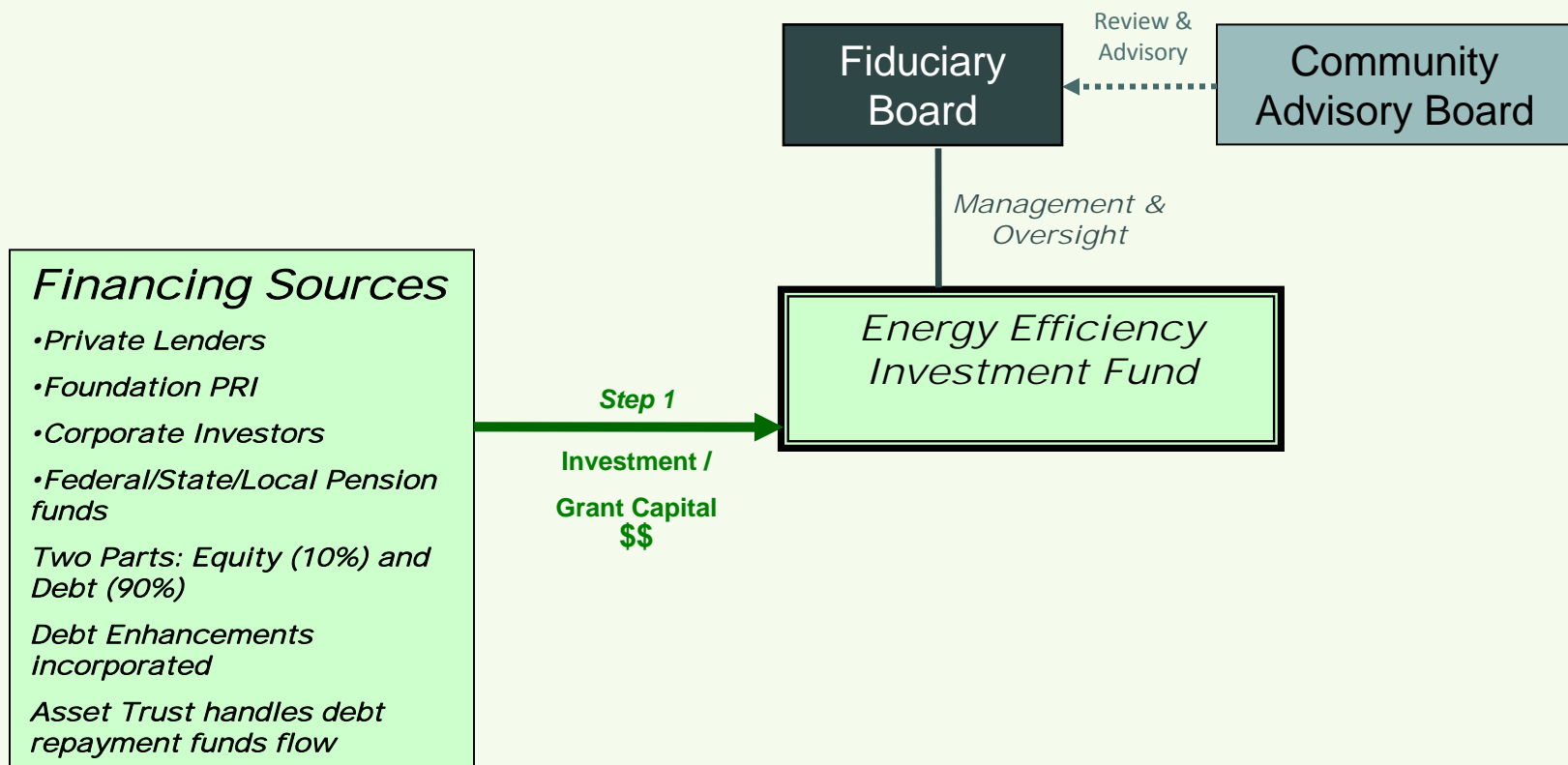
A Solution

- Low Cost Financing using a secured repayment stream
- Use the utility bill to repay cost effective investments
- Create a financing fund off the utility balance sheet
- Attract low risk funds



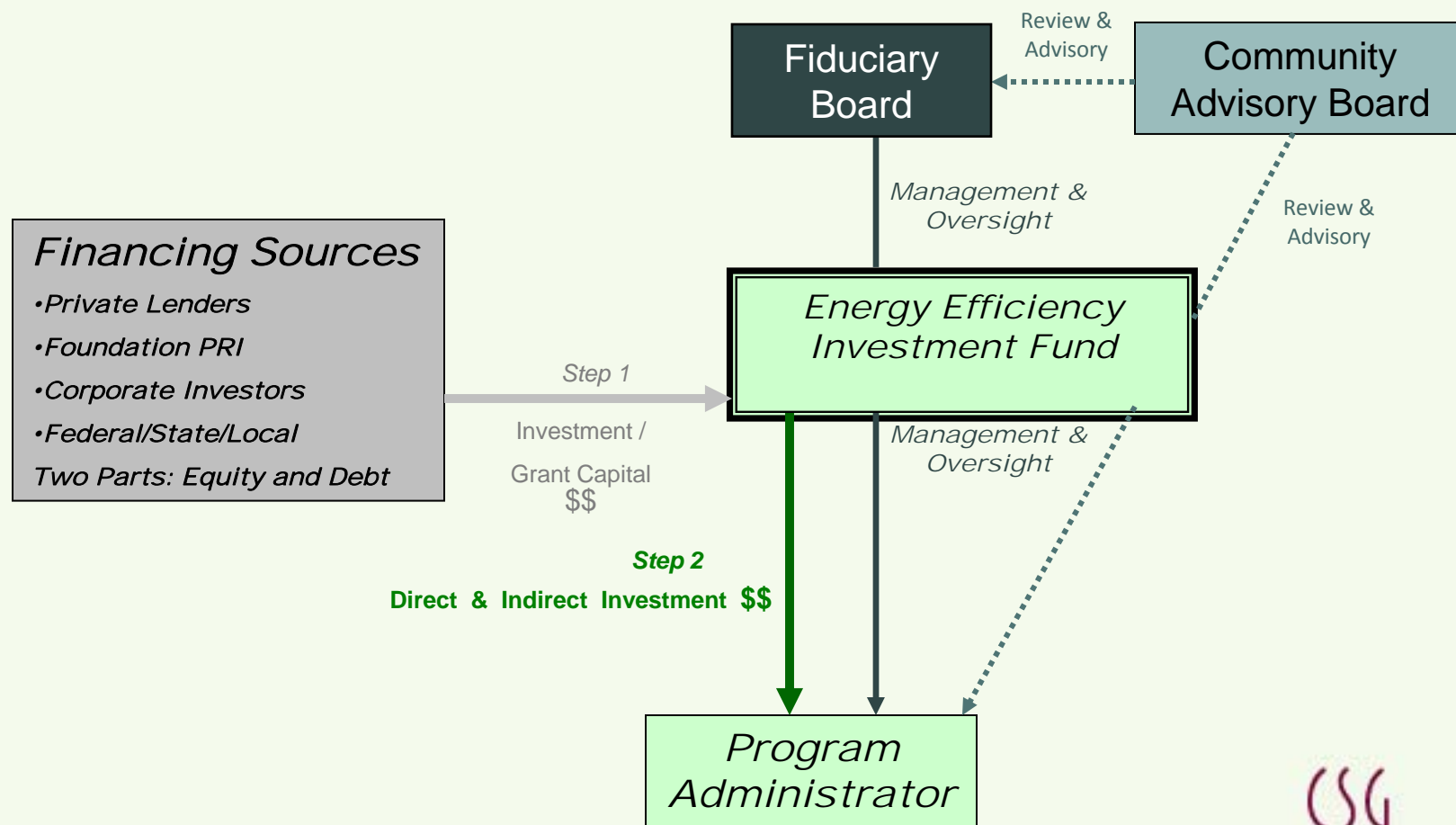


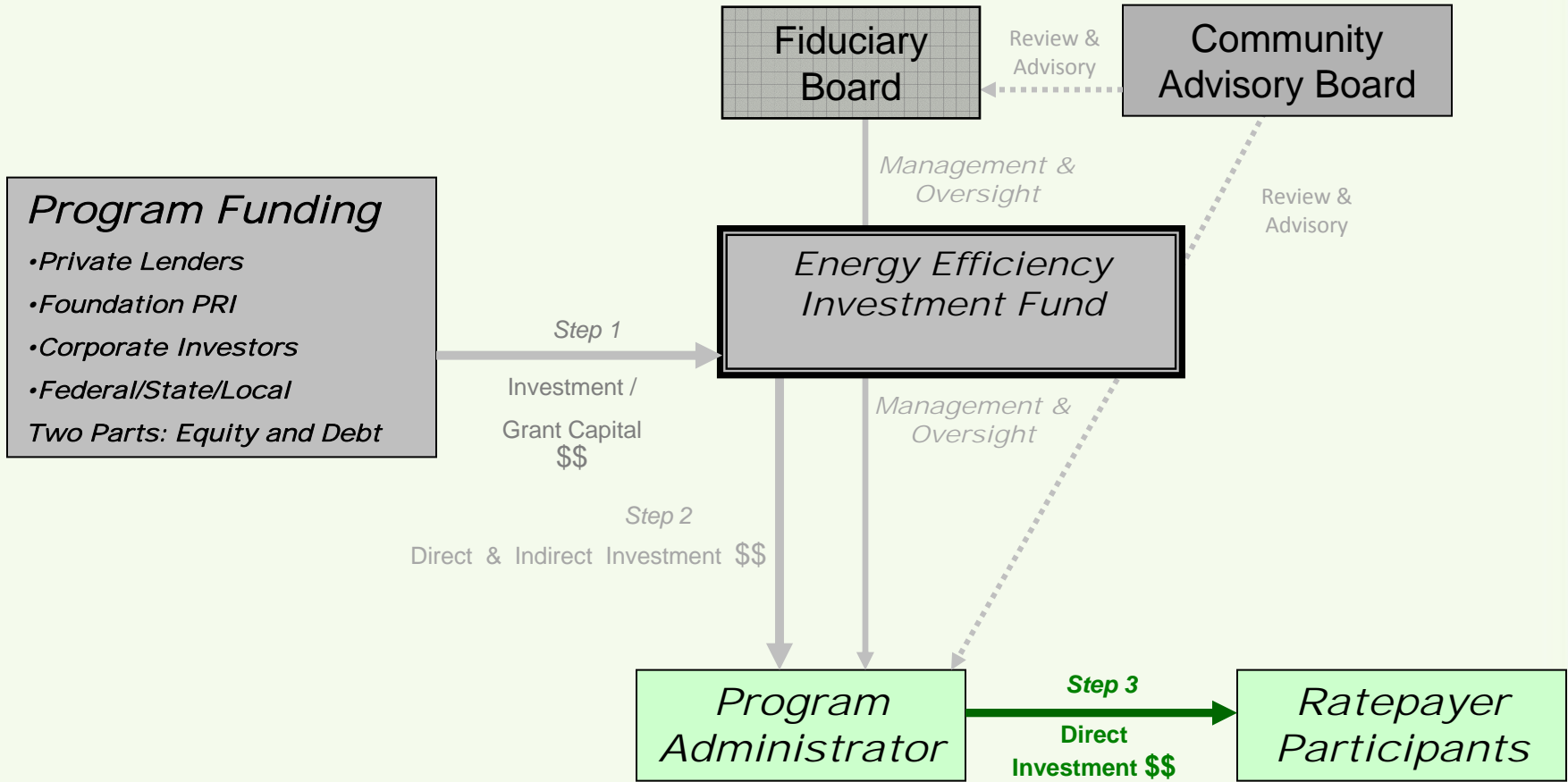
Funds Flow & Accountability

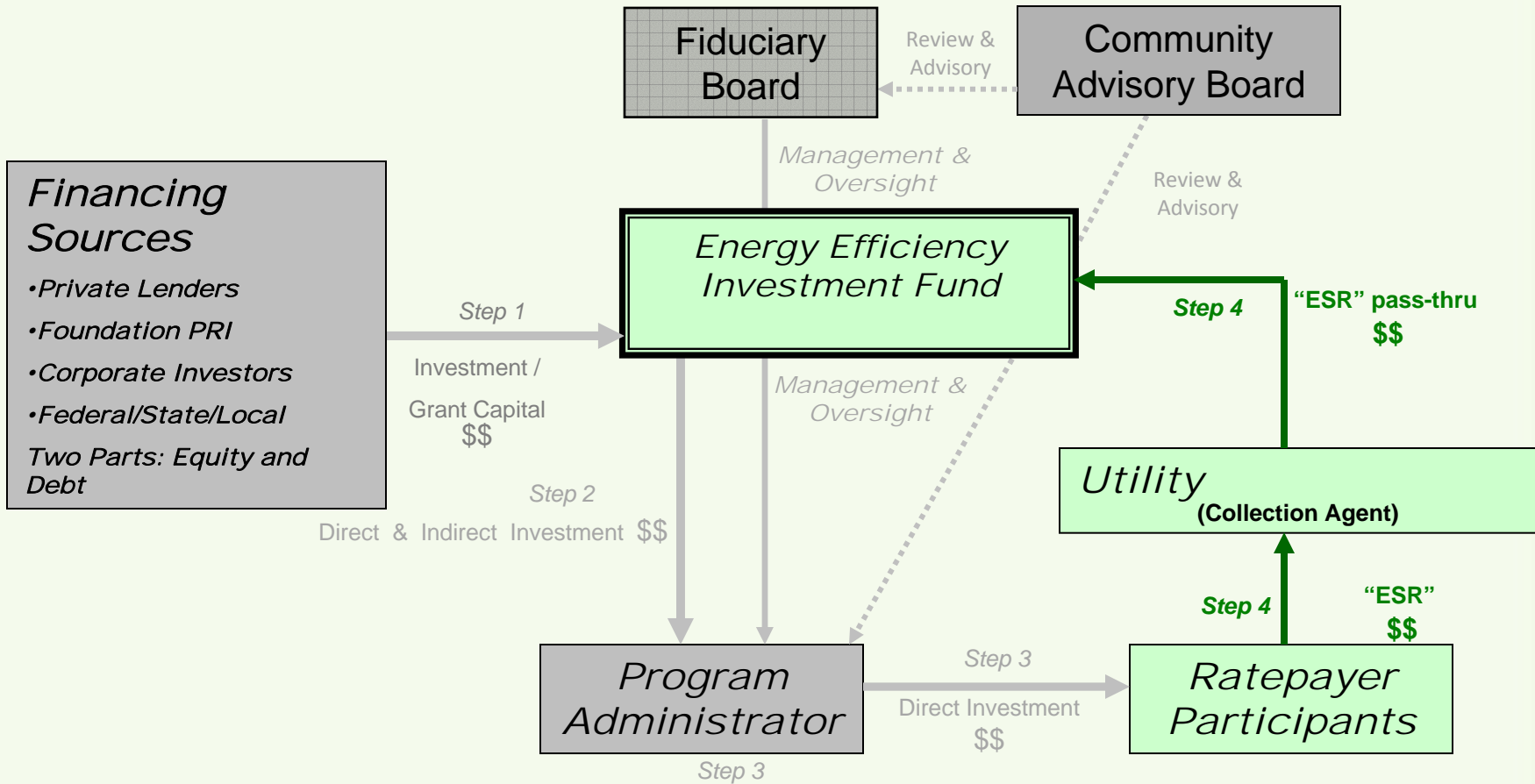


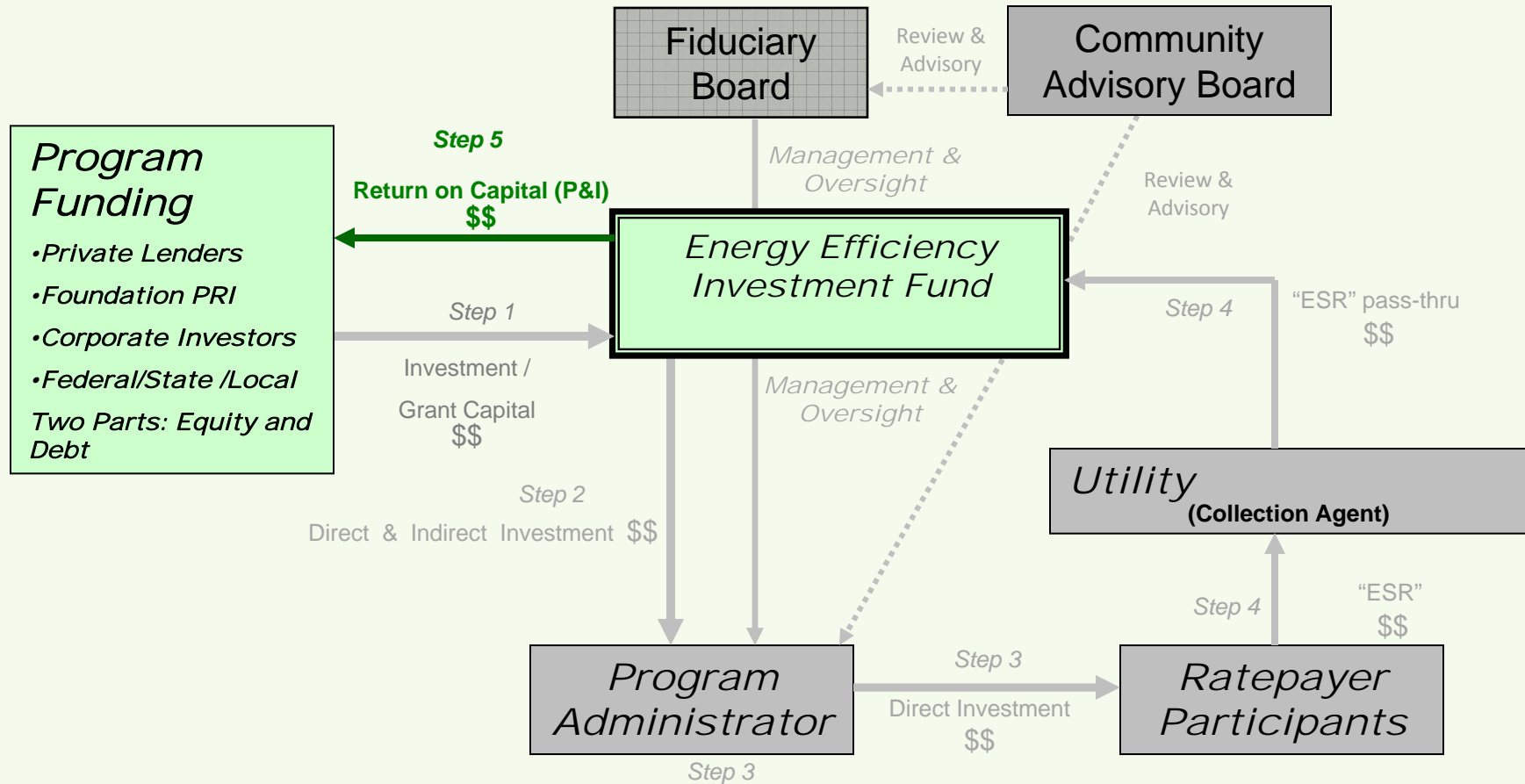


Funds Flow & Accountability









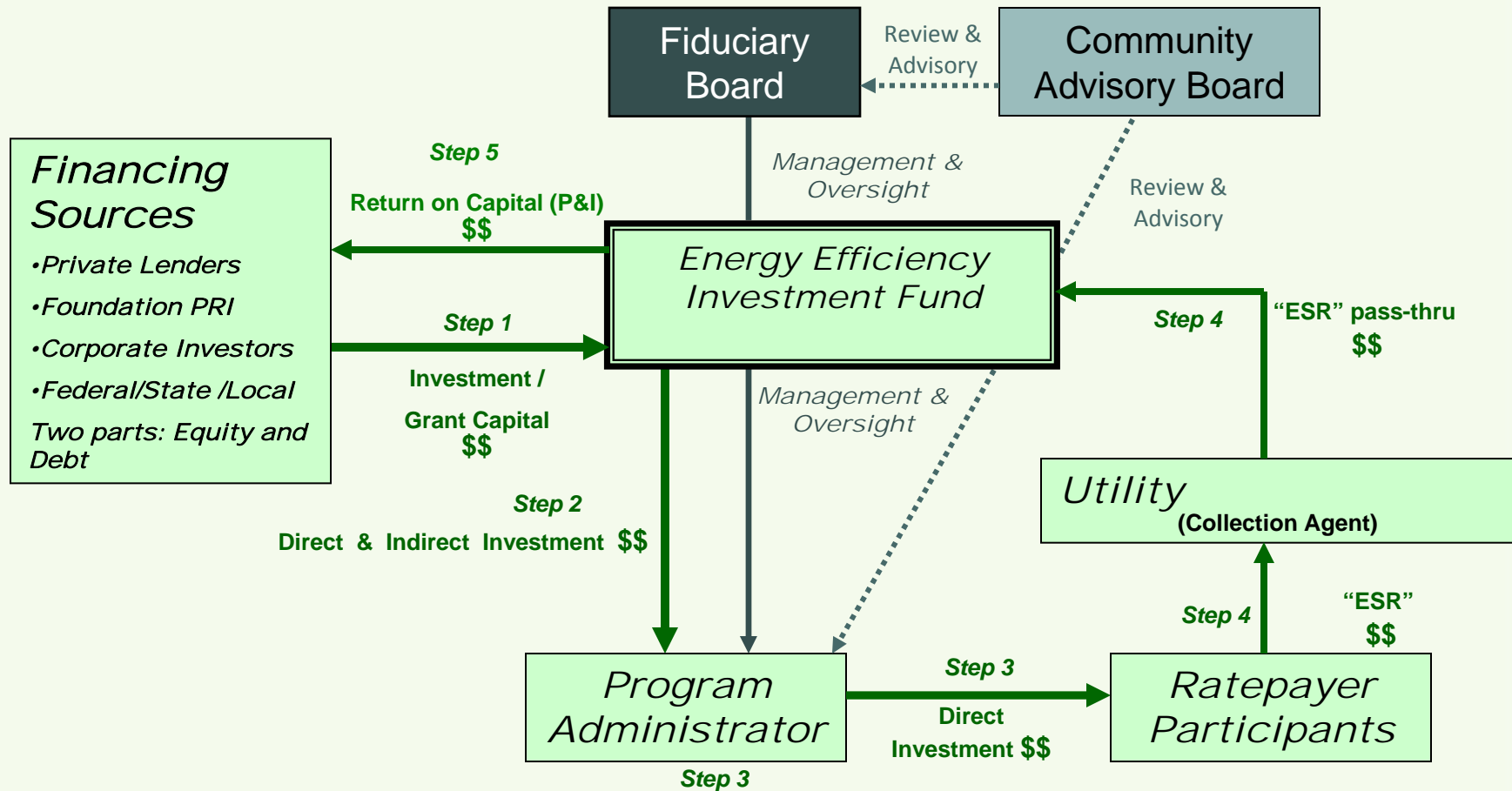


Energy Savings Rate (ESR)

Payment Strategy

- 10 year repayment of the investment from the Energy Efficiency Investment Fund
- Positive Cash Flow for participants
- Tied to customer's electric bill , not individual personal credit
- Repayment and collections on regular utility bill







Status of Financing Strategy

- NY: Center for Working Families spearheading plan/CSG technical assistance
- Mass: CSG/grant from Kendall and Chorus Foundations
- Agreement to introduce as part of utility plans in Mass for 2010-12
- Legislation in NY
- Investor meetings under way





Thank you!

Steve Cowell

stephen.cowell@csggrp.com

508.836.9500 x13259

www.csggrp.com



Conservation Services Group