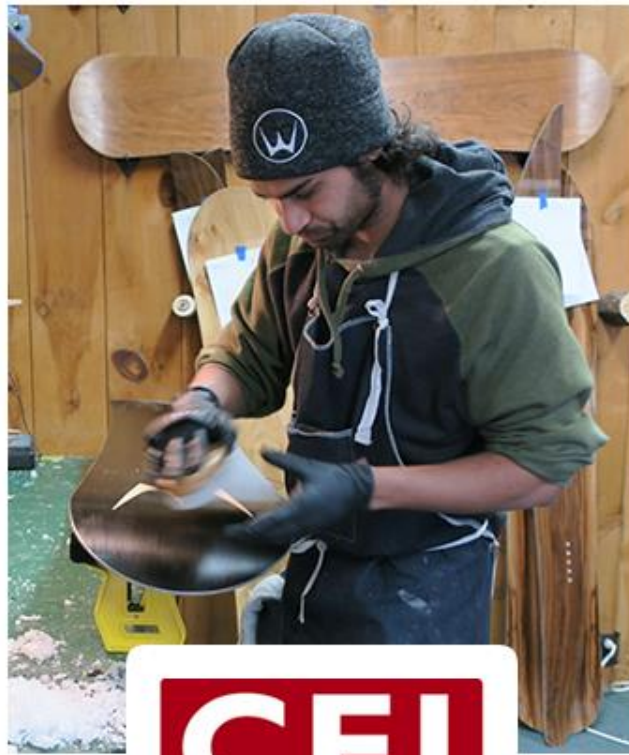


Financing Renewable Energy and Clean Tech Businesses



Capital for Opportunity and Change



About CEI

MISSION-DRIVEN INVESTING

- Coastal Enterprises, Inc. (CEI) helps to grow good jobs, environmentally-sustainable enterprises, and shared prosperity.
- We integrate financing, business and industry expertise, and policy solutions.



Capital for Opportunity and Change



Lending & Investing in renewables

- Direct lending to business owners
- Targeted debt service to match value of energy produced
- Use installed value of equipment to set LTV
- Underwriting based on energy savings
- Technical assistance on tax benefit use



Capital for Opportunity *and* Change





Financing PPA or 3rd Party Ownership

- Tax appetite investor is the biggest challenge
- Solve for investor return first
- Loan size/payment set to 95% of PPA revenue
- Lien on equipment, Assignment of PPA contract
- No foreclosure on installation



Capital for Opportunity and Change





How it works

FOR SOLAR PPA PROJECTS

Simple Formula:

- Do your homework
- ID low credit-risk hosts (e.g. towns, schools)
- Highlight immediate returns for investor
- Size loan to match energy production

**And the most important ingredient:
Tax Equity Investor!**



Capital for Opportunity and Change





Policy Challenges

- Renewables in Maine and solar in particular face a significant headwind from state government and PUC.
- We use advocacy and technical information as well as hard business data on jobs, tax income and econ development; learning from other states.



Capital for Opportunity and Change





As renewable tax incentives taper...

- Reframe the conversation from immediate economic return to long term stable operational expenses.
- Climate Change will change your business...take steps now to be ahead of that wave.

Broad market acceptance of renewables is here. The importance of “why” is driven by social goals.



Capital for Opportunity and Change



Have a project that needs financing?

Contact:

John Egan, Chief Investment Officer

john.egan@ceimaine.org

www.ceimaine.org

207-504-5900



Capital for Opportunity *and* Change