

# 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*



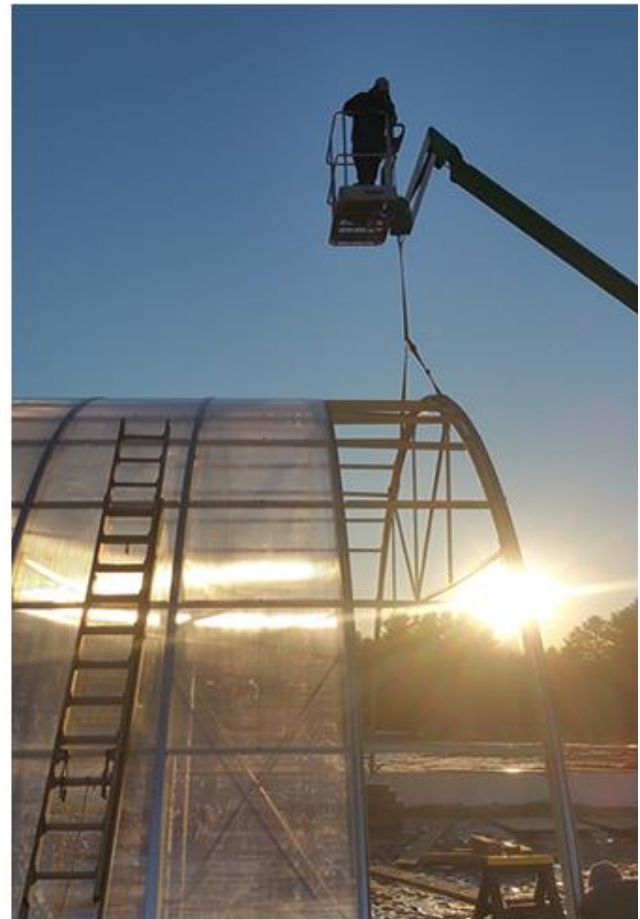


# Policy Challenges

- 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](mailto:john.egan@ceimaine.org)

[www.ceimaine.org](http://www.ceimaine.org)

207-504-5900



Capital for Opportunity *and* Change