

PROJECT FINANCING OPTIONS

Energy-efficient lighting, HVAC, and energy management system upgrades can yield significant long-term cost savings for an institution.

But the perennial challenge is funding first costs. At GreenerU, we offer several financing opportunities to help institutions save on energy costs as soon as the project is completed—and substantially more after the payment period. Here’s a comparison.

	Tax-exempt lease program (TELP)	GreenerMass	Benefactor Investment Model	Commercial Property Assessed Clean Energy (CPACE)
Overview	Contract backed by tax-exempt (low-cost) financing including a guarantee that verified energy savings will exceed debt service payments	Off-balance-sheet approach to financing small (<\$1 million) energy projects, with payments structured such that you pay only for verified energy savings and payments are always less than savings	A “friendly” PPA backed by low-cost financing from high-net-worth friends of the institution, where investors get a reasonable return on their investment while the institution sees substantial savings over the life of the equipment	Loans are secured by the underlying property on or in which the project is installed, and the obligation to pay transfers with transfer of the property
Program type	Performance contracting	Energy service agreement (ESA)	Power purchase agreement (PPA) (for both solar and energy efficiency)	Loan secured by the property with clean energy installation
Funding source	Boston Industrial Development Finance Authority (BIDFA), a quasi-governmental board that issues bonds to support acquisition, construction, expansion, and capital expenses within the City of Boston	MassDevelopment, a quasi-governmental agency that offers financing and real estate solutions to support companies and nonprofits, increase housing, eliminate blight, and drive economic growth across Massachusetts	Donors / institutional friends (dependent on institutional relationships)	Participating banks
Qualifying participants	Any qualified nonprofit 501(c)(3) organization within the Boston city limits	Any qualified nonprofit 501(c)(3) organization and/or private educational institution within the Commonwealth of Massachusetts	Any donation-based nonprofit organization	Any property owner
Geographic scope	Boston	Massachusetts	U.S.	Many states, including MA, CT, RI, NH, NY, NJ
Project types	On-site renewable energy (solar), energy-efficiency upgrades, including heating, air conditioning, lighting, controls, ventilation, laboratory efficiency measures, and more	Energy-efficiency upgrades, including heating, air conditioning, lighting, controls, ventilation, laboratory efficiency measures, and more	On-site renewable energy (solar), energy-efficiency upgrades, including heating, air conditioning, lighting, controls, ventilation, laboratory efficiency measures, and more	On-site renewable energy (solar), energy-efficiency upgrades, including heating, air conditioning, lighting, controls, ventilation, laboratory efficiency measures, and more
Payback period	Up to 20 years	7 years	6–10 years	Up to 20 years