

**Implementing Property Assessed Clean Energy (PACE) Finance:
Innovative Funding to Accelerate the Retrofit of America's Building Stock
Working Group Meeting**

May 18, 2009 – 10:00am-3:30pm

NCEP, 1225 I Street NW, Suite 1000, Washington, D.C. 20005

10:00 Continental Breakfast

10:15 Welcome and Meeting Overview – Jason Grumet and Jeff Tannenbaum

- Brief welcome and introductions
- Overview of objectives

10:30 Background: PACE finance – Cisco DeVries and Gail Feldman

- What is PACE financing and how can it overcome traditional barriers to financing energy efficiency?
- Applications for commercial and residential sectors
- Discussion of current pilot programs in Berkeley, CA and Boulder, CO

11:00 Proposal: Federal implementation of PACE finance – Jeff Tannenbaum

- Proposed program structure
 - Potential pilot programs
- Integration with Title XVII Loan Guarantee Authority –(David Sandalow and Steve Spinner)
 - What is currently authorized?
 - What additional authorization is needed and how do we best effectuate?
 - Overview of current legislative activity relevant to PACE finance

11:45 Plenary Discussion: Administration Challenges – David Conover and Neal Parikh

- How can PACE financing be most effectively administered and managed?
- What level of government (federal, state, municipal) would be responsible for implementing critical aspects of a PACE finance program?
- What lessons can be learned from city pilot programs?

12:30 Lunch

1:30 Plenary Discussion: Legal Challenges – Chris Lynch and Craig Hill

- What state enabling legislation is required? Should we standardize?
- What municipal or tax law framework is required to support PACE financing?
- Lender consent: What are the current limitations of adding PACE liens to existing commercial and residential mortgages? What are potential solutions?
- Who bears the legal risk, bondholder or guarantor?

2:15 Plenary Discussion: Financing Challenges – John Rhow and Chris Moriarty

- What types of guarantees are required to ensure a broad, liquid market for municipal bonds?
- What role can DOE loan guarantees play in mitigating bridge financing risks?
- What should standard PACE bond look like and who plays role of the aggregator?
- What role might ESCO's play in PACE commercial projects?

3:00 Remaining Issues and Next Steps – Jeff Tannenbaum

- Determine remaining critical path items
- Identify key constituencies for outreach
- Establish working groups and next steps

3:30 Adjourn