

# Clean Energy Works Portland

**A Finance Delivery Model With A  
Non-Regulated Community Development  
Financial Institution**

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City of Portland Bureau of  
**Planning and Sustainability**  
Sam Adams, Mayor | Susan Anderson, Director



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# The basics

Seeded with Recovery Act/EECBG

Currently single-family owner-occupied; soon expanding to commercial and rentals

Pilot objective is to prove concept to take to scale

Scaling up into regional reach with a single purpose entity

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



# The players

**City of Portland** (convener)

**Energy Trust of Oregon** (service delivery)

**ShoreBank Enterprise Cascadia** (CDFI fund manager)

*A non-profit community development financial institution*

**3 investor-owned utilities** (on-bill repayment)

*NW Natural, PacifiCorp, Portland General*

Multnomah County (Climate partner, future funder)

**Work Systems, Inc.** (workforce intermediary)

**Green For All** (green jobs partner)



# What is a CDFI?

Non-profit lending institution, not a “bank”

Not a depository—capital comes from borrowings supported by grants

Not regulated so can operate more flexibly around issues of underwriting, pricing

Seek measurable social outcomes like economic opportunity, environmental quality, entrepreneurship for the excluded

Over 800 CDFIs in every state and every major city

**[www.cdfi.org](http://www.cdfi.org)**



# Regional Context

## ADVANTAGES

Culture of public/private collaboration

Statewide legislation just passed  
(on-bill, property tax financing, state  
bonding + lottery dollars)

Public purpose agency (Energy  
Trust)

## DISADVANTAGES

Very cheap energy (8-10 cent kwh)



# Value proposition

**100% Finance:** No upfront costs

**Net Zero:** Projected energy savings help cover cost of improvements

**One-stop-shop:** Energy Advocate ensures fair bid; explains measures, financing and tax credits; offers tips on energy saving behavior

**Convenience:** Repayment via energy bill

**Quality assurance:** Test-in/test-out, highly-trained contractors, Energy Advocate watch dog



# Rates and terms

## Philosophies

Deeper the measure, lower the rate

Ensure equitable access for moderate income

Current evaluation of a single rate structure

Package	Eligible measures	Rate	Term
Basic weatherization	Attic insulation, air sealing, duct sealing	7%	20 years
Extended weatherization	Above + wall and floor insulation and/or hot water system (not solar)	5%	20 years
Extended + space heat	Above + furnace/heat pump	3%	20 years
Near-low income	Any as long as 200-250% of Federal poverty level	2%	20 years



# Loan mechanics (SBEC)

Underwriting based primarily on utility bill payment history; fast paperless approvals

Secured by deed of trust position (keeps costs low, ensures notification if homeowner moves)

Serviced via utility bill payments

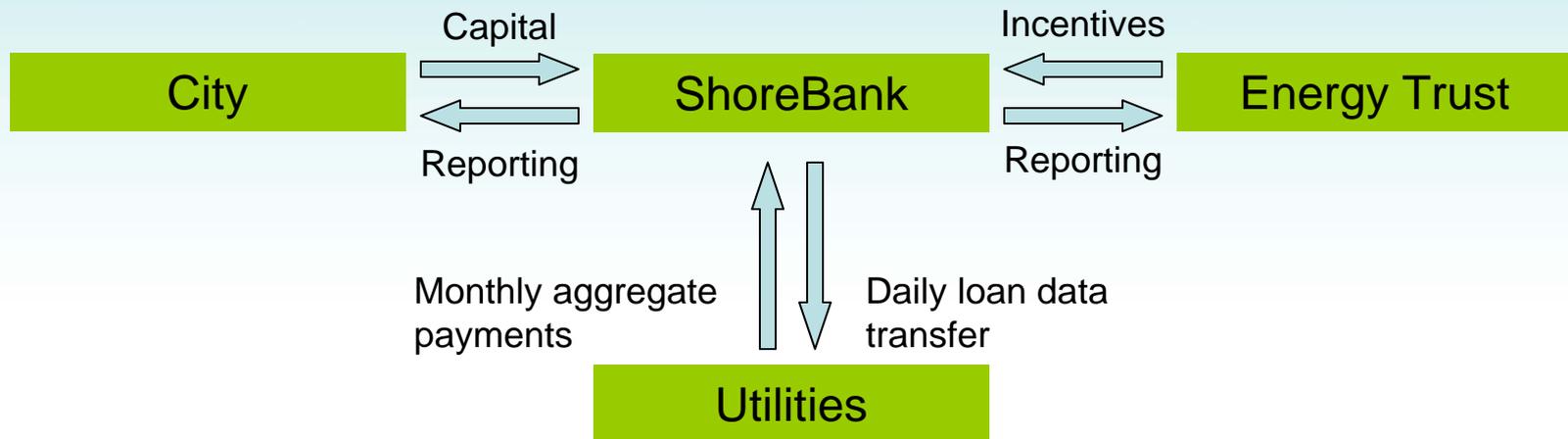
Due at time of sale (keeps liquidity in fund, will explore “running with the meter” later)

Average per home investment = \$8,000



# Money flows

Contracts follow flows



# Workforce, job access, training

Unemployment 12+% (2nd in nation); 30% in construction

Community Workforce Agreement provides opportunities for historically underserved populations

Unions, community-based organizations, faith groups, Workforce Investment Board, others engaged



# Entrepreneurial Support

Cannot scale without increased supply of credible firms doing the installations

One component of finance is expansion and start up business loans to new entrants as production growth warrants

Special emphasis on inclusion of women and minority owned firms



# Thank you

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