

Lean & Green Michigan™

Powering Solar in Michigan: Overcoming Long ROI with Innovative PACE Financing

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Property Assessed Clean Energy (PACE)

PACE brokers long-term financing so business property owners can undertake energy improvements profitably – making their business more efficient while gaining positive cash flow to plow back into operations



Who can take advantage of PACE?

- Owners of commercial, industrial and multi-family property (virtually all business owners)
- Private non-profits (churches, hospitals, private schools and colleges, etc.)
- Who can *not* use PACE under the MI statute?
 - Single family homes
 - Government buildings



What can be financed under Michigan's PACE Statute?

- Energy efficiency improvements
- Water efficiency improvements
- Renewable energy improvements
- 100% of eligible project costs
- Refinancing all of above



PACE eliminates key barrier to solar deployment

- Problem: solar PV projects don't work with traditional financing even with incentives – payback > loan term
- PACE solves problem by using a property tax “special assessment” to finance projects
- Security of tax obligation allows lenders to finance projects over 20 yrs.
- Bingo: no-money-down, cash-flow-positive financing



A Fast-Growing Market



Grand Traverse County
Pop. 89,112

Huron County
Pop. 32,463

Ingham County
Pop. 281,723

Macomb County
Pop. 847,383

Saginaw County
Pop. 198,353

Washtenaw County
Pop. 350,946

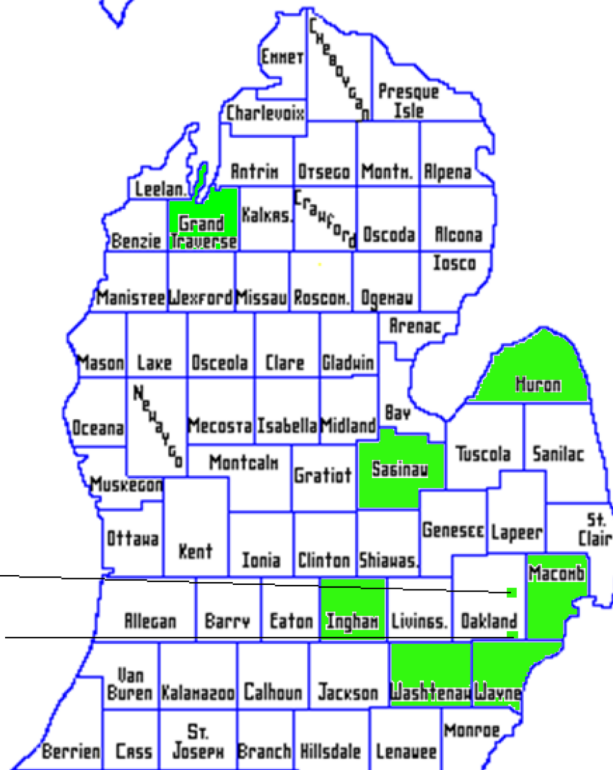
Wayne County
Pop. 1,792,000

Rochester Hills

Southfield

Rochester Hills
Pop. 72,283

Southfield
Pop. 72,507



- 7 counties + 3 cities have joined
- Urban & rural, big and small
- 3,793,498 people in the market
- That's 38% of MI's population
- Expanding at a rapid rate:
 - Eaton County, 9/17?
 - Genesee County, October?
 - 10 more counties in process

Our 1st PACE project features solar PV!

- 1-800-Law-Firm – 100,000 sq. ft. office building in Southfield
- Super visible: near I-696/Lodge Expwy. (400,000 cars/day)
- Roof: new roof, solar panels, micro wind, sunroom and deck
- Carports: solar panels, EV charging stations
- LED lighting, voltage regulators, etc.
- \$1,000,000 project with \$560,000 of PACE financing
- Construction will be complete in early October



I-800 project solar nerd details

- 609 solar panels (240W SolarWorld)
 - 273 on roof (65.52 kW)
 - 336 on carports (80.64 kW)
- 7 SolarEdge inverters
- Mounting: AET ballasted system
- Roof space: 40% of 25,000 sq. ft. roof used for project
- Carports cover 34 parking spots
- We will generate 4,841 MWH renewable energy over 25 yrs.
 - Including 4 1 kW UGE eddyGT vertical wind turbines
- Solar finance details (factored into **positive** SIR)
 - Owner taking 30% ITC, 6-yr MACRS depreciation and DTE incentives
 - Developer keeps RECs



Solar playing surprising role in MI PACE market

- Privately-owned state office building near Lansing
 - Will include solar!
- Building within two miles of here in Traverse City
 - Will include solar!
- Roughly half of all proposals received by Lean & Green Michigan
 - Include solar!



Next Steps



- Attend a PACE contractor training!
- Six locations: Detroit, Warren, Ann Arbor, Saginaw, Lansing and Traverse City
- October 9 – Oct. 30
- Win more and bigger solar (and other EE and RE) projects!
- Sign up via [link right at top of our website](#)

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