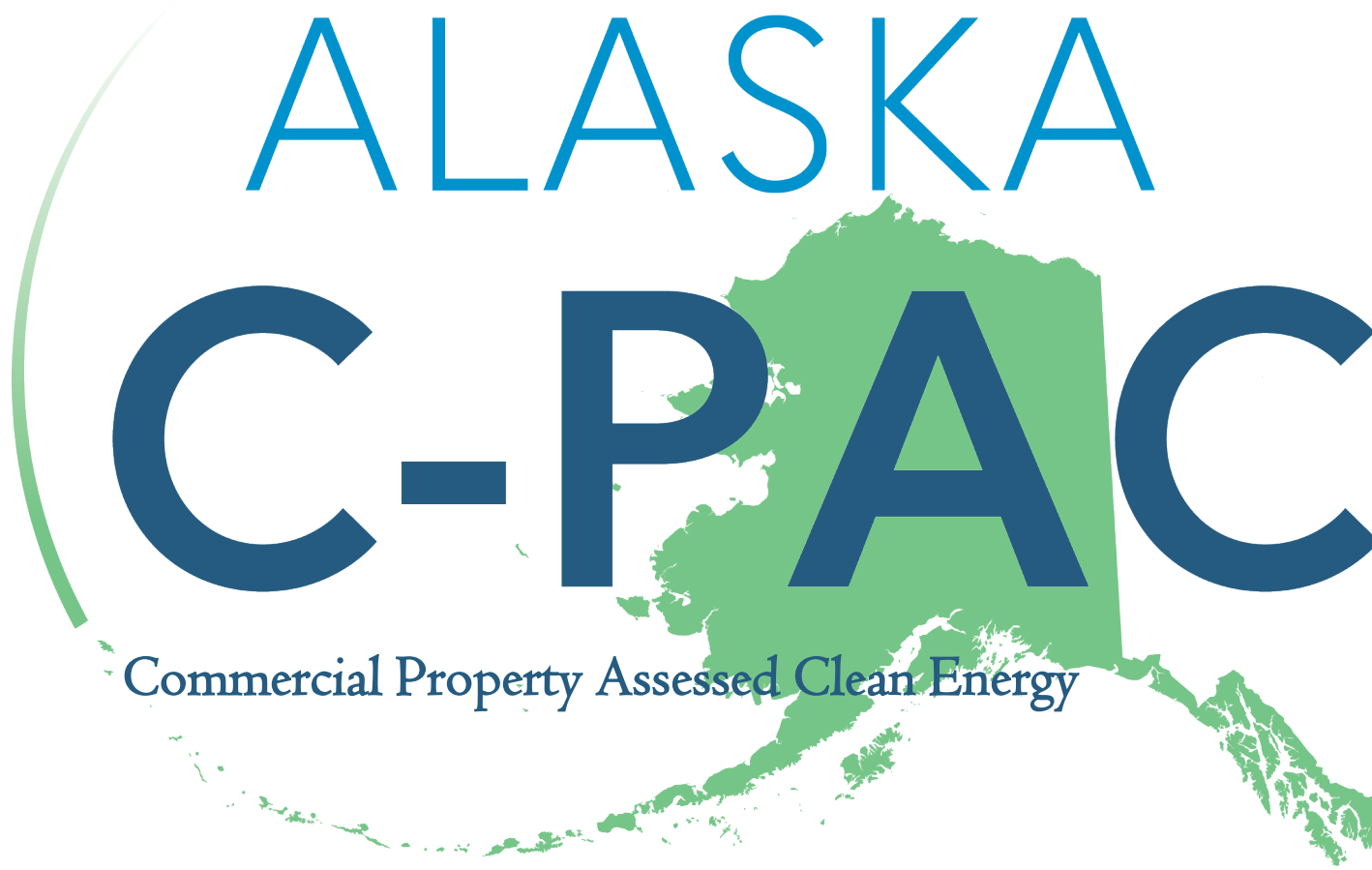


ALASKA

**C-PACER**

Commercial Property Assessed Clean Energy

and Resilience



# What is C-PACER?

Commercial Property Assessed Clean Energy & Resilience (C-PACER) is a financing program that enables owners of commercial and industrial properties to obtain low-cost, long-term financing for energy efficiency, renewable energy and resilience projects, and then pay the costs back over time through a voluntary special assessment.



**100% financing  
for hard and soft  
costs**



**Improves building  
stock;  
Decreases operating  
costs**



**Market-based;  
Uses private  
financing**



**Spurs economic  
development;  
Creates local jobs**

# What makes C-PACER special?



# August 2022: RIM Office Building

## Impact

Projected to realize ~42% reduction in energy costs annually

## Energy Improvements

- LED Lighting
- Combined Heat and Power (CHP) system
- New automated building and HVAC controls
- LED lighting
- Variable speed drives on motors fans and pumps
- High efficiency boilers and furnaces
- High efficiency water heating systems



# December 2022: **Aviator Hotel**

## **Impact**

Estimated \$12M in energy savings over 20 years

## **Energy Improvements**

- Building Envelope
- HVAC
- Domestic Hot Water System
- High Efficiency Water Fixtures
- Lighting Systems & Controls
- Combined Heat & Power



# C-PACER Eligibility

## Property Owner

- Legal record holder
- Current on mortgage and property tax payments
- Must not be insolvent or in bankruptcy proceeding

## Property

- Commercial or industrial (incl. 4+ multi-family units)
- Existing **or new** construction
- Privately owned (including non-profits)

## Project

- Clean Energy **and Resilience**
- **Construction**, installation or modification of permanent improvements
- **Refinancing existing project**
- **25% of Market Value**
- Loan up to **30** years (or project's average useful life)

\*Amended eligibility highlighted in yellow

# Clean Energy

# Resilience

New Construction

Retrofit

Refinancing

# WHAT MEASURES ARE ELIGIBLE FOR C-PACER FINANCING?



High-Efficiency Lighting



High-Efficiency Boilers and Furnaces



Solar Energy



Fire Hardening and Resistance



EV Charging Stations



Water Conservation



Combined Heat & Power



Snow Load Management



Storm Water Management



Building Energy Management Systems



High-Efficiency Hot Water Heating



Building Shell or Envelope Improvements



Seismic Improvements



Erosion Management

# Capital Provider & Contractor Self-Registration

## 1. Self-register

Read about the program and complete the self-registration form.

## 2. Submission Review

Program Administrators will review and approve your submission.

## 3. Open-source List

A list of all reviewed contractor and capital providers is posted on our website.

# C-PACER programs in Alaska



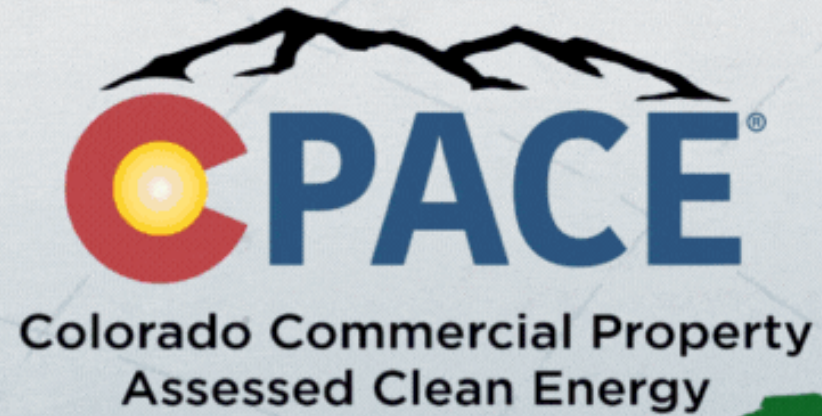
**Anchorage MSA:**  
Open for business!



**MatSu:** finding a  
program administrator



**Kenai Peninsula:**  
passing legislation



## Sharing C-PACE Learnings:

Hear Alaska and Colorado panelists share their C-PACE experience and ask questions live!

**October 25<sup>th</sup>, 2023**

**12pm AKT / 2pm MT**

**RSVP for dial-in**

<https://cpace-ak-co-learnings.eventbrite.com>

**Reach out!**

<https://akcpacer.org>

<https://cpacer.muni.org>

CPACER@anchorageak.g

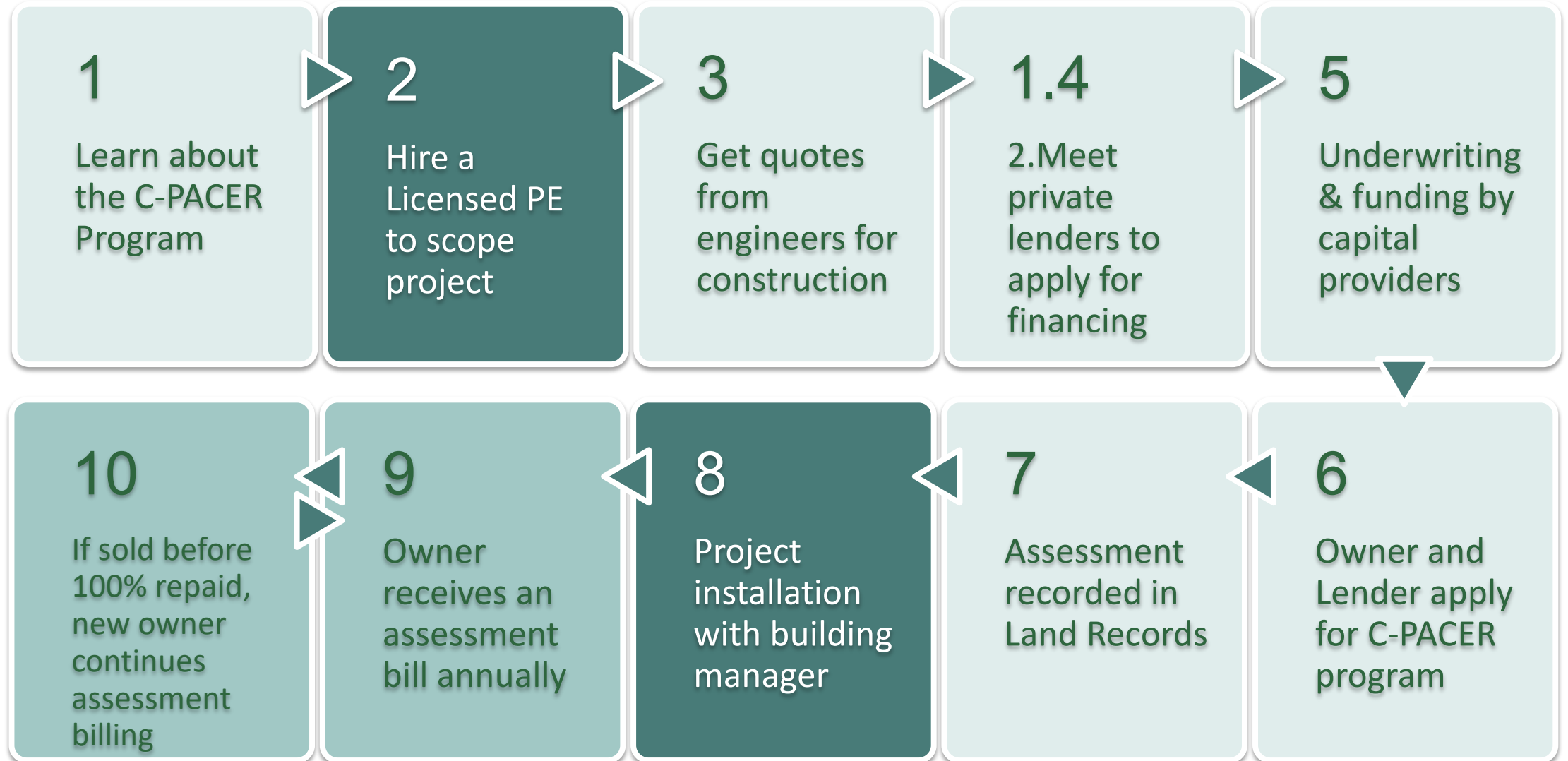
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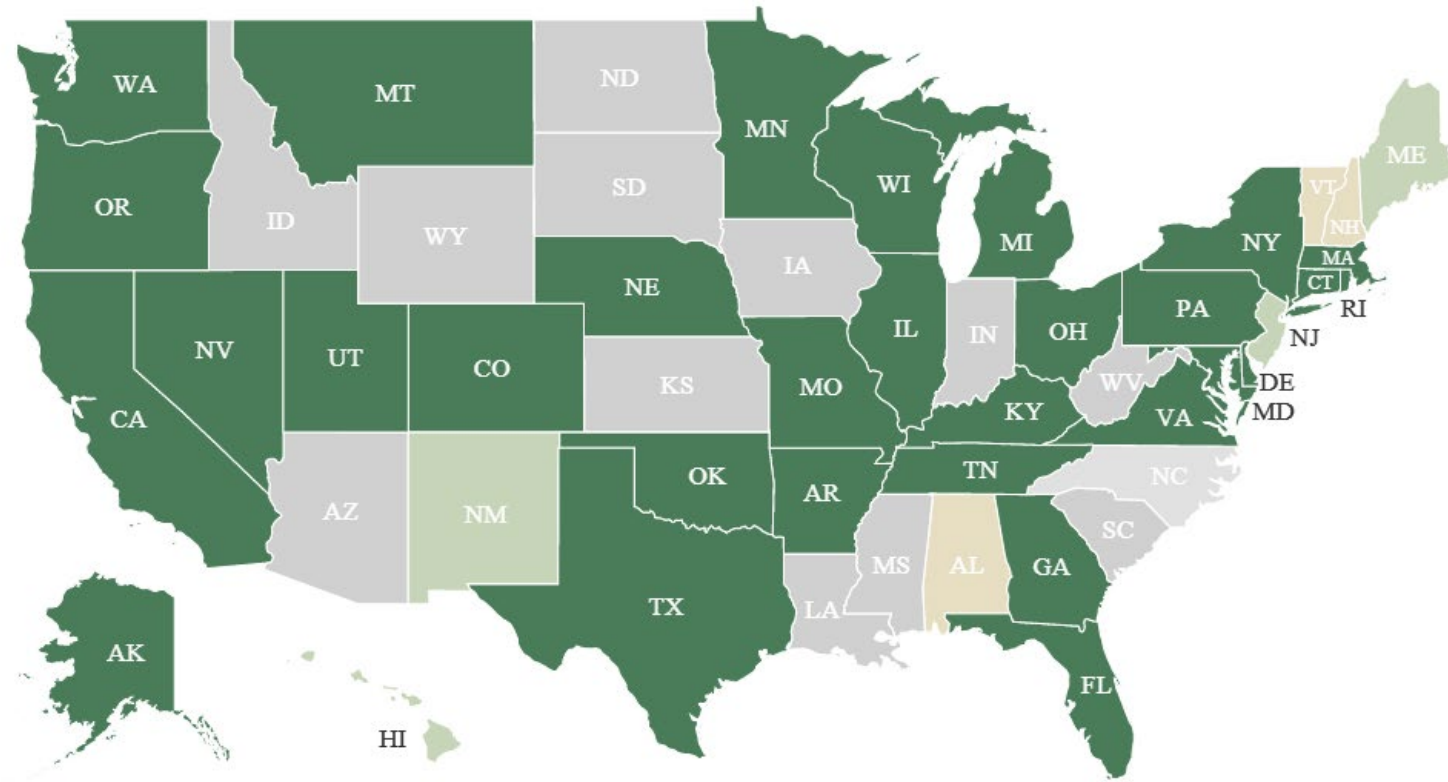
# Anchorage Program Fees

Application Fee	\$150 (non-refundable)
Closing Fee	1.0% of total project cost Max: \$50,000
Annual Fee	0.5% of the annual assessment payment

# The C-PACER Process



# C-PACER Nationwide



**\$5.2B**  
in investments

**3,100**  
commercial projects

**65,000**  
jobs created

## Map key



 Active program(s)

 Program in development

 PACE-enabled

*...and counting*

# Application Technical Requirements

1. Independent Project Auditor

---

2. Project Scope

---

3. Certificate of Eligible Improvements

---

4. Project Review & Verification

---

5. Verification of Completion and Installation by Auditor

# Qualifying Costs that can be paid for with C-PACER financing include:

- ❑ Materials and labor necessary for the eligible improvement project,
- ❑ Permit fees;
- ❑ Inspection fees;
- ❑ Financing and origination fees;
- ❑ Capitalized interest;
- ❑ Interest reserves;
- ❑ Project development, architectural, and engineering fees;
- ❑ Program application and closing fees;
- ❑ Escrow for prepaid property tax or insurance;
- ❑ Capitalized manufacturer's warranty or maintenance agreement costs; and
- ❑ Any other fees or costs incurred by the Property Owner incident to the installation, modification, or improvement.

# Accepted Project Auditor Certifications

- ❑ Licensed Professional Engineer who has completed a minimum of five ASHRAE Level 2 energy audits for non-residential properties in the preceding five years (Individual Certification)
- ❑ Certified Building Energy Assessment Professional (BEAP) (individual certification offered by ASHRAE)
- ❑ Certified Energy Auditor (CEA) (individual certification offered by Association of Energy Engineers)
- ❑ Certified Energy Manager (CEM) (individual certification offered by Association of Energy Engineers)
- ❑ Certified High-Performance Building Design Professional (HBDP) (individual certification offered by ASHRAE)
- ❑ Certified Measurement and Verification Professional (CMVP) (individual certification offered by Association Energy Engineers and Efficiency Valuation Organization)
- ❑ Investor Confidence Project (ICP) Quality Assurance Assessor (firm-based certification)
- ❑ Investor Confidence Project (ICP) Project Developer (firm-based certification)
- ❑ LEED Accredited Professional
- ❑ Licensed Architect
- ❑ Certified Commissioning Professional

# History of C-PACER in Alaska

**2017**

- The Alaska PACER Act was signed into law (then PACE Act)
  - The Alaska Energy Authority (AEA) and relevant stakeholders created a C-PACER Advisory Committee to help implement C-PACER in Alaska
- 

**2020**

- The Anchorage Assembly passed Ordinance 2020-115 to establish a program
- 

**2021**

- The Municipality of Anchorage officially launched the Anchorage C-PACER program
- 

**2022**

- Governor Dunleavy signed HB227 into law, expanding the program eligibility
  - The Matanuska-Susitna Borough Assembly passed Ordinance 22-100 to establish a C-PACER program
- 

**2023**

- The Anchorage Assembly passed Ordinance 2023-055 amending the program
- Relaunched the Alaska C-PACER with expanded eligibility



**June 2022:** Governor Dunleavy signs HB227 into law, expanding C-PACE program eligibility

# Delinquency or Default

C-PACER assessments are **liens on the property assessed** and are prior and paramount to all liens except municipal tax liens and special assessments.

The Municipality will enforce any delinquent assessment payment against the property for the benefit of the Capital Provider, in the same manner as a property tax lien against real property may be enforced by a local government per state statutes.

*Nationally, there have been no foreclosures  
as a result of a delinquent C-PACER assessment.*

# For all projects

## **Baseline**

- Each proposed Eligible Improvement will enable the Property to perform above or exceed the jurisdiction's adopted energy or building code or the AHFC Building Energy Efficiency Standard (BEES), whichever is more stringent.

## **Documentation**

- As outlined in Exhibit E

# New Construction Projects

## Baseline

- For an energy improvement project in new construction, a whole-building model demonstrates that the building as designed, and as a result of the Eligible Improvements, will enable the Property to perform above or exceed the jurisdiction's adopted energy or building code or the AHFC Building Energy Efficiency Standard, whichever is more stringent.
- For building resilience improvements in new construction, the baseline threshold is represented by the jurisdiction's adopted building code. Appropriate documentation and analysis may include the use of such resilience standards and model codes as have been developed by ASCE, FEMA, ICC, IBHS, NIBS, NSSA or other nationally recognized professional engineering or building science research organizations.

## Documentation

The project auditor may choose either of two approaches for reviewing the proposed Project:

- a) Prescriptive Approach: The Project Auditor can document that each proposed eligible improvement independently exceeds the jurisdiction's adopted building or energy code, or AHFC's Building Energy Efficiency Standard, If approved, 100% of the qualifying costs for such itemized improvements may be funded.
- a) Performance Approach: Alternatively, the Project Auditor can review a whole-building energy model prepared following a methodology consistent with Level 2 audit per ASHRAE publication "Procedures for Commercial Building Energy Audits," 2d edition or ASHRAE Standard 211-2018 (or equivalent, if permitted by the Program Administrator) that demonstrates that the whole building's performance will exceed the baseline. For buildings designed to exceed the minimum baseline requirements for energy and/or water on a whole-building basis, 100% of all qualifying costs associated with energy or water-related building construction may be C-PACER-financed.

# Resilience Improvement Projects

## **Baseline**

The baseline for Resilience Improvements to existing buildings is the existing conditions of the building(s) and site. The baseline for new construction projects is the minimum requirements stated in the International Building Code as adopted by the Alaska State Fire Marshal or local jurisdiction, whichever is more stringent, as well as any applicable zoning regulations, for building components in relation to the ability of the building to withstand damage from wind, precipitation, flooding, and fire. The International Fire Code as adopted by the Alaska State Fire Marshal and the International Wildland-Urban Interface Code also apply to fire related building improvements.

The Program Administrator recognizes that certain individuals and firms that do not meet these licensing requirements may also be qualified to complete a Project Analysis for a Resilience Improvement. Program Administrator will consider requests on a case-by-case basis from qualified professionals who are not licensed engineers or architects to provide a Project Analysis. If a firm or individual who does not meet the licensing requirement will prepare the Project Analysis, Property Owner shall obtain written approval of the provider by Program Administrator prior to submitting a Final Application for the project.

## **Documentation**

- For new buildings: a description of baseline resilience performance required by building codes, zoning ordinances, and other applicable regulations,
- For existing buildings: provide existing conditions of the Property relevant to resilience to wind, precipitation, flooding, and fire.
- Description of improved performance of Resilience Improvements above baseline requirements
- Incremental benefits to be offered by each Resilience Improvement (ex. Resistance to 80 mph winds vs. baseline of resistance to 50 mph winds.)
- Indication of building resilience modeling software (if any) used in preparing the Project Audit.
- Current climate prediction data and projected impacts of climate change on the benefits provided by the proposed measures.

# Retrofit Projects on Existing Buildings

## **Baseline**

- For an energy improvement project that is a retrofit on an existing building, the project will be compared to the baseline threshold of the current energy usage of the Property or the efficiency level of the systems that are to be replaced.
- For building resilience improvements in an existing building, the baseline threshold is the current condition of the Property as related to the resilience improvement proposed, e.g., the proposed improvement is designed to enhance the resilience of the building over its current condition as certified by a relevant professional.

## **Documentation**

Existing conditions can be determined based on nameplate efficiency ratings of currently installed equipment or logging relevant data as required. Documentation may include equipment specifications or building design drawings/modeling, permit applications, or ASHRAE Level 1 assessment/energy assessment, as applicable. Alternatively, the project auditor may use modeled energy performance of the building or other professionally accepted methods of establishing energy consumption of the existing building.

# Refinancing Projects

## **Baseline**

- Installed and operational not more than 24 months prior to the expected closing date of the C-PACER refinancing.
- The baseline for refinancing of retrofits made to an existing building is the building condition at the time the eligible improvements were installed and operational.
- The baseline for refinancing of Eligible Improvements that were new construction is the jurisdiction's adopted energy or building code or AHFC's Building Energy Efficiency Standard. Completion of construction may be demonstrated by the date of final inspection or the date of certificate of occupancy or equivalent.

## **Documentation**

For refinancing, the project auditor may document their certifications using the method corresponding to an energy improvement project or building resilience improvement project for retrofits or for new construction above.

## **State Energy Program (SEP) funds (\$3.6M)**

- sharing with AHFC

## **State Energy Program: Bipartisan Infrastructure Law (SEP: BIL) funds (\$3.6M)**

- sharing with AHFC
- now being used

## **Energy Efficiency and Conservation Block Grant (EECBG) (\$1.6M)**

- RE-VEEP
- RFA will be issued in early 2024

## **State Energy Security Profile (confidential)**

- Submitted in September 2023

## **Solar for All**

- Application submitted October 11, 2023
- Partners: AHFC, ACEP, AWP, AML

## **National Electric Vehicle Infrastructure Formula Program (NEVI)**

- Nine sites have been awarded, so far.

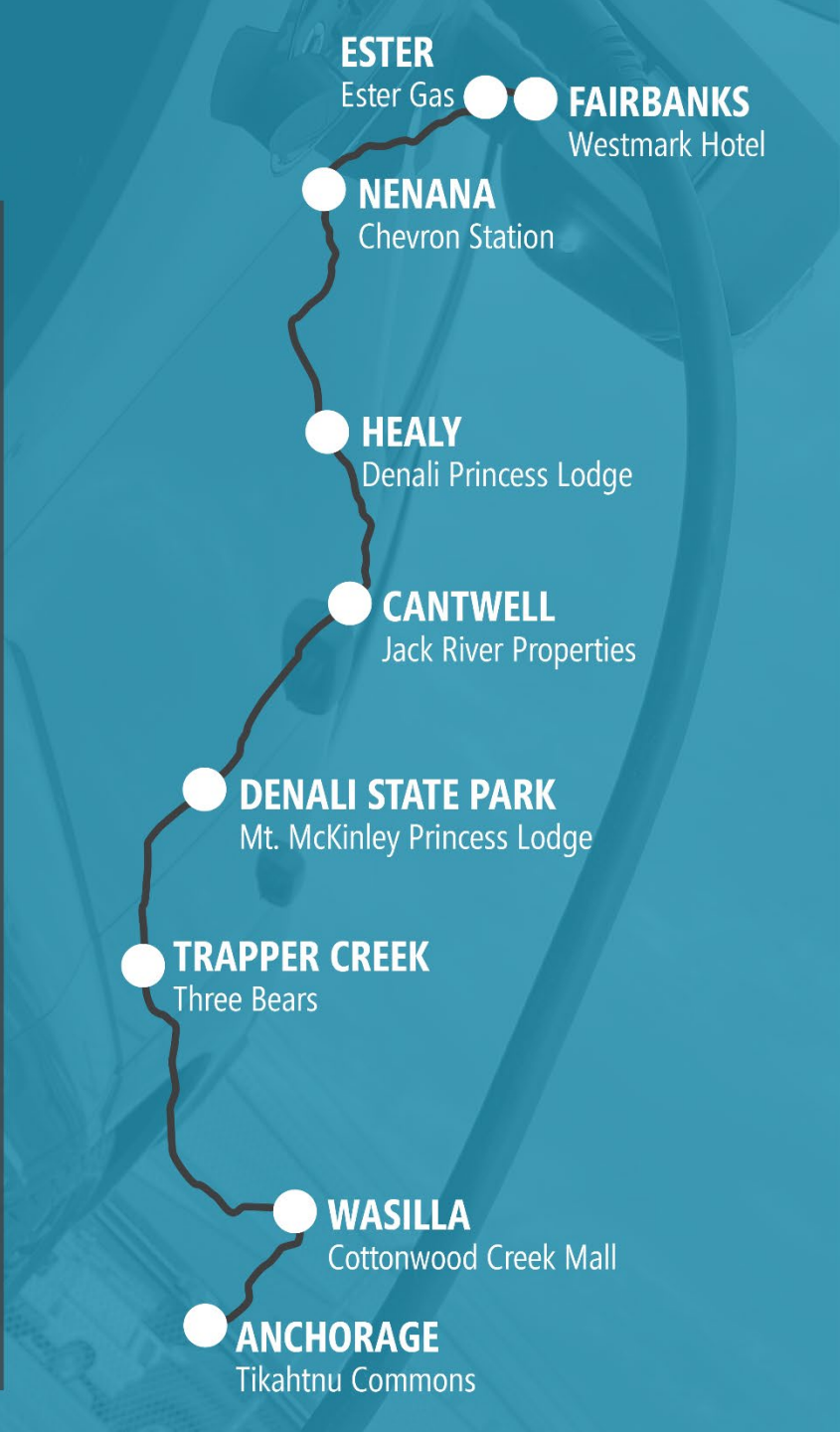
- AEA will sub-grant funds to eligible local governments to finance building-scale renewable energy, energy efficiency, and conservation projects in public buildings and facilities statewide with a focus on rural Alaska.
- Total local sub-grant funding: \$2.6M
  - \$1.4M EECBG funds
  - \$1.2M SEP BIL funds
- 15% community match will be required.
- 142 city and/or borough governments are eligible for funding.

- Application submitted earlier this month.
- If funded, this program would support the development of residential rooftop solar and community solar and battery projects across the State of Alaska targeting low-income and disadvantaged households.
- \$100MM was requested from the EPA
  - About half will be administered by AHFC to fund residential rooftop solar projects
  - about half will be administered by AEA to fund larger community-based solar and battery projects.
  - Will also fund technical assistance, workforce development, and community outreach efforts in partnership with Alaska Center for Energy and Power (ACEP), Alaska Works Partnership (AWP), and Alaska Municipal League (AML).
- It's expected to fund 16 community projects across the state and 2600 individual household rooftop projects.
- Award announcements are expected in March 2024 with funding expected in July 2024. The program period of performance will be 5 years.

# Phase One NEVI Awards

PRIORITY SITE	LOCATION	NETWORK PROVIDER	
<b>Fairbanks</b>	Westmark Hotel	Jule	
<b>Ester</b>	Ester Gas	Tesla	→ 10 miles
<b>Nenana</b>	Chevron Station	Tesla	→ 44 miles
<b>Healy</b>	Denali Princess Lodge	Jule	→ 66 miles
<b>Cantwell</b>	Jack River Properties	Tesla	→ 28 miles
<b>Denali State Park</b>	Mt. McKinley Princess Lodge	Jule	→ 78 miles
<b>Trapper Creek</b>	Three Bears	Tesla	→ 20 miles
<b>Wasilla</b>	Cottonwood Creek Mall	FLO	→ 73 miles
<b>Anchorage</b>	Tikahtnu Commons	FLO	→ 37 miles

**DISTANCE BETWEEN STATIONS**



# **Building Codes, Energy Efficiency and Homeowner Assistance:**



# Framework for Responsive Code Development

- Budget: \$1,500,000
- Schedule: 3 Years
- AHFC has been conditionally approved for a grant from the Department of Energy:
- Office of Energy Efficiency and Renewable Energy to create a framework for building code adoption for the State of Alaska.



# Framework for Responsive Code Development

- AHFC will work with partners to develop an easy-to-follow framework for building code adoption in Alaska.
- Our partnerships include:
- Alaska Municipal League (AML)
- Alaska Association of Housing Authorities (AAHA)
- Alaska State Home Builders Association (ASHBA)



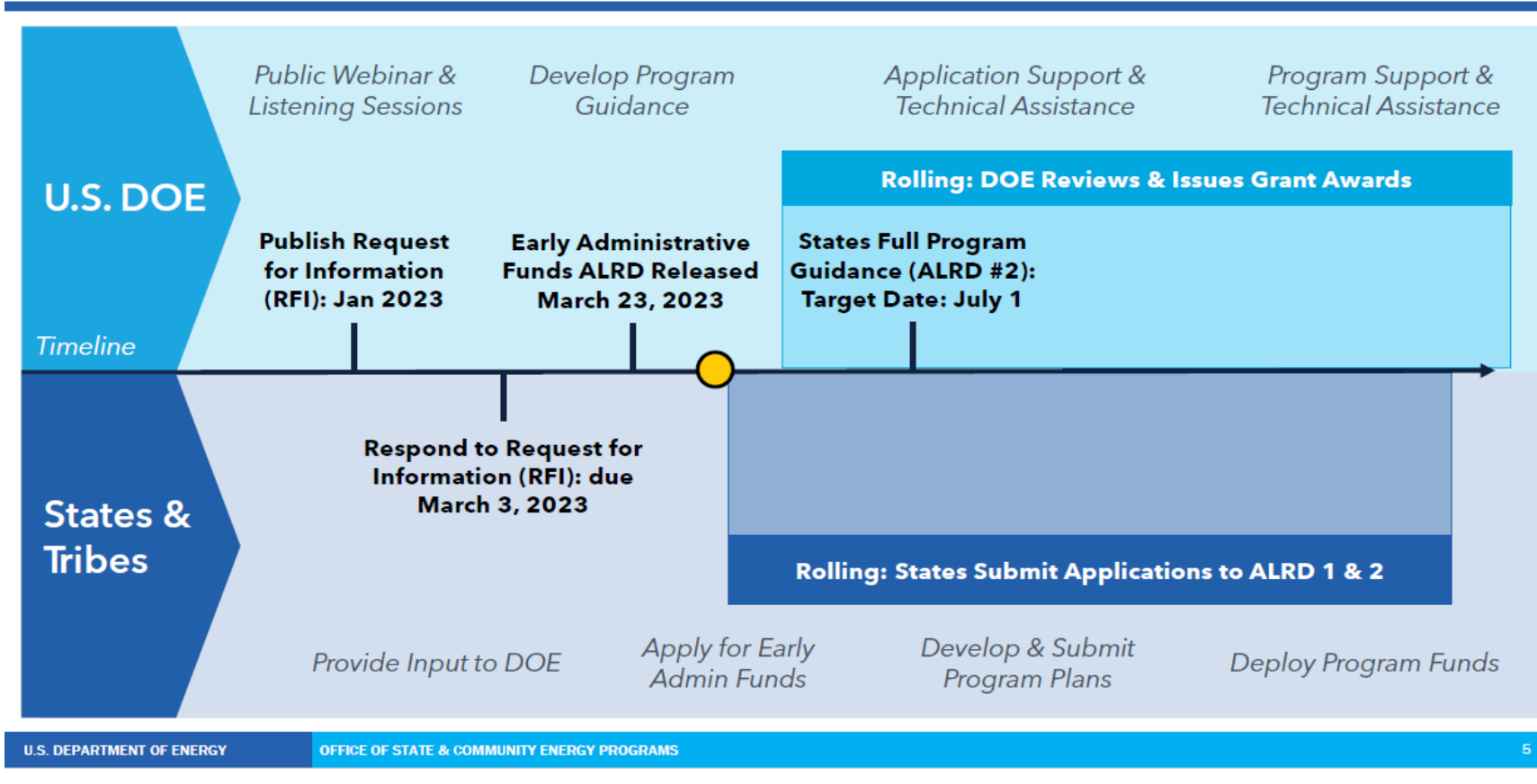
# Federal Energy Rebates



- AHFC preparing \$75 million application for U.S. Department of Energy in 2024.
- Home Efficiency Rebate Program
- Home Electrification and Appliance Rebate Program

# U.S. Department of Energy Timeline

## Home Energy Rebates Program Development Timeline



# Home Efficiency Rebate Program

Energy Savings	Rebate Amounts			
	Single Family	Single Family LMI	Multifamily	Multifamily LMI
20-35% modeled savings	Lesser of \$2,000 or 50% of project costs	Lesser of \$4,000 or 80% of project costs	\$2,000 per dwelling unit, maximum \$200,000 per building	Lesser of \$4,000 per dwelling unit or 80% of project costs
35% or more modeled savings	Lesser of \$4,000 or 50% of project costs	Lesser of \$8,000 or 80% of project costs	\$4,000 per dwelling unit, maximum \$400,000 per building	Lesser of \$8,000 per dwelling unit or 80% of project costs

- Reduction in home energy use incentivized with rebates for whole-home retrofits.
- Homeowners must begin with an energy assessment to identify options for a improvements and model savings.
- Lower Median Income (LMI) = 80% of Area Median Income as determined by HUD.

# Home Electrification and Appliance Rebates

	Up to 80% AMI	81-150% AMI
Electric Load Service Center upgrades/Breaker Box	\$4,000	\$2,000
Electric Stove, Cooktop, Range and/or Oven	\$840	\$420
Electric Wiring	\$2,500	\$1,750
Heat Pump Clothes Dryers	\$840	\$420
Heat Pump Heating/Cooling	\$8,000	\$4,000
Heat Pump Water Heaters	\$1,750	\$875
Weatherization (Insulation, Air Sealing, Ventilation)	\$1,600	\$800

- \$14,000 maximum benefit per household.
- Households above 150% of AMI as determined by HUD are not eligible.
- Intended to be provided at the “Point-of-Sale”, amount to be deducted upfront.

# State-Based Home Energy Efficiency Contractor Training Grants

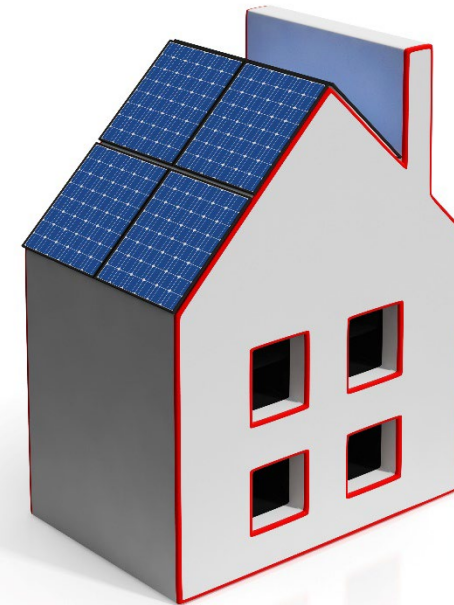
- Funding Available to Alaska: \$1,296,870.00
- Application Deadline: Jan 31, 2024
- This funding can be used on programs that:
  - Reduce the cost of training contractor employees;
  - Provide access to workforce development tools for contractors including, but not limited to, testing and certification; and
  - Partner with community organizations or non-profits to develop and implement an equitable state workforce program.



# Solar For All

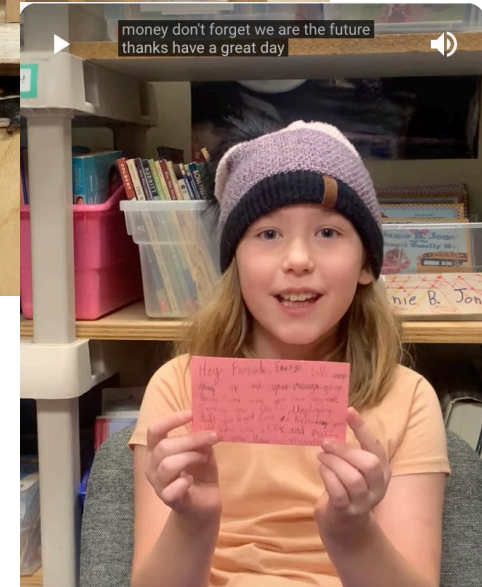
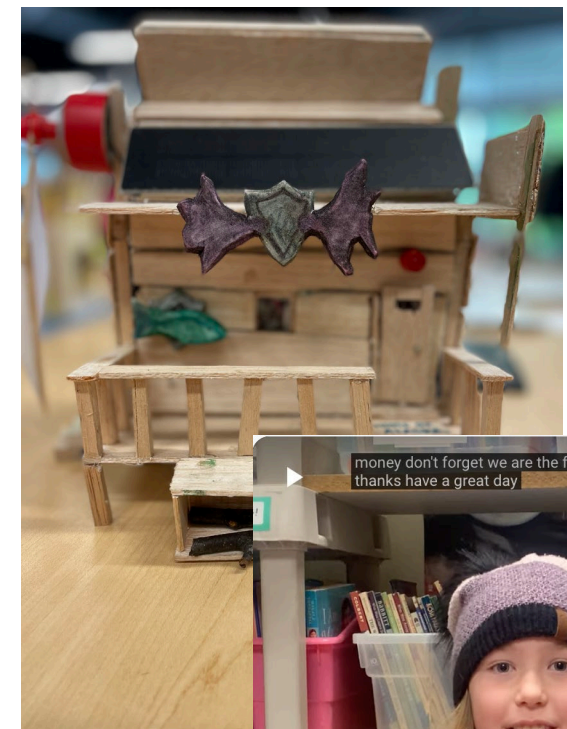
- Residential rooftop and multi-family focus
- Federal focus on disadvantaged communities and low-income Americans

\$25 million	Single-Family Residential rooftop solar to AHFC
\$12.5 million	Single-Family Residential rooftop solar from TCC
\$10 million	Multi-family rooftop solar
\$10 million	Training, Outreach & Administration
\$5 million	Financing opportunity

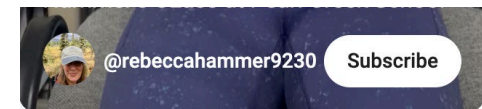


# REAP Efficiency Education

- Tyler won an Outstanding Educator award from Repowering Schools!!
- 4 week-long summer camps this year in Anchorage, Fairbanks, and Sitka for a total of 100 students: <https://alaskarenewableenergy.org/2023-southeast-renewable-energy-camp/>
- Additional education outreach in McGrath as part of ETIPP: <https://alaskarenewableenergy.org/etipp-community-energy-education/>
- 2,000 students visited since the start of the school year, mostly for Power Pledge Challenge
- AK EnergySmart video won award from PRSA
- New workforce newsletter from ANEEE: <https://mailchi.mp/realaska/aneee-newsletter-sign-up>
- Teaching classes at Kusilvak: <https://aneeworks.org/building-alaskas-clean-energy-workforce-with-kusilvak-career-academy/>
- Working with ACEP to help with T3 energy club, including with a weatherization class this last weekend in Anchorage for high school students



<https://youtube.com/shorts/MP5cd9Gb92Y?si=A3cHeqYtYmCxNrcy>



# REAP Upcoming Events

## [2023 Fall Energy Speaker Series] An Array of Opportunities: Solar in Alaska

<https://alaskarenewableenergy.org/event/energy-speaker-series-jobs-of-the-future/>

The screenshot shows the top navigation bar of the REAP website with links for 'about', 'expertise', 'initiatives', 'resources', 'get involved', 'stories', and 'donate now'. The main header area features the event title '[2023 Fall Energy Speaker Series] An Array of Opportunities: Solar in Alaska' in white text on a green background. Below the title, the date and time 'November 1, 2023 | 12:00 pm' and the platform 'Zoom' are listed. A 'register here' button with a right-pointing arrow is located in the bottom right corner of the header.

**What solar energy job opportunities are available in Alaska? What are the barriers to building out our solar workforce? What solutions can we adopt to accelerate the development of that workforce?**

**Join us for a moderated expert discussion on solar energy workforce opportunities, barriers, and solutions in Alaska. Audience Q&A to follow.**

Where: Zoom - [Register Here](#)

When: This free webinar will be held on Wednesday, November 1, from Noon to 1pm AKDT

The poster features the REAP logo in the top left corner. The main text reads 'Energy Speaker Series An Array of Opportunities: Solar in Alaska' in a large, bold font. Below this, it specifies 'Wednesday, November 1, Noon - 1 PM on Zoom'. A section titled 'Thanks to our Sponsors!' includes the logos for CIRI and Alaska Housing Finance Corporation.



# Rural Development

## U.S. DEPARTMENT OF AGRICULTURE


- HECG – grant opportunity administered by Rural Utility Services (RUS) for eligible entities (mostly community based orgs, tribes, cities, etc...) that are experiencing energy costs that are 275% of the national average.
  - The original application period ran 9/1 to 10/31, but as of yesterday the deadline has been extended to 11/7
  - [High Energy Cost Grants | Rural Development \(usda.gov\)](#)
- REAP – grants for rural small businesses, agricultural producers, and 501(c)12 cooperatives. These grants can cover up to 50% of the total project cost for Renewable Energy Systems (RES) and Energy Efficiency Improvements (EEI). The caps for these grants are \$1M for RES and \$500k for EEI
  - [Rural Energy for America Program Renewable Energy Systems & Energy Efficiency Improvement Guaranteed Loans & Grants | Rural Development \(usda.gov\)](#)
- RESP – 0% loan from USDA to eligible applicants to start a relending program for energy efficiency improvements. The relending entity may use up to 4% of the loan for admin costs and may charge up to 5% interest
  - [Rural Energy Savings Program | Rural Development \(usda.gov\)](#)
- VAPG – the Value Added Producer Grant is for new and/or smaller farmers/agricultural producers looking to create a mid-tier value added product from agricultural productions. This grant can help with expenses such as feasibility studies, business planning, working capital, etc...
  - Definitions of agricultural products can be found here: [eCFR :: 7 CFR 4284.902 -- Definitions](#). (no horses or pets)
  - Not currently funded – awaiting next round of Farm Bill, but additional funding is anticipated.
  - [Value-Added Producer Grants | Rural Development \(usda.gov\)](#)
- Additional USDA-RD programs can be found here: [Programs & Services | Rural Development \(usda.gov\)](#)
  - Contact your State Energy Coordinator for Energy related projects, or to find a program within USDA-RD that may serve your needs.

# Denali Commission

- The Denali Commission will have a new funding opportunity on the street soon, likely before the end of the year, for funding assistance to meet the non-federal match requirements of other federal funding opportunities. Details are still being worked out. We anticipate this funding opportunity will be awarded on a rolling application basis. The opportunity will be open to many different types of projects, not just energy projects. The funding comes from the State of Alaska; there's roughly \$5 million available. Check the news bar on the bottom of our website home page for information about this opportunity when it becomes available.
- The Denali Commission's FY24 Infrastructure Funding Opportunity Announcement will likely look similar to the last two years, and is expected to be out sometime after the new year. Keep your eye on our website for information.
- The Denali Commission is providing seed funding to Alaska Municipal League to restart the Alaska Rural Energy Conference (REC). Planning is in the earliest stages now but we've identified a time and place and save-the-date information will be sent out as soon as the conference venue is secured. Tentatively, the event is scheduled for the first week of October, 2024 in Fairbanks. The REC will be organized to be a complement to the Governor's Sustainable Energy Conference (May 2024).




# Chugach Electric



*26 October 2023 • 6 - 7 pm*

**HOME ENERGY EFFICIENCY  
WORKSHOP**



[bit.ly/ChugachWorkshopOct2023](https://bit.ly/ChugachWorkshopOct2023)