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Local financial institutions play a vital role financing clean energy - by Jeffrey Diehl

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Over the past 3 years, 22 projects across Rhode Island have used financing from Rhode Island Infrastructure Bank's Commercial Property Assessed Clean Energy Program (C-PACE) to reduce energy costs by upgrading commercial buildings. C-PACE is an innovative financing product that allows commercial real estate owners to access 100%, fixed-rate, long-term financing for energy, water efficiency and resiliency improvements to their property or building.

C-PACE financing mitigates several factors that have historically prevented commercial building owners from investing in energy efficiency or renewable energy, such as high upfront costs. Additionally, secured by a municipal property tax assessment, C-PACE loans are considered off-balance sheet and are transferrable to the next building owner in the event of a property sale. From retrofitting HVAC and boilers to the installation of solar panels, C-PACE can make capital intensive clean energy projects a financial possibility for commercial property owners across the State. To date, C-PACE projects have saved Rhode Island businesses \$15.4 million in energy costs.

While most C-PACE loans are funded by specialty capital providers with national footprints, there is an increasing need for participation by community lenders to provide funding solutions for small to medium sized projects. This past year, Rhode Island's Centreville Bank expanded its commercial finance offerings to include C-PACE financing. Subsequent to attending a C-PACE information session, lenders from Centreville recognized the opportunity to cross-sell C-PACE to existing clients or utilize it to acquire new business.

"Our goal is to provide our private and commercial customers with the financing and support they need to realize their goals, and these loans reflect that commitment," said Justin DeShaw, senior vice president and chief lending officer at Centreville Bank. "Aside from the obvious environmental benefit, the cost savings realized by these upgrades will allow our customers to reinvest in their businesses and continue to spur further growth."

Centreville Bank is the C-PACE lender for Performance Properties of Warwick, which took advantage of \$157,000 in financing for new heat pumps, windows insulation, and solar panels to reduce the high cost of energy. Centreville Bank is also financing \$86,000 of C-PACE financed energy upgrades for Motabella Grand Touring of West Warwick, which provides car enthusiasts with classic motor vehicles on a rental basis.

Rhode Island Infrastructure Bank is proud to call Centreville Bank a partner of the RI C-PACE Program. We invite all Rhode Island Banks and Credit Unions to start a conversation with the Infrastructure Bank on enhancing customer relationships by becoming a C-PACE capital provider and program partner. As a customer-centric organization, Infrastructure Bank staff are accessible and eager to answer any questions that may arise throughout the process. We hope that more institutions will join us, as we work to help Rhode Island businesses realize their goals and build strong financial futures, while reducing their impact on the environment.

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