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**GEMS PROGRAM UP AND RUNNING, BEGINS ACCEPTING CLEAN ENERGY
LOAN APPLICATIONS FROM NONPROFITS**

HONOLULU — Nonprofit organizations that have had difficulty obtaining financing for solar PV systems can now apply for a loan under the state's Green Energy Market Securitization (GEMS) program. The Hawaii Green Infrastructure Authority, an attached agency of the state Department of Business, Economic Development and Tourism, announced today that it has begun accepting loan applications from nonprofits, which can use GEMS to save money on their electric bills from Day 1 with no money down.

Nonprofits will be able to use GEMS financing to prepay a power purchase agreement (PPA) for a PV system that will fix their electricity costs for 20 years at a significant discount to current utility rates. Due to their tax-exempt status, nonprofits are not able to take advantage of state and federal tax credits used to lower the cost of PV systems. Under a prepaid PPA a third party owns the PV system installed on the nonprofit's roof, claims the tax credits, and passes benefits along to the nonprofit in the form of lower electric rates.

"It is hoped that the unique financing structure of GEMS will give financial leverage to nonprofit organizations, allow them to reduce energy costs and put their savings toward their missions, as well as assist the state in meeting its clean energy goals," said Lisa Maruyama, president and CEO of the Hawaii Alliance of Nonprofit Organizations.

(more)

The Hawaii Green Infrastructure Authority is working with Clean Power Finance, Panasonic Eco Solutions and Coronal Group LLC to provide the PPAs for the nonprofits. The companies will work with Hawaii installers to originate the solar energy projects. An allocation of \$65 million of GEMS loan funds, combined with tax equity capital, will result in more than \$100 million in total financing for the nonprofit sector. Nonprofits interested in a GEMS loan may apply directly with Pacific Rim Bank. PRB is a community bank with years of experience in lending to Hawaii's nonprofit community.

"We are pleased to partner with DBEDT in the GEMS program, helping hospitals, private and charter schools, health clinics, community associations, care homes, affordable housing projects, as well as religious entities to take advantage of energy saving technology," said Austin Imamura, Pacific Rim Bank CEO. "It is our anticipation that the cost savings derived from the GEMS program will enhance benefits to the communities they serve."

GEMS employs an innovative financing structure to channel low-cost capital from the bond market to make clean energy more affordable and accessible in Hawaii. Capitalized with \$150 million, GEMS initially will focus on investments by nonprofits – and soon residential utility customer -- in solar photovoltaic systems and other technologies that support PV interconnection.

"It has become clear that meeting Hawaii's clean energy goals – which are the most ambitious in the nation – will require significant investment in renewable energy and energy efficiency technologies. Hawaii's new GEMS program takes a major step in that direction by bringing an innovative approach to financing clean energy infrastructure that has the potential to serve as a national model," said Luis Salaveria, DBEDT director.

For more information about GEMS go to <http://gems.hawaii.gov/>.

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*The **Hawaii State Energy Office** is leading the state's charge toward clean energy independence. With a goal to meet and exceed Hawaii's 70 percent clean energy targets by 2030, the State Energy Office is committed to developing and deploying high impact solutions that will maximize Hawaii's renewable energy resources and improve efficiency and transportation standards. Through effective policies and innovative programs, the State Energy Office has positioned Hawaii as a leading proving ground for clean energy innovation, which will generate quality jobs, attract investment opportunities and accelerate economic growth. The State Energy Office is a division of the state's Department of Business, Economic Development and Tourism. For more information, visit www.energy.hawaii.gov.*

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