

Low Cost Financing for Renewable Energy Systems in California's Public Schools

Dear Friends,

As I have frequently mentioned, the key to getting school districts to install energy efficiency equipment and renewable energy systems is the availability of low cost financing. School districts can ill afford to install renewable energy systems that cause them to dip into their general funds when they are trying to balance their existing budgets in the face of significant cuts.

But what if a district could install a renewable energy system that produced enough energy to pay for the system and also put a little extra money back into the general fund? Recent federal bond programs and a soon-to-be-announced low interest loan program from the [California Energy Commission](#) can make that possible for school districts throughout the state.

KyotoUSA recently partnered with SunPower Corp. and MuniBond Advisors to assist school districts prepare their applications for federally supported Clean Renewable Energy Bonds (CREBs) and Qualified School Construction Bonds (QSCBs). In most cases, renewable energy projects paid for from these near 0% bonds can make a renewable energy project cost-neutral or cash positive for the full term of the repayment period (15 years) at which point the electricity savings belongs entirely to the district. California received a \$700M allocation of QSCBs. Statewide, more than 230 applications totaling \$3.2B were received for QSCB allocations. Since the program was oversubscribed, a lottery was held on August 28. You can see the complete list of districts that will be receiving an award by visiting our home page at www.heliosproject.net. If you see your district on the list, please consider asking your board or superintendent if the allocation will be used for renewable energy projects. If they would like to see how renewable energy projects can pay for themselves from energy savings, please ask them to contact me. The CREBs announcement will be made in October.

Although the CREBs and QSCB programs are over for 2009, they will return again sometime in 2010. SunPower Corp., MuniBond, and KyotoUSA will team up to conduct one or more workshops in October to prepare districts for next year's applications and to review other low cost financing mechanisms. We are encouraging districts to send facilities directors and financial officers to these upcoming workshops.

Please forward this message on to your contacts in your local school district. We are more than happy to assist any school district in the state learn how to make it possible to move to clean, renewable, non-polluting energy generation (and away from climate altering, fossil fuel generated electricity) without putting additional pressure on their operating budgets. Thanks!

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