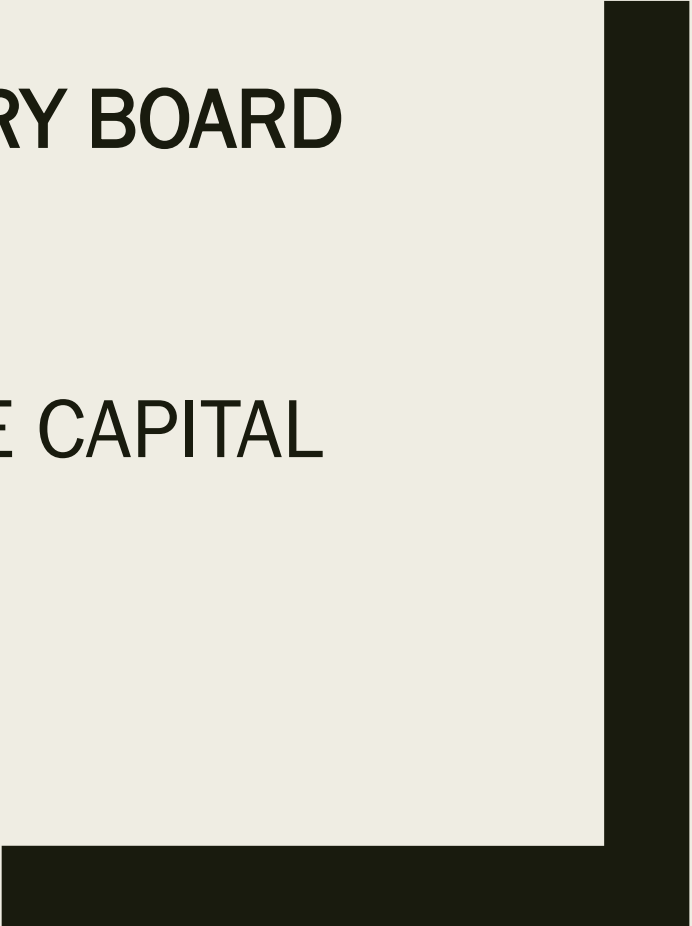




**EPA**  
**ENVIRONMENTAL FINANCIAL ADVISORY BOARD**

**GGRF CHARGE: MOBILIZING PRIVATE CAPITAL**

EFAB Board Meeting Update  
October 15, 2024



# EFAB GGRF Mobilizing Private Capital Series Workgroup Members

## EFAB Members

Lori Collins, Workgroup Co-Chair	Owner and Principal, Collins Climate Consulting
Jeffrey R. Diehl, Workgroup Co-Chair	Chief Operating and Compliance Officer, Coalition for Green Capital
Stacy Brown	President and Chief Executive Officer, Freberg Environmental, Inc.
Zachary Davidson	Director of Underwriting, Ecosystem Investment Partners
Sonja B. Favors	Industrial Hazardous Waste Branch Chief, Alabama Department on Environmental Management
Eric Hangen	Senior Research Fellow, Center for Impact Finance, Carsey School of Public Policy, University of New Hampshire
Barry Hersh	Clinical Professor and MSRED Chair, School of Professional Studies, New York University
Craig A. Hrinkevich	Public Finance Managing, Director, D.A. Davidson & Co.
George W. Kelly	Global Client Strategy Officer, Earth Recovery Partners
Joann Landau	President and Chief Investment Officer, Kurtsam Realty Corp.
Lawrence Lujan	Executive Director, Taos Pueblo Utility Service
Sanjiv Sinha	Chief Executive Officer, Corvias Infrastructure Solutions, LLC
Gwen Yamamoto Lau	Executive Director, Hawaii Green Infrastructure Authority

## EPA Client

David Widawsky	Director, EPA Office of the Greenhouse Gas Reduction Fund
Ashley Allen Jones	Senior Finance Advisor, EPA Office of the Greenhouse Gas Reduction Fund
Ed Chu	EPA Environmental Financial Advisory Board, Designated Federal Officer
Tara Johnson	EPA Environmental Financial Advisory Board, Alternate Designated Federal Officer

# Agenda today

- Overview
  - *Review charge*
- Status update
- Discussion
  - *EPA Client feedback*
  - *Workgroup reflections*
  - *EFAB Board feedback and reflections*
- Success spotlight: Presentation of first GGRF deal – [University of Arkansas](#)
  - *Aileen Nowlan, Director, General and Low-Income Assistance Division, OGGRF, EPA*
- Next steps

# Charge Background and Summary

Section 60103 of the Inflation Reduction Act of 2022 – Amended the Clean Air Act to create a new program: the Greenhouse Gas Reduction Fund (GGRF).

- *The GGRF provided competitive grants to mobilize financing and leverage private capital for clean energy and climate projects that reduce greenhouse gas emissions – with an emphasis on projects that benefit low-income and disadvantaged communities.*

The GGRF provided \$27 billion to EPA for expenditure until September 30, 2024. As of August 14<sup>th</sup>, all funds have been contractually obligated to selected grantees, including:

- *\$7 billion to selected applicants to enable low-income and disadvantaged communities to deploy or benefit from zero-emission technologies, including distributed technologies on residential rooftops (Solar for All);*
- *\$12 billion for selected applicants to provide financial and technical assistance to projects that reduce or avoid greenhouse gas emissions (National Clean Investment Fund);*
- *\$8 billion to provide financial and technical assistance to projects that reduce or avoid greenhouse gas emissions in low-income and disadvantaged communities (Clean Communities Investment Accelerator).*

In April 2024, the EPA Office of Greenhouse Gas Reduction Fund (OGGRF) engaged EFAB to help formulate and clarify the Program's private capital mobilization strategy and approach, to ensure GGRF creates robust on-ramps for the private sector to deploy capital that supports the overall GGRF agenda.

For more information on the GHGRF at EPA, visit:

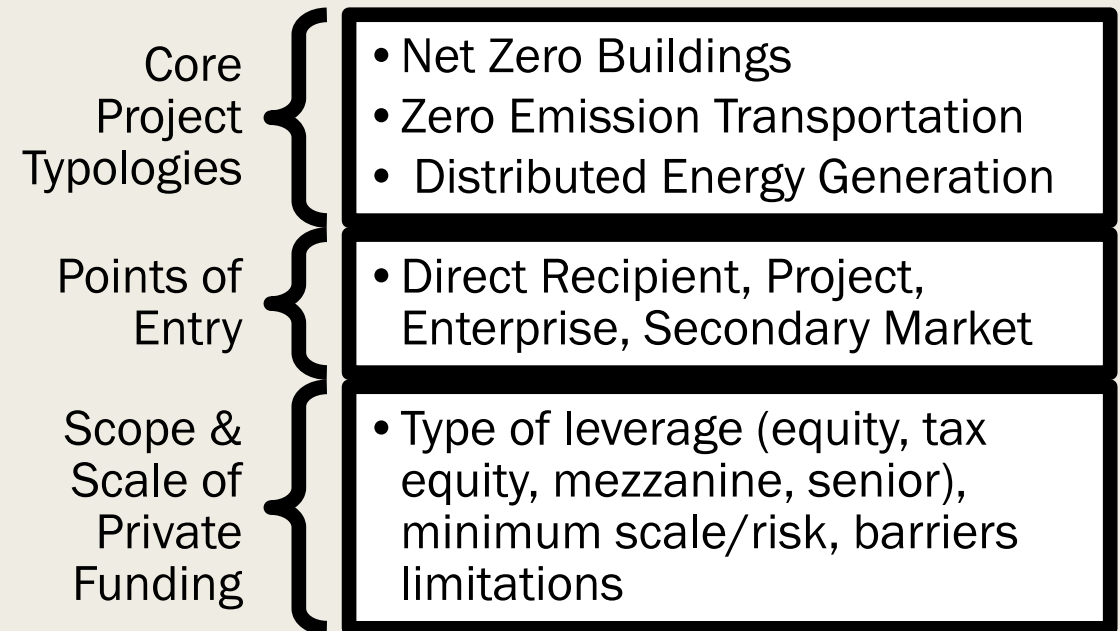
<https://www.epa.gov/inflation-reduction-act/greenhouse-gas-reduction-fund>.

# Charge Background and Summary

## GGRF main program objectives:

1. *Reduce greenhouse gas emissions and other air pollutants*
2. *Deliver the benefits of greenhouse gas- and air pollution-reducing projects to American communities, particularly low-income and disadvantaged communities*
3. *Mobilize financing and private capital to stimulate additional deployment of greenhouse gas and air pollution reducing projects.*

## Areas of inquiry:



For more information on the GHGRF at EPA, visit:

<https://www.epa.gov/inflation-reduction-act/greenhouse-gas-reduction-fund>.

# Charge Status

EFAB created a dedicated workgroup to address private capital mobilization across GGRF's three priority program areas:

1. *Net Zero Buildings (NZB)*
2. *Zero Emission Transportation (ZET)*
3. *Distributed Energy Generation (DEB)*

## Workgroup Progress

- The NZB Forum July 30, 2024 (Completed)
- ZET Forum September 19, 2024 (Completed)
- DEG Forum November 12, 2024 (In planning)
- Recorded video and summary transcript of the NZB Forum can be found on EPA's EFAB Website.

Summary materials intend to:

1. Provide context for capital deployment in each sector.
  - *Perspectives provided by invited experts/speakers.*
2. Highlight challenges and opportunities in the sector.
  - *Practitioner insights.*
3. Lift up model transactions to broadly inform GGRF stakeholders.
  - *Demonstrate past successes and future opportunities for enhancements.*

# Net Zero Buildings



## EPA Greenhouse Gas Reduction Fund: Models and Strategies to Finance Net Zero Buildings

*EFAB GGRF Mobilizing Private Capital Virtual Speaker Series*

2:00 – 3:30 PM ET

**July 30, 2024**

Registration link: [Here](#)



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**Susan Leeds**  
Former NYC Energy  
Efficiency Corp



**Esther Toporovsky**  
Community  
Sustainability Partners



**Stuart Kaplow**  
Green Building  
Attorney



**Chrissa Pagitsas**  
Former Green Finance  
Fannie Mae



**Marc Pangburn**  
HASI



**Michael  
Freedman-Schnapp**  
Clean Energy Finance

**How can private capital providers leverage the \$27 billion  
Greenhouse Gas Reduction Fund to increase net zero buildings?**

# Zero Emission Transportation



## EPA Greenhouse Gas Reduction Fund (GGRF): Models and Strategies to Finance Zero Emission Transportation



ENVIRONMENTAL FINANCIAL  
ADVISORY BOARD

*EFAB GGRF Mobilizing Private Capital Virtual Speaker Series*

2:00 – 3:30 PM ET

**September 19, 2024**

Registration link: [Here](#)



Dave Mullaney  
truCurrent



Michael Baer  
NuGen Capital



Jane Israel  
Highland Electric  
Fleets



Anita Molino  
Bostonia



Andy Prindle  
Foundation Credit

**How can private capital providers leverage the \$27 billion  
GGRF to increase Zero Emission Transportation?**



# Discussion

- EPA Client feedback
- Workgroup reflections
- EFAB Board feedback and reflections

# Case Study

- Presentation of first GGRF deal – [University of Arkansas](#)

*Aileen Nowlan*

*Director, General and Low-Income Assistance Division, OGGRF, EPA*

## **Climate United Announces First Investment in Scenic Hill Solar's Groundbreaking Project with University of Arkansas System**

OCTOBER 1, 2024

*New deal paves way for the largest Commercial and Industrial solar project in Arkansas history, reducing energy bills, supporting local economic development & investing in rural America*

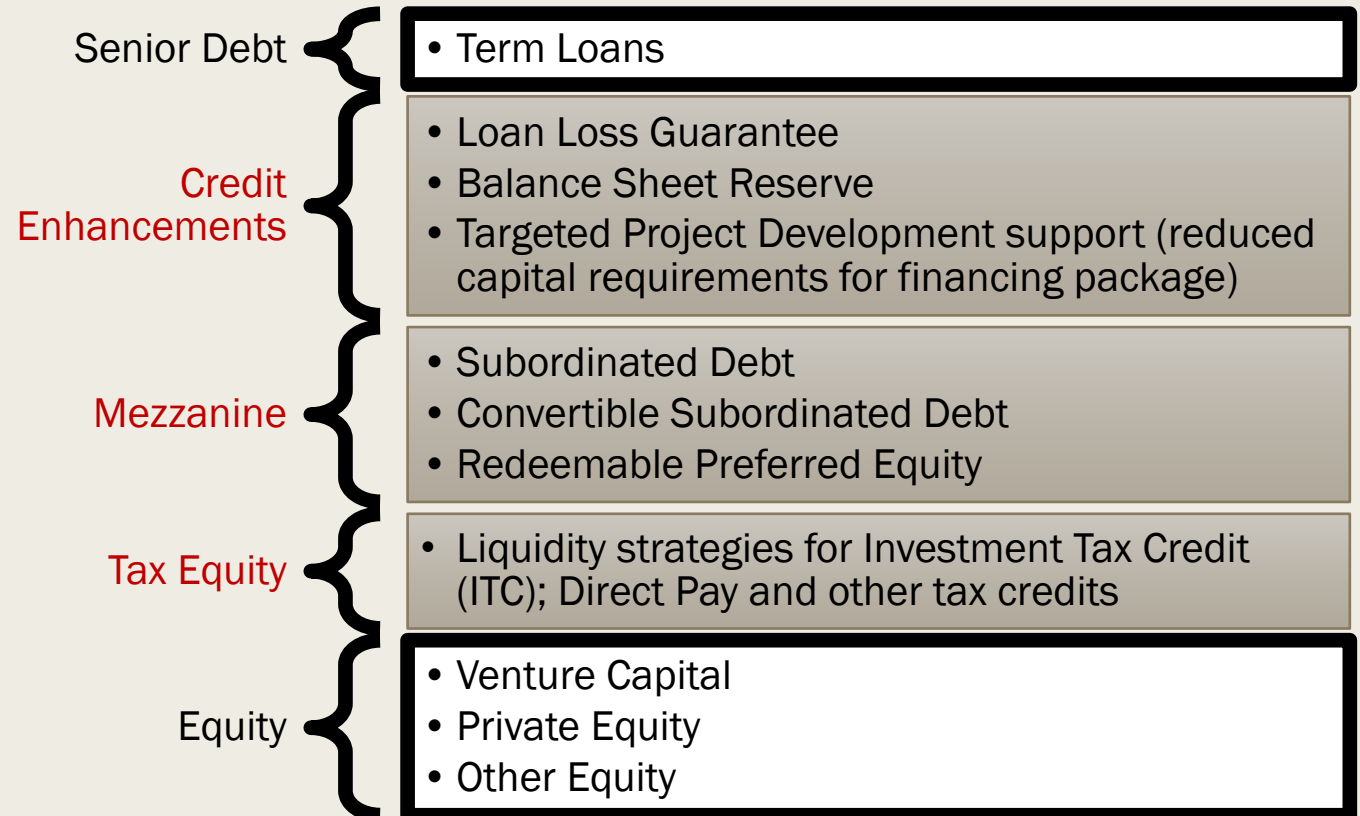
# Next steps

- Short term deliverables
- What does the future look like?

# APPENDIX

# GGRF Capital Stack & Products

- GGRF has potential to unleash \$billions in private capital through **strategically aligning GGRF capital** and at the project, enterprise and secondary market levels
- **Blended Capital** structures at the pooled/portfolio level to scale solutions
- **Standard** GGRF financial products, underwriting terms & conditions and measurement approaches
- **Aggregation** of smaller deals into portfolios of >\$100mn



# Key Market + Finance Challenges

- “Lack of requisite capital at reasonable costs and flexibility.”
- “Priority areas for reducing GHGs may not readily lend themselves to existing funding structures in priority communities.”
- “Lack of technical and human capacity to plan and prepare for project development and financing.”
- “Lack of start-up “capital” (e.g., technical assistance, planning / pre-development grants).”

