Request for Information

For Clean Energy & Energy Efficiency Projects in Pennsylvania

Issued by: Philadelphia Green Capital Corp

Released: Tuesday, December 10, 2024

Responses Due: Friday, January 31, 2025 at 5:00pm ET

Description

The Philadelphia Green Capital Corp ("PGCC") issues this Request for Information (RFI) to identify shovel-ready clean energy, energy efficiency, and resilience projects to connect projects to funding opportunities and supporting resources.

About Philadelphia Green Capital Corp

PGCC is an affiliate of the Philadelphia Energy Authority ("PEA") and is a Pennsylvania nonprofit corporation that is qualified as a 501(c)(3) charitable organization to make and facilitate program-related investments for environmental action, lessening the burdens of government and promoting social welfare purposes under section 501(c)3 of the Internal Revenue Code, or corresponding section of any future federal tax code.

In 2016, PEA and former City Council President Darrell Clarke launched the Philadelphia Energy Campaign, a $1 billion, 10-year investment in energy efficiency and clean energy projects to create 10,000 jobs. PEA and PGCC have helped launch over $900 million in projects and created over 7,500 jobs to date.

PGCC works with PEA on several successful programs that spur the widespread adoption of energy efficiency and renewable energy technologies. The Solarize Philly program jumpstarted Philadelphia's solar industry, leading to 3,700+ residential solar systems and 19MW+ of solar installed. The program also supports commercial and industrial properties as well. One of the country's most advanced whole-home retrofit programs, Built to Last, layers and streamlines several existing home repair services (such as weatherization assistance programs) with a variety of supportive legal and counseling services to provide health, safety, and energy services to low-income owner-occupied households. Since PEA launched it in 2022, Built to Last has served 500+ homes.

As a green bank in Southeast Pennsylvania, PGCC's mission is to connect projects to capital to drive a robust, equitable, clean energy market in the region and across the commonwealth, support PEA, and respond to the regional challenges of climate change. PGCC uses proven green bank tools to unlock capital for clean energy projects, to scale and amplify PEA's current work, and to bring new financial products to the Southeast Pennsylvania region's clean energy economy.

Green banks are well-positioned to be at the forefront of investing in projects that reduce emissions and benefit underserved communities. GB50 (https://www.usgreenbanks.org/) is a coalition of 30+ U.S. state and local green banks, including PGCC, dedicated to efficient and effective clean energy investments in communities nationwide, particularly in lower-income areas that have been disproportionately impacted by pollution and environmental injustice. As a member, PGCC brings best practices & lessons learned from other green banks to Southeast PA and collaborates with NCIF & CCIA awardees to maximize the drawdown of federal funding opportunities into Southeast PA. In particular, PGCC is working to bring standardized national loan products to support local projects and plans for directly infusing capital into local regions based on the demonstrated demand for funding and the capacity of green banks and developers to deploy funding into impactful projects.

PGCC, as a green bank, is dedicated to driving equitable clean energy growth by connecting projects to capital—whether through its own resources or partnerships with other green lenders.

Learn more at phillygreencapital.org.

RFI Purpose

PGCC invites project developers to submit details about renewable energy and energy efficiency initiatives through this RFI. This RFI aims to connect transformative projects in Pennsylvania to the right programs, funding sources, and technical assistance partners—locally, regionally, and nationally.

By submitting a project, responders will enable PGCC to explore potential matches with existing funding streams and resources. While submission does not guarantee immediate access to funding or support, PGCC is committed to staying engaged. If a project doesn't align with current opportunities, PGCC will inform responders of new programs and funding avenues as they emerge.

Background

Clean Energy Funding Opportunities

The Inflation Reduction Act of 2022 ("IRA") aims to invest approximately $370 billion or more to address climate change across the United States over the next ten years, with a focus on advancing energy equity across Low Income and Disadvantaged Communities ("LIDACs"). About 70% of this funding flows through tax credits and rebate programs, with the remainder being deployed through formula funding and competitive grants. PGCC is working with national, regional, and local partners to draw down a goal of $5 billion of this federal funding into Southeast Pennsylvania, with a focus on supporting businesses and individuals to best use this funding and connecting local projects to federal capital.

Greenhouse Gas Reduction Fund

The historic investment from the IRA includes $27 billion Greenhouse Gas Reduction Fund ("GGRF") made available to local and regional community lenders, including green banks, to support building decarbonization, distributed energy resources, transit, and more through three competitive funding opportunities.

Image 1: Summary of the Greenhouse Gas Reduction Fund (GGRF)

PGCC, with the Pennsylvania Energy Development Authority (PEDA), applied for and received $156MM for Pennsylvania from the $7B Solar For All competitive grant. The two organizations plan to deploy this funding across Pennsylvania to assist 12,000+ low-income households to access solar at home.

The remaining $20B in the Greenhouse Gas Reduction Fund will be distributed to projects and community lenders around the country via eight national awardees of the National Clean Investment Fund ("NCIF") and Clean Communities Investment Accelerator ("CCIA") program.

	Awardees	Award Size	Primary focus
NCIF	**Coalition for Green Capital**	$5B	Capitalizing green bank network & making direct investments in shovel-ready projects
	Climate United	$7B	Direct investments into projects, focusing on projects in LIDACs and hard-to-reach segments
	Power Forward Communities	$2B	Single-family & multifamily housing decarbonization
CCIA	**Opportunity Finance Network (OFN)**	$2.29B	OFN membership network; focus on low-income housing and small businesses
	Justice Climate Fund (JCF)	$940M	Affordable housing market preservation & rehabilitation
	Inclusiv	$1.89B	National credit union network
	Appalachian Community Capital	$500M	Network of lenders & providers focused on Appalachia (including SW PA)
	Native CDFI Network	$400M	Network of lenders & providers focused on tribal communities

Image 2: Summary of CCIA and NCIF Awardees

PGCC provided a pipeline of local projects and letters of support to three of eight awardees and is coordinating with multiple awardees seeking to deploy capital in Southeast PA and across the state. PGCC plans to work with projects and partners to draw down $300+ million into Southeast PA and will use the submissions of this RFI to connect projects in PA to federal funding opportunities, starting with funding opportunities from the GGRF.

As with most federal funding, use of CCIA and NCIF dollars requires all funded programs & projects to meet specific compliance and reporting requirements. To be eligible for NCIF dollars, each project must meet the six-part definition of a "qualified project". The project must:

1. Reduce greenhouse gas emissions;
2. Reduce other air pollutants (such as SOx and NOx);
3. Deliver benefits to communities (such as energy savings, cleaner air, community resiliency to climate change events);
4. Meet the requirement that it may not have otherwise been financed (such as projects with gaps in their capital stacks, etc.) ;
5. Mobilize private capital (such as philanthropic, other public, and private capital); and
6. Support only commercial technologies (i.e. not nascent technologies).

To be eligible for CCIA dollars, each project must meet the six-part definition of a "qualified project" (as defined above) and be within at least one of three "priority project categories", with project examples that include, but are not limited to:

1. **Distributed Energy Generation and Storage**
    a. Microgrids
    b. Battery Storage Systems
2. **Net-zero emissions buildings**
    a. Building Electrification Retrofits
    b. Energy Efficiency Upgrades
    c. Affordable Housing Retrofits
3. **Zero Emissions Transportation**
    a. Electric Vehicle Charging Infrastructure
    b. Municipal Electric Vehicle Fleet
    c. Active Transportation Infrastructure

More information about NCIF and CCIA is available at epa.gov/greenhouse-gas-reduction-fund/

Opportunity to Access Funding in Early 2025

Funding from the Inflation Reduction Act is available now. Specifically, national GGRF awardees are actively looking for partners on the ground to support the deployment of capital. Pennsylvania is well-positioned to draw down these federal dollars. With this RFI, PGCC seeks to better understand the needs of local projects (especially those in underserved communities around the state) to more effectively connect them to federal capital.

State Rebate Programs

As part of the IRA, the Commonwealth of Pennsylvania stands to receive $259M to support rebates for home energy efficiency, electrification, and appliance rebates for homeowners and renters with incomes under 150% of Area Median Income, predominately applied to single-family and multi-family homes. There are restrictions on how rebates can be applied, including considerations on Prevailing Wage & Apprenticeship requirements, the use of vetted or qualified contractors, and energy audit requirements depending on the rebate and project type. The PA program is expected to launch in the first half of 2025. More information is expected to be available in the months leading up to launch.

Energy Efficiency and Clean Energy Tax credits

The IRA expanded the application of tax credits for clean energy and energy efficiency projects. Below are key tax credits that may be relevant to Respondents' projects.

	Tax code section	**Eligible Projects**	**Who can use this**	**Other notes**
Energy Efficiency	Section 179D *Tax deduction*	All new and existing commercial (including multifamily ≥ 5 units)	For-profit Nonprofit & public building owners may transfer the tax benefit to a design or engineering firm working on the project	Can be paired with 45L for the same project Requires energy model and significant reporting
	Section 45L *Tax credit*	All new and renovated residential buildings (including multifamily)	Non-transferable; owner must have tax burden in order to monetize tax credit	Can be paired with 179D for same project Must apply for certification before construction begins
Renewables	Section 48 (aka Investment Tax Credit) *Tax Credit*	All newly constructed renewable energy projects	For-profit with tax burden; For-profits without tax burden can sell the credits Nonprofits and public owners have elective pay option	Bonus credits available - a project owner can claim up to 70% of project costs depending on eligible adders
Alternative fuel charging (EVs +)	Section 30C *Tax Credit*	Newly installed EV chargers	Municipal owners have elective pay option	Projects must be located in low income or non-urban census tracts

Image 3: Overview of Federal Tax Credits for Energy Projects

The above tax credits may be used separately and combined in specific scenarios. For example, a commercial building installing geothermal heat pumps and rooftop solar panels can claim 179D tax deduction for geothermal benefits and Section 48 ITC for the new solar array.

Please note: Municipalities and nonprofits may access the benefits of some (but not all) tax credits for renewable energy and energy efficiency projects through the Elective Pay Option. Also, many of these tax credits have specific eligibility requirements related to Davis Bacon & Related Acts and Prevailing Wage & Apprenticeship rules. Learn more at https://www.dol.gov/agencies/whd/IRA

PGCC is working with a tax consultant to assist certain local projects in best leveraging tax credits (including elective pay) and may use submissions from this RFI to inform future external-facing webinars & content on accessing tax benefits.

PGCC's Green Lending Partners

PGCC works with a national network of green banks, many of whom have financial tools and products that can support energy projects in Pennsylvania.

Specifically, here are some products that PGCC's partners offer in Southeast Pennsylvania and across Pennsylvania

1) C-PACE loans: Up to 30 year terms
2) Long-term debt for commercial solar projects: Up to 25 year terms
3) Power Purchase Agreement ("PPA") for commercial solar projects: Up to 20 year terms
4) Long-term debt for building decarbonization & distributed generation: Up to 20 year term
5) Construction financing for building decarbonization & distributed generation: Flexible terms

If respondents submit projects that would be good fits for a product with one of PGCC's green lending partners, PGCC will anonymize your project information before sharing it with capital partners. PGCC will follow up with Respondents regarding any next steps from capital partners as applicable.

All Information shared in the Background section is up-to-date as of December 10, 2024.

Anticipated Timeline

Milestone	Target Date
RFI Released	December 10, 2024
RFI Office Hours #1	January 7, 2024 @ 10:00 a.m.
RFI Office Hours #2	January 14, 2024 @ 10:00 a.m.
Deadline to submit questions	January 15, 2024 @ 5:00 p.m.
Question responses posted	January 17, 2024 @ 5:00 p.m.
RFI Office Hours #3	January 21, 2024 @ 10:00 a.m.
RFI Response Deadline	January 31, 2025 @ 5:00 p.m.
PGCC follow-up with responders	February & March 2025

**All times are ET*

How to Submit

Respondents must complete a separate form for each project and program they would like to submit for consideration by *Friday, January 31, 2024 at 5:00pm ET* to the following website (https://bit.ly/ProjectRFISubmission) Please note that all projects submissions will be required to have a completed version of this spreadsheet included (https://bit.ly/PGCCprojectfinancing).

The following information is requested for each project or portfolio of projects being submitted: (https://bit.ly/projectfields)

Please submit a separate form for each individual project. A building construction project with EV chargers and solar panels on site is an example of one project. Two different solar and storage projects at two different addresses are two projects - we request that you separate the two projects as two responses to the RFI.

Please fill in every field below to the best of your ability, even if the information is contained within an attachment. PGCC staff will follow up with you to clarify any questions about your submission.

Recommendations for Successful Submissions

PGCC will consider project proposals that are:

- From industry participants including:
  - Project developers
  - Energy service companies ("ESCOs")
  - Building and facility owner/operators
  - Equipment manufacturers or others that provide equipment, materials and/or services for energy efficiency or renewable energy projects
- In Pennsylvania. PGCC operates primarily in Southeast PA (Bucks, Chester, Delaware, Montgomery, and Philadelphia counties) but works with partners across the state.
- For renewable energy projects (such as solar) in multifamily residential, defined as single properties and scattered sites of 5+ units, and commercial properties
- For energy efficiency & decarbonization projects in multifamily residential, defined as single properties and scattered sites of 5+ units, and commercial properties
- For projects that expand and improve transit (such as the installation of level 3 electric vehicle smart chargers to support NEVI Alternative Fuel Corridor and municipal bus fleet charging infrastructure)

How PGCC Will Use the Information You Submit

Projects will be evaluated on a case-by-case basis and may be connected to various sources of funding that may be structured as grants, loans, or other types of subsidies. Projects located in low-income and disadvantaged communities (LIDACs) or Energy Communities (ECs) or developed for the benefit of low-income households are preferred.

After receiving their RFI response, PGCC may contact respondents with questions and request additional information.

Submitting a project or program does not guarantee access to project funding or supporting resources.

If PGCC determines that your project matches particular funding sources, we will anonymize your project information before sharing it with capital partners and inform you of next steps as applicable.

RFI Assistance

If you have any questions, please plan to attend office hours. Two of the three office hours are designated to support questions from specific project types - please plan to join one of the general/non-themed office hours if you have questions for projects outside of the proposed theme.After the end of each office hour, a recording will be posted to PGCC's website within 48 hours.

All questions regarding this RFI must be submitted to the following website (https://bit.ly/ProjectRFIQuestions). No questions will be considered by phone. Responses to questions received before **5pm on Wednesday, January 22, 2024** will be posted on the RFI page on the PGCC website (https://phillygreencapital.org/2024/12/10/rfi/)

Responders responding to this RFI are urged to check the website for the responses to the questions. All responses will be issued to the website by **5pm on Friday, January 24, 2024**. Oral responses by any PGCC employee or agent of PGCC are not binding and shall not in any way be considered a commitment by PGCC.

Date	**Audience**	**Zoom link**
January 7, 2024 @ 10:00 a.m.	Multifamily/affordable housing	https://bit.ly/ProjectRFIOfficeHours1
January 14, 2024 @ 10:00 a.m.	Municipal projects	https://bit.ly/ProjectRFIOfficeHours2
January 21, 2024 @ 10:00 a.m.	General	https://bit.ly/ProjectRFIOfficeHours3

Confidentiality & Public Disclosure

Respondents shall treat all information obtained from PGCC that is not generally available to the public as confidential and/or proprietary. Respondents shall exercise all reasonable precautions to prevent any information derived from such sources from being disclosed to any other person. No other party, including any Respondent, is intended to be granted any rights hereunder. Respondents agree to indemnify and hold harmless PGCC, the City, its officials and employees, from and against all liability, demands, claims, suits, losses, damages, causes of action, fines and judgments (including attorney's fees) resulting from any use or disclosure of such confidential and/or proprietary information by any Respondent or any person acquiring such information, directly or indirectly, from any Respondent. This RFI and the process described are proprietary to PGCC and are for the exclusive benefit of PGCC. Upon submission, Responses to this RFI shall become the property of PGCC, which shall have unrestricted use thereof.

Rights and Options Reserved

In addition to the rights reserved elsewhere in this RFI, the PGCC reserves and may, in its sole discretion, exercise any of the following rights and options with respect to this RFI if PGCC determines that doing so is in the best interest of the City and PGCC :

1. to extend the Submission Date/Time and/or to supplement, amend, substitute or otherwise modify the RFI at any time prior to the Submission Date/Time, by posting notice thereof on PGCC's web page(s) where the RFI is posted;

2. to require, request, or permit, in discussion with any Respondent, any information relating to the subject matter of this RFI that PGCC deems appropriate, whether or not it was described in the Response to this RFI;

3. at any time determined by PGCC, to discontinue discussions with any Respondent or all Respondents regarding the subject matter of this RFI, and/or initiate discussions with any other Respondent or with vendors that did not respond to the RFI;

4. to do any of the foregoing without notice to Respondents or others, except such notice as PGCC, in its sole discretion, may elect to post on the PGCC web page(s) where this RFI is posted.