

For Immediate Release:

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AlabamaSAVES Continues its Commitment to Energy Efficiency with New Participation Loan Program

MONTGOMERY— The AlabamaSAVES program is celebrating its sixth year as one of the most successful energy efficiency loan programs in the country. Since inception, AlabamaSAVES has partnered with over 40 financial institutions throughout Alabama to provide \$56 million in funding for 102 commercial, industrial, institutional, and agricultural loans. The Program, which is sponsored by the Alabama Department of Economic and Community Affairs (ADECA), and administered by Abundant Power Group, LLC and its specialty finance affiliate, CleanSource Capital, LLC, has established a solid foundation for the on-going financing of energy efficiency in Alabama. By enabling private commercial, industrial, and institutional borrowers to make significant retrofits, 172 buildings representing 12.9 million square feet are benefiting from renewable energy installations such as: solar panel installation, HVAC upgrades, LED lighting, and water conservation measures. The Program's broad scope of qualifying projects, below market interest rates, and diverse geographic profile have made it an overwhelming success. The upgrades funded by the Program have led to an estimated annual energy savings of 82.2 million kWh's and an estimated annual reduction in greenhouse gas emissions of 148,000 metric tons which is equal to removing 17,000 cars from the roads of Alabama. ADECA Director Jim Byard Jr. said: "Since its inception, the AlabamaSAVES program has proved to be a valuable resource for Alabama businesses. The program is one of the many ways in which ADECA works to fulfill our mission to strengthen Alabama communities. I encourage more businesses to look into the program as a way to increase their bottom line and expand job opportunities."

The AlabamaSAVES Program is continuing its mission of supporting energy efficiency financing by transitioning to a Participating Loan Program. Originally, the Program was funded by a \$25 million grant from the U.S. Department of Energy's State Energy Program, divided into two pools of capital, a \$15 million direct-loan pool and a \$10 million subsidized-loan pool. The Program has now spent down the subsidized pool and going forward will use the proceeds of the direct loan pool to purchase participating interests in qualifying loans made by its banking partners. The Program will purchase a participating interest of the lesser of 100% of the amount of the qualifying measures being funded *or* 25% of the loan being used to fund the measures within a broader scope of work. To further induce lending, the Program will subordinate its participating interest in the loan to the banking partner's remaining principal in the event of default, allowing lenders to consider loans they might not otherwise fund and to provide additional proceeds on favorable terms to the benefit of the borrower.

Examples of the project types where the Program's participating interest can be used include:

- Building rehabilitations where the Program would fund the energy efficiency scope of the work.
- The re-financing of existing mortgages, where additional proceeds are advanced for energy efficiency upgrades, with the Program purchasing an interest equal to the cost of upgrades such that the banking partner's principal exposure in a loss situation is the same, but the building is now improved and the net operating income lowered by energy savings and operating expense reductions from the measures financed.

“The establishment of the participating loan program allows AlabamaSAVES to continue to support the energy efficiency financing of its banking partners,” says Greg Montgomery, Managing Director of CleanSource Capital and an Administrator of the AlabamaSAVES Program, “while preserving the program's remaining principal to ensure the long-term sustainability and on-going role of AlabamaSAVES in improving the energy resources, workforce and environment of Alabama.”

About AlabamaSAVES

ADECA founded the AlabamaSAVES program to provide state businesses with low-cost loans for energy-efficiency upgrades and renewable energy projects in order to create jobs and make Alabama industry more competitive. Potential projects are evaluated based on the potential for sustainable energy savings, cost savings, renewable energy generation, emissions reductions, and job creation and retention. Alabama businesses and financial institutions interested in participating in the AlabamaSAVES program can find more information at www.AlabamaSAVES.com.

About Abundant Power and CleanSource Capital

Abundant Power Group, LLC based in Charlotte, NC, is an energy management services company providing financial and technology solutions for the built environment ecosystem. Abundant brings expertise in finance, engineering, building science, technology and real estate to each of its programs. For more information on Abundant, please visit www.AbundantPower.com.

CleanSource Capital, LLC, also based in Charlotte, NC, is an affiliate formed by Abundant Power to administer and grow its SAVES platform using alternative forms of specialized financing as well as to provide specialty finance solutions and advisory services in the energy efficiency industry.