

EPAD | Energy Efficiency KENTUCKY | Financing

Energize Your Business

EPAD Kentucky is a new program available to commercial, industrial, non-governmental organizations, and multi-family building owners across the Commonwealth. EPADs (Energy Project Assessment Districts) provide access to low-cost, extended term capital to finance energy efficiency and water efficiency improvements.

EPAD Kentucky is the implementation of a new state law adopted in 2015 (KRS 65.205) that allows a property owner to finance energy and water saving improvements through a voluntary assessment on the property.

EPAD Statistics Nationally

EPAD financing, sometimes referred to as PACE, was named one of the top 20 “world changing ideas” by *Scientific American* magazine, and has been initiated in 31 states.



35
active
programs



59,000+
projects
completed



\$1.4 Billion
in projects
funded

The EPAD Advantage

LESS INVESTMENT RISK

- The cost of the assessment, as well as the energy savings, can be passed along to the tenant under some lease types
- Assessments are attached to the property and transfer upon sale
- Improvements can lower operating costs while increasing property values
- Capital is secured by a priority assessment on the property, so long-term capital can be raised from the private sector

GROW YOUR ECONOMY

- Local suppliers can provide equipment
- Create jobs that can't be outsourced

NON-DEBT FINANCING

- Improvements can proceed without up-front capital expenses
- Property owners can preserve credit lines for other investments

LONG-TERM FIXED RATE

- Can provide an immediate net positive cash flow through utility savings
- Repaid as a long-term special assessment on the property for up to 20 years

Eligible Projects

MECHANICAL

- Air conditioner and furnace upgrades
- New boilers
- CHP systems
- Pumps, drives, and motors
- Industrial processes
- Elevators and escalators

ENVELOPE

- New roof with added insulation
- Windows and doors
- EIFS application
- Green roof

RENEWABLE ENERGY

- Solar panels
- Geothermal heating/cooling
- Wind turbines

LIGHTING

- LED fixtures
- Automated controls
- Parking lot lights

EPAD Case Study: Ivy Knoll Senior Retirement Community, Covington, KY

THE PROBLEM

- High energy consumption
- Deferred maintenance concerns

THE SOLUTION: EPAD FINANCING

- \$750,000, 20 year term
- 64,000 kWh of estimated electricity generated from rooftop solar array
- \$12,000+ estimated lighting electricity savings
- 40% estimated total energy use reduction from elevator modernization
- 20% estimated total energy use reduction from updated heating and cooling units in apartments
- Improved tenant comfort



For More Information

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EPAD
KENTUCKY

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