

Request for Expressions of Interest (RFEI) - New Jersey Green Fund

1.0 Purpose and Intent

To meet New Jersey’s ambitious clean energy goals, the New Jersey Economic Development Authority (“NJEDA”) is issuing a Request for Expressions of Interest (“RFEI”) from project developers, owners, financial institutions, and other relevant parties seeking capital from the NJEDA through the New Jersey Green Fund (“NJGF”), a planned initiative that will be housed within the NJEDA to invest in clean energy projects in the State. Currently contemplated NJGF products include warehousing and aggregation credit facilities; credit enhancements; pre-development and construction financing; and term loans and investments, amongst other structures. The purpose of this RFEI is to help inform the NJGF on desired financial structures and investment products best suited to the needs of the marketplace and help accelerate progress toward the State’s clean energy goals. Additionally, through the responses to the RFEI, the NJEDA can best determine the scale of financing needs across various NJGF products and market sectors. Please note, providing a response to this RFEI is not a formal application for funding nor a binding intent to pursue investment opportunities that may be made available through the NJGF in the future.

NJEDA is seeking expressions of interest from Respondents that identify specific sites, projects, or assets (“project”) within New Jersey that are interested in financial support from the planned NJGF. To be eligible for the anticipated NJGF financial support, assets/projects must be seeking at least \$5 million in capital and must be new projects rather than ones seeking refinancing. In particular, NJEDA is looking to support projects in New Jersey that have financial needs that cannot be fully met by existing financial tools available on the private market.

2.0 Background

NJEDA works to expand the State’s economy and increase equitable access to opportunity by supporting high-quality job creation, catalyzing investment, and fostering vibrant, inclusive community development. In order to meet the State’s joint objectives of building a stronger and fairer economy while simultaneously accelerating the transition to a clean energy future, the NJEDA formed a designated Clean Energy department. NJEDA's Clean Energy department is focused on advancing the growth of clean energy technologies and organizations in the State through various products that support NJEDA’s mission. Currently, NJEDA’s Clean Energy department actively manages several existing programs that finance clean energy investments, including the [New Jersey Clean Energy Loans program](#) (NJ CELs), the [Offshore Wind Tax Credit](#) program, the [New Jersey Zero-Emission Vehicle Incentive Program](#) (NJ ZIP), and the soon-to-be-launched [Commercial Property Assessed Clean Energy \(C-PACE\)](#) program.

Building on NJEDA’s experience of supporting the growth of clean energy technologies, Governor Murphy and the State legislature allocated seed capital in the FYE ’24 State budget to the New Jersey Green Fund, which is currently being organized within the NJEDA to invest in clean energy projects in the State. Planned NJGF investments, which may include equity investments, credit enhancements, loans, and other vehicles, will be aimed to facilitate an equitable clean energy transition in New Jersey by attracting private capital to enable the State to reach 100% clean energy by 2035 while also providing measurable benefits to Overburdened Communities, as designated by the New Jersey Environmental Justice Law (N.J.S.A. 13:1D-157).¹ For more information on New Jersey’s Overburdened Communities, including a list of these communities and an associated map, please visit: <https://dep.nj.gov/ej/communities/>. NJGF will accelerate clean energy deployment in New Jersey by collaborating with public and private investors, foundations, and other non-profit organizations to transform financing markets that will have positive and long-lasting environmental, economic, and social benefits. This work in New Jersey is able to leverage the growing

¹ [N.J.S.A. 13:1D-157](#)

track record and experience of state-level green banks across the United States that have, to date, deployed over \$4.2 billion to mobilize more than \$10.6 billion in private co-investment, including a strong focus on clean energy in low-income communities.² The NJGF represents a transformative opportunity for New Jersey through its introduction of a self-sustaining financial model that would augment the State's current annual spending and anticipated federal funding to promote and advance energy efficiency, renewable energy, energy storage, and clean transportation.

The planned NJGF will offer financial products and support to stimulate larger private capital investments for, and deployment at scale of, clean energy technologies within New Jersey. Its market-responsive approach to structuring investments will allow the NJGF to be able to design products that address commercial gaps and barriers to clean energy advancement in the state.

Beyond its State allocation, NJEDA is actively pursuing other funding opportunities made available at the federal level, including the Greenhouse Gas Reduction Fund's National Clean Investment Fund competition, to bolster the planned NJGF's capital base. Additionally, NJEDA is working with the Department of Energy Loan Programs Office and was recently qualified as a State Energy Financing Institution (SEFI) that can unlock low-cost capital available through the federal Title 17 financing program.

3.0 NJGF Priority Investment Categories

The planned NJGF through its investments will focus on creating and supporting clean energy opportunities by expanding financing markets, mitigating risk to attract private investment, and increasing availability of capital where it is limited. Minimum project requirements for NJGF investment are outlined in Section 4.0. In particular, NJGF is seeking information on projects that either would likely not occur given the current state of the private markets or might occur in the private markets but would likely (i) involve less favorable tenor, cost, fees, and/or other key transaction terms; (ii) not happen at the market breadth needed to scale the sector; (iii) not have the same level of focus on reaching New Jersey residents in Overburdened Communities; and/or (iv) not happen as expeditiously. Consequently, the NJGF will accelerate an equitable transition to a clean energy economy in the State. That focus will be centered thematically on three key market areas:

3.1 Building Decarbonization and Resiliency

New Jersey has aggressive goals to reduce greenhouse gas emissions from its building sector, which is the second highest source of emissions in the State.³ These include:

- 100% clean energy by 2035 (Murphy Executive Order 315)⁴
- Zero-emission heating/cooling systems in 400,000 dwelling units by 2030 (Murphy Executive Order 316)⁵
- Zero-emission heating/cooling systems in 20,000 commercial/public spaces by 2030 (Murphy Executive Order 316)⁶

Given New Jersey's coastal location in the northeast, enhancing resiliency within the built environment is also critical to managing climate change. Since 1980, the State of New Jersey has been affected by 62

² [American Green Bank Consortium Annual Industry Report](#)

³ [NJDEP](#)

⁴ [Murphy Executive Order #315](#)

⁵ [Murphy Executive Order #316](#)

⁶ [Murphy Executive Order #316](#)

extreme weather events that each have had nationwide cumulative losses exceeding \$1 billion.⁷ Climate change is expected to continue to threaten New Jersey (and the nation) with increased temperatures, rising sea levels, and more intense rainfall events.⁸ These challenges pose risk to buildings in the State that, through its own operating emissions, can continue to exacerbate these threats without increased decarbonization and resiliency efforts.

By providing access to affordable capital, the planned New Jersey Green Fund can empower additional greenhouse gas emissions reductions from the existing and proposed buildings in the State. The State continues to make measured progress towards the goal of reducing overall emissions by 80 percent by 2050 (Global Warming Response Act of 2007)⁹, as well as an interim goal of a 50 percent reduction by 2030 (Murphy Executive Order 274)¹⁰. With an extensive statewide existing building stock and as the nation's most densely populated state, New Jersey's capital requirements will continue to be a significant barrier to building sector emissions reductions.¹¹ In particular, building decarbonization projects for existing buildings typically have longer payback periods and can be more capital intensive than conventional energy efficiency improvements. These challenges are even more burdensome for buildings located in Overburdened Communities that historically have seen less access to capital and often face a backlog of regular building maintenance activities.

3.2 Zero-Emission Transportation

The transportation sector is the largest contributor to greenhouse gas emissions in the State.¹² In addition to targeting 100% clean energy by 2035 (Murphy Executive Order #315)¹³, New Jersey's aggressive goals for greenhouse gas emissions reductions also include having 330,000 light duty zero-emission vehicles on the road by 2025, with 2 million registered by 2035 (EV Act of 2019)¹⁴.

In conjunction with electrification of fleets from polluting combustion vehicles, associated charging stations are required throughout the State to enable convenient and efficient vehicle charging. Zero-emission transportation does not just reduce emissions from the transportation sector. When coupled with managed charging programs or vehicle to grid power connections, zero-emission vehicles can function as battery storage systems and grid assets.

Ongoing zero-emission vehicle grant and incentive programs available through the NJEDA, the New Jersey Department of Environmental Protection ("NJDEP"), the New Jersey Board of Public Utilities ("NJBP"), and private utilities have helped encourage increased adoption of electric vehicles in New Jersey. However, these programs do not cover the full acquisition costs of vehicles or fully address the scale of transition needed within the timeline of the State's goals, leaving a funding gap that can be met by financing. In particular, for medium and heavy-duty vehicles, the high costs of vehicles pose challenges to commercial entities looking to transition their fleets to cleaner alternatives. Additionally, conventional financing institutions are often hesitant to finance innovative technologies, such as alternative zero-emission vehicles, that are newer to the marketplace.

⁷ [National Oceanic and Atmospheric Administration \("NOAA"\) National Centers for Environmental Information \("NCEI"\)](#)

⁸ [NJDEP](#)

⁹ [Global Warming Response Act](#)

¹⁰ [Murphy Executive Order #274](#)

¹¹ [World Population Review](#)

¹² [NJDEP](#)

¹³ [Murphy Executive Order #315](#)

¹⁴ [EV Act of 2019](#)

By providing access to affordable capital, the planned NJGF will accelerate the adoption of zero-emission transportation in the New Jersey market and reduce emissions from the highly polluting transportation sector.

3.3 Clean Energy Generation and Storage

Increased access to clean distributed power generation with renewable energy systems will strengthen the local and national power system, improve energy security, and help ensure that every community benefits from the clean energy transition.

New Jersey State goals for clean energy production and storage include:

- 100% clean energy by 2035 (Murphy Executive Order #315)¹⁵
- 2 GW of energy storage available by 2030 (Renewable Energy Bill, A3723)¹⁶
- 11 GW of offshore wind capacity completed by 2040 (Murphy Executive Order #307)¹⁷

New Jersey has made progress towards these targets with 1.5 GW of offshore wind projects actively under development¹⁸ and 4.56 GW of solar capacity installed in the State as of September 30, 2023.¹⁹ However, even with these notable achievements, renewable energy only makes up 8.30% of the overall electric power generation in New Jersey as of 2022.²⁰

By providing access to affordable capital, the planned NJGF can empower the development of additional renewable energy capacity and storage and allow the State to meet its clean energy goals. Low-cost financing will be critical for continued renewable energy investment.

New Jersey is also particularly focused on developing community solar in the State. Recently, NJBPU raised the annual cap for its community solar program on allowed community solar subscriptions from 150 MW to 225 MW.²¹ NJEDA is interested in investing in community solar projects, especially those that benefit Overburdened Communities and are housed on contaminated brownfield sites around the State.

4.0 Minimum Project Requirements

Focusing on these three priority investment categories, the NJEDA is seeking project information to help design investment products best suited to accelerate progress toward the State's clean energy goals and better understand the scale of financing need across various NJGF products and market sectors. Notwithstanding, we would seek interests for other types of projects as well. Projects supported by the planned New Jersey Green Fund will be subject to the following limitations:

- Assets/projects must be seeking at least \$5 million in capital from the NJGF
- Assets/projects must have an equity contribution of at least 20%, excluding tax equity financing
- Assets/projects supported by NJGF must be primarily located in the State of New Jersey

¹⁵ [Murphy Executive Order #315](#)

¹⁶ [Renewable Energy Bill, A3723](#)

¹⁷ [Murphy Executive Order #307](#)

¹⁸ [NJEDA](#)

¹⁹ [New Jersey's Clean Energy Program](#)

²⁰ [NJDEP](#)

²¹ [NJBPU](#)

- Assets/projects must be new rather than seeking refinancing
- Assets/projects must lead to reduced greenhouse gas emissions and/or criteria pollutants in the State; or similarly support New Jersey’s current clean energy and environmental goals
- The NJGF cannot provide support directly to individual consumers

5.0 RFEI Submission

5.1 Potential Respondents

The planned NJGF is interested in supporting a wide range of entities undertaking clean energy projects. These include conventional organizations such as major renewable energy developers or large real estate developers, but also smaller entities that may be more community focused. NJEDA encourages all interested parties to provide feedback to the RFEI. Potential Respondents to the RFEI may include but are not limited to:

- Property owners
- Real estate developers
- Renewable energy developers and operators
- Financial institutions
- Corporations
- Non-profit organizations
- Venture and private equity groups
- Community-based organizations, including those representing Environmental Justice Communities
- Other private entities

Please note, Respondents can submit multiple proposals to the RFEI, or include reference to multiple projects in one comprehensive proposal.

5.2 Timeline

Date	Event
November 29, 2023	Distribution of RFEI
December 15, 2023	Deadline for Respondents to submit any questions on the RFEI content or process
January 12, 2024	Deadline for Respondents to provide responses to the RFEI

5.3 Required Information for Submission

Category	Page Limit	Description
Cover Page	1-page maximum	a. Lead entity’s name b. Primary point of contact information for lead Respondent (including: name, title, address, phone number, email address) c. Similar information for any Co-Respondents/partners

Entity Profile	2-pages maximum	<p>a. Summary of Respondent’s organizational history and background</p> <p>b. Organizational involvement with and/or commitments to clean energy, including a summary of relevant ongoing or recently completed projects</p> <p>c. Organizational size and/or operating capacity</p>
Project Information	5-pages maximum	<p>a. Describe the project/asset seeking NJGF support. Include location, project type, specific technologies utilized, overall business model, expected sources of project revenue, and other relevant details to inform the project scope (size, renewable capacity, etc.).</p> <p>b. Explain how the project falls under any of the planned NJGF’s three priority investment categories (building decarbonization and resiliency, zero-emission transportation, or clean energy generation and storage), if applicable.</p> <p>c. Detail any potential benefits to the State, especially in regard to the State’s Overburdened Communities. These benefits should include positive environmental (i.e., projected emissions reductions, local air quality improvements) and economic (i.e., job creation) impacts directly or indirectly resulting from the project.</p>
Capital Requirements and NJGF Investment Support	5-pages maximum	<p>a. Detail capital requirements expected for each project or total capital needs if Respondent is submitting regarding a portfolio of projects. Include an anticipated schedule for the project, detailing when capital will be needed during various stages of project development.</p> <p>b. Include an explanation for why the Respondent is seeking NJGF support in lieu of or in addition to existing financial tools available on the private market. This explanation may include barriers such as project credit constraints, high cost of capital, long project payback periods, technological risks, complex underwriting requirements, innovative business models, small transaction sizes, etc.</p>

		<p>c. Indicate what type of investment support you are seeking (e.g., loan, credit enhancement, equity investment, etc.) and when during project development the support would be needed (predevelopment, construction, acquisition, commercial operation date/term loan, etc.).</p> <p>c. Explain how the project/asset is expected to contribute to financial market transformation in terms of e.g., (i) reaching New Jersey residents in Overburdened Communities and/or with credit profiles that are typically deemed to be high risk (e.g., FICO scores below 650); (ii) creating scale; (iii) improving private sector participation; (iv) increasing level of awareness and confidence in the relevant sub-sector or business model; and/or (v) other aspects of market transformation.</p> <p>d. Outline any current or expected internal/external sources of funding (if known) to address financial needs beyond what financial support is being sought via the planned NJGF.</p>
--	--	---

5.4 Submission Process

All RFEI responses must be submitted no later than **5:00 PM ET on January 12, 2024**, via email to: **NJGFrfei@njeda.gov**. The subject line of the email should state: **NJGF RFEI Response – [Primary Applicant Name]**.

Any questions by prospective Respondents concerning this RFEI shall be sent by email to: **NJGFrfei@njeda.gov**, no later than **5:00 PM ET on December 15, 2023**. The subject line of the e-mail should state: **NJGF RFEI Questions**.

6.0 Post-Submission Process

NJEDA may invite Respondents to provide additional information to allow NJEDA to better understand the information provided in the submittal. NJEDA may also request meetings with some or all of the Respondents to discuss details of responses.

Based on the feedback provided via the RFEI, NJEDA anticipates designing products within the planned NJGF. Future opportunities will be made available for Respondents and other members of the public to apply for NJGF funding regardless of whether they respond to the RFEI. The exact nature of these products will depend on product design, relevant project scope, and relevant source of NJGF funding.

7.0 New Jersey Open Public Records

Respondents should be aware that responses to this RFEI are subject to the “New Jersey Open Public Records Act” (N.J.S.A. 47:1A-1 et seq.), as amended and including all applicable regulations and policies and applicable case law, including the New Jersey Right-to-Know law. All information submitted in response to the RFEI is considered public information, notwithstanding any disclaimers to the contrary, except as may be exempted from public disclosure by OPRA and the common law.

Any proprietary and/or confidential information submitted in response to this RFEI will be redacted by the NJEDA. A person or entity submitting a response to this RFEI may designate specific information as not subject to disclosure pursuant to the exceptions to OPRA found at N.J.S.A. 47:1A-1.1, when such person or entity has a good faith legal and/or factual basis for such assertion (i.e., information that may be included in another ongoing public procurement or solicitation). The NJEDA reserves the right to make the determination as to what is proprietary or confidential and will advise the person or entity accordingly. The NJEDA will not honor any attempt to designate the entirety of a submission as proprietary, confidential, and/or to claim copyright protection for the entire proposal. In the event of any challenge to the Respondent’s assertion of confidentiality with which the NJEDA does not concur, the Respondent shall be solely responsible for defending its designation.