



**New Jersey Economic Development Authority**

**REQUEST FOR INFORMATION ("RFI")**

**2020-RFI-OET-CE-102**

**for**

**Potential Green Financing Mechanism to be Established by the State of New Jersey**

**1. INTENT/SUMMARY OF SCOPE**

In accordance with the State of New Jersey's recently released Energy Master Plan ("EMP", "Plan"), the New Jersey Economic Development Authority ("Authority", "NJEDA"), an independent authority of the State of New Jersey, is seeking information and ideas from qualified entities and individuals with perspectives on the potential establishment of a green bank, fund or other financing mechanism to support clean energy-related investments in New Jersey ("Respondents"). For the purposes of this RFI, any potential future clean energy-related financing mechanism is referred to a "Green Fund".

This Request for Information (RFI) is issued by the NJEDA to seek perspectives on clean energy financing. The NJEDA is interested in receiving comments, questions, recommendations, facts, information, information, ideas and responses that will help the NJEDA to identify and better understand the issues that need to be addressed in the context of establishing and operating a Green Fund.

Respondents to this RFI are encouraged to reply within the context of the broader mandates in effect for the development of the State of New Jersey's clean energy economy, including as established in Governor Murphy's Executive Orders 8, 23, 28, 92 and 100; the Clean Energy Act of 2018; and the EMP.

**2. BACKGROUND**

The New Jersey Economic Development Authority serves as the State's principal agency for driving economic growth. The Authority is committed to making New Jersey a national model for inclusive and sustainable economic development by focusing on key strategies to help build strong and dynamic communities, create good jobs for New Jersey residents and provide pathways to a stronger and fairer economy. Through partnerships with a diverse range of stakeholders, the Authority creates and implements initiatives to enhance the economic vitality and quality of life in the State and strengthen New Jersey's long-term economic competitiveness.

The New Jersey Energy Master Plan released by Governor Murphy on January 22, 2020 sets forth a robust, actionable set of plans and recommendations to enable the State to achieve its ambitious commitments to the deployment of clean energy and the reduction of greenhouse gas emissions between now and 2050. The Plan recognizes that meeting these commitments will require massive amounts of private capital investment—and that New Jersey government can and should play a critical role in mobilizing this capital. The Plan states:

*Expanding opportunities for innovative and low-cost financing and leveraging public dollars to grow private sector investment is vital to achieving the goals set forth throughout the Energy Master Plan (EMP). Using public funds to attract and leverage private capital, lower interest rates, provide gap financing, and advance other financial mechanisms will enable the clean energy economy to grow faster and farther and with less impact to ratepayers and taxpayers.*

To date, financing mechanisms dedicated to increasing private investment in the deployment of clean energy technologies have been established in nine states throughout the United States as well as a number of counties and municipalities, and green financing mechanisms are currently under development in several other states.<sup>1</sup> Each green financing mechanism has its own unique approach, with differences in areas such as method of legal organization (including governmental vs. non-governmental status), governance framework, funding levels and sources, types of clean energy investments financed, financial and other products offered, and permitted categories of borrowers. The State of New Jersey is open to considering a wide range of approaches to the establishment and operation of a Green Fund, provided that they meet the core requirements of stimulating and leveraging private sector investment in clean energy; rapidly reducing New Jersey's carbon footprint and the emission of harmful pollutants into the State's air and water; and providing direct economic benefits to the citizens of New Jersey, including, but not limited to the stimulation of job creation and local investment and the lowering of energy costs.

### **3. ELIGIBILITY CRITERIA**

The RFI is seeking responses from all individuals and organizations that have an interest in how a Green Fund may be established and operate in New Jersey. These include, but are not limited to, commercial banks, specialty lenders and other private sources of funding; businesses wishing to develop and deploy clean energy initiatives in New Jersey; current and potential suppliers within the clean energy supply chain; and, for-profit and not-for-profit organizations with specialized knowledge and expertise about the creation and operation of green banks, green funds, and similar financing mechanisms. Qualified parties do not need to be located within the State of New Jersey to provide a response.

### **4. RFI RESPONSE QUESTIONS**

In submitting responses to this RFI, Respondents are encouraged to answer all questions listed below that are relevant to you or your organization and to the best of your ability. Answers are understood to be preliminary and non-binding. Respondents are free to go beyond the scope of the questions and/or structure responses as necessary to increase clarity and efficiency of responses.

- i. Please provide information on your company, group, government entity, or self and your capacity and qualifications within the clean energy finance marketplace.

---

<sup>1</sup>CO, CT, DE, FL, HI, MD, MI, NY, and RI, as well the District of Columbia, have green financing mechanisms in place, as have Montgomery County, MD and NYC. Additional states in which the establishment of a green financing mechanism is being pursued include CA and NV.

- ii. Please identify existing state government programs, if any, that you believe should be taken into consideration as part the development and operations of a Green Fund (i.e., to avoid duplication, to ensure consistent messaging to the market place, etc.).
- iii. What would be an appropriate level of initial and longer-term capitalization for the Green Fund, and what funding sources should be tapped for such capitalization (e.g., Regional Greenhouse Gas Initiative funding, NJ state appropriations, federal funds, social impact investment)?
- iv. If established as a governmental or quasi-governmental entity, what would the benefits and considerations be for developing the Green Fund as a new function within an existing state entity vs. as an entirely new agency or instrumentality of state government? What would the benefits and considerations be for establishing the Green Fund outside of state government (e.g., as an independent not-for-profit entity)?
- v. What kinds of clean energy-related technologies or projects should a Green Fund support? What are the key financing gaps in New Jersey with respect these technologies or projects that need to be urgently addressed?
- vi. During its initial years of operation, what kinds of products and services should a Green Fund prioritize, e.g., loan guarantees, securitization of privately issued loans, participation in project finance capital stacks, transaction documentation standardization?
- vii. How should the State think about minimum performance requirements for a Green Fund? For example, should those requirements consider elements such as: the extent to which private capital is leveraged, the estimated amount of greenhouse gas emissions mitigation per dollar loaned, whether the Fund is operating on terms that ensure its sustainability, or the extent to which the Fund’s lending activities are addressing Environmental Justice issues?

##### **5. QUESTIONS AND ANSWERS (From Respondents to the EDA)**

All questions concerning this RFI must be submitted in writing no later than **11:59pm ET, on March 27, 2020** via e-mail to: **RFI-PotentialGreenFund@njeda.com**.

The subject line of the e-mail should state: “QUESTIONS-2020 RFI-OET-CE-102—POTENTIAL GREEN FUND”

Answers to questions submitted will be publicly posted on the Authority’s website on or about April 2, 2020 at: <https://www.njeda.com/Bidding-Opportunities-General/Economic-Transformation-RFIs as Addendum 2020-RFI-OET-CE-102>.

**IT IS THE RESPONDENT’S RESPONSIBILITY TO CHECK THIS URL REGULARLY FOR UPDATES.**

**6. RESPONSE DETAILS**

All RFI responses must be submitted in writing no later than **11:59pm ET, on April 17, 2020** via e-mail to: **RFI-PotentialGreenFund@njeda.com**.

The subject line of the e-mail should state: “RFI Response-2020-RFI-OET-CE-102-Potential Green Fund”.

**7. FOLLOW-UP QUESTIONS (from EDA) / ADDITIONAL INFORMATION**

Respondents may be asked to provide additional information to allow the Authority to better understand the responses.

**8. PROPRIETARY AND/OR CONFIDENTIAL INFORMATION**

The Authority reserves the right to copy any information provided by the Respondents. The Authority reserves the right to use ideas that are provided by Respondents, applicants, stakeholders, or vendors. By submitting a Response, the submitter represents that such copying or use of information will not violate any copyrights, licenses, or other agreements with respect to information submitted or product solutions demonstrated, if applicable. Responses must clearly be marked for any information the Respondent deems Proprietary and/or Confidential.

**9. DISCLAIMER / NO OBLIGATION**

This RFI is not a request for qualifications/proposals. It may or may not result in further action.

This RFI is issued solely as a means of gathering information in order to better understand the State’s green financing requirements and potential State activities to assist in meeting such requirements. Interested parties responding to this RFI do so at their own expense. There will be no monetary compensation from the Authority for the time and effort spent in preparing the response to this RFI. All expenses incurred are the sole responsibility of the Respondent.

Should the Authority decide to move forward and either issue an RFQ/P or announce a program/product related to this RFI, Respondents need not have submitted a response to this RFI in order to be eligible to respond to the RFQ/P or apply for the product/program. Should an RFQ/P be issued, responding to this RFI will not affect scoring or consideration for that process.

The Authority is under no obligation to contact Respondents to this RFI.

**10. NEW JERSEY OPEN PUBLIC RECORDS ACT**

Respondents should be aware that responses to this RFI 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 RFI 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 RFI will be redacted by the Authority. A person or entity submitting a response to this RFI 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 Authority reserves the right to make the determination as to what is proprietary or confidential and will advise the person or entity accordingly. The Authority 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 Authority does not concur, the Respondent shall be solely responsible for defending its designation.