

## **Goldman Sachs, Citigroup head up Hawaii's \$150M green financing program**

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Goldman Sachs, one of the top investment banks in the world, and Citigroup, one of the largest bank holding companies in the United States, are the leading managers for the bond sale for a \$150 million program that would expand the installation of solar energy systems and other clean energy devices for Hawaii consumers.

The Hawaii Department of Business, Economic Development and Tourism said Wednesday that its Green Energy Market Securitization program, or GEMS, initially will focus on investments in photovoltaic systems and other technologies that support PV interconnection, such as energy storage, advanced inverters and monitoring devices.

The state plans to price the \$150 million of bonds next week.

Local investors will be able to place orders during a special retail order period, with the bonds being issued in minimum denominations of \$5,000 and multiples of \$1,000 in excess thereof, the state said.

Interest on the bonds is exempt from state taxes, but is included in gross income for federal income tax purposes.

The state has designated the bonds as "green bonds" based on the intended use of the proceeds for the financing of environmentally beneficial projects.

Hawaii is the first state in the nation to use this type of financing structure to help consumers pay for clean energy installations.

A green infrastructure fee, which was approved by the Hawaii Public Utilities Commission, will be used to secure the bonds to ensure they achieve the highest possible credit rating.

The fee will be offset by a reduction in the public benefits fee that is currently on electric bills.

First Southwest Company acted as the financial advisor to the department for this transaction.