



TO: FHFA General Counsel Alfred M. Pollard
FROM: New York Solar Energy Society (NYSES)
RE: PACE / RIN 2590-AA53

Here in the Northeast, heating is dominated by imported oil. General energy use is twice the average per capita as Europe. Our housing stock is old and inefficient.

Property Assessed Clean Energy (PACE) addresses these issues directly. The special assessment district model is old and long proven. PACE advances this model because there is a substantial net gain for the homeowner in energy savings.

Although 28 states, including New York, had made PACE legal, the Federal Housing Finance Agency (FHFA) failed to follow established procedure for review of its negative action.

PACE programs are designed to minimize risk. Typically, homeowners must have substantial equity and have a good credit record. They are limited to projects costing less than 10% of the value of their home. The homeowner's economics are strengthened by lower energy costs.

PACE is an immediate job creation program that pays for itself over time. The bonded financing is attached to the property. Home values are increased, energy use is lowered and hedged, grid loads are reduced, national balance of payments improved and the environment helped.

The special assessment district has centuries of proven use. FHFA has no authority to assess or attack their validity, If the current denial stands, FHFA is claiming control over local water and sewer districts as well. This would be an egregious expansion of federal power over local control.

Previous poor credit practices by Fannie and Freddie that added to the housing collapse aren't an excuse to attack an entirely different program. PACE can be an important part of stabilizing the housing market and the general economy.

Guidelines for PACE programs are appropriate. Local special assessment districts have been designing proper guidelines and can use information on successful programs that have good track records. Commercial PACE is moving forward. Residential PACE needs to move forward for the good of the country.

— NYSES Board of Directors

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The New York Chapter of the American Solar Energy Society

We support solar, wind, energy efficiency, green building, geothermal, and more.