

Meeting Minutes

Topic/Purpose **R-PACE Work Group**
Budget [item 125\(E\)](#) requires the Department of Mines, Minerals, and Energy (DMME) to establish a work group to determine the feasibility and approach of creating a Virginia R-PACE program.

Date & Time **June 9, 2021, 2:00 PM – 4:00 PM**

Location
(Virtual) **Attendee link:**
<https://covaconf.webex.com/covaconf/j.php?MTID=m06797098b8d2d276305a4c22a12656c7>
Event password: dmme1

Dial in:
+1-866-692-4530 US Toll Free
+1-517-466-2023 US Toll
Access code: 161 744 9504

Agenda items (2 hour meeting):

2:00 – 2:05 **Housekeeping items**
Jordan Burns, DMME

2:05 – 2:15 **Introductions**
Workgroup members

2:15 – 2:30 **Meeting opening**
Del. David A. Reid

2:30 – 2:50 **Review R-PACE and requirements contained in the budget item**
Larry Corkey, DMME

2:50 – 3:20 **Identify stakeholder priorities**
Workgroup members

3:20 – 3:35 **Discuss experience in other states. Specifically what are the benefits/challenges observed in other states?**
Workgroup members / DMME

3:35 – 3:50 **Public comment**

3:50 – 4:00 **Next steps**

Meeting Minutes:

Call to order

The Virginia R-PACE Workgroup held its first meeting on June 9, 2021. The meeting was held virtually and DMME Staff called the meeting to order at 2:03 p.m. A roll call was conducted and the following members were present: Matt Bruning, Andrew Clark, Gerry Gurgick, Ozzie Hoffler, Abby Johnson, Nate Smith, Terrie Suit, and Mike Turner. Members that joined after the roll call included Colin Bishopp, Russ Edwards, and Bob Giles. Staff present included Jordan Burns, Larry Corkey, Michael Skiffington, Bettina Bergoo, Erik Olson, Grant Kronenberg, and Carrie Hearne.

Electronic meeting

This meeting was held electronically via webex due to the state of emergency in effect related to the COVID-19 Pandemic. DMME Energy Policy Analyst, Jordan Burns acted as the meeting chair and read the Electronic Meeting Notice regarding Chapter 56 of the 2020 Special Session I Acts of Assembly that provides a greater allowance for public bodies to meet by electronic means that is not found within the Virginia Freedom of Information Act. On a motion by Matt Bruning, seconded by Nate Smith, Jordan Burns conducted a roll call vote. Matt Bruning, Andrew Clark, Gerry Gurgick, Ozzie Hoffler, Abby Johnson, Nate Smith, Terrie Suit, and Mike Turner voted aye that the meeting qualified as an electronic meeting under the terms of the Acts of Assembly. Colin Bishopp, Russ Edwards, and Bob Giles were not present for the vote. The motion passed.

Introductions

Jordan Burns facilitated introductions amongst the work group members. The group had representation from all stakeholders statutorily required, which includes the Virginia PACE Authority; the Virginia Bankers Association and other mortgage originators; the Virginia Realtors Association; PACE capital financing institution representative; solar energy contractor; and a representative of the homebuilding industry.

Setting the stage

Delegate David Reid gave a brief opening for the group, which gave some background information regarding how the workgroup was formulated. Del. Reid mentioned that sometimes complex legislation requires work in between sessions of the General Assembly, and this is a way to do a deeper dive into certain policies. Define where we are in Virginia, Learn from other states, look at where the federal government is with R-PACE. Offer recommendations for the 2022 session.

Review of R-PACE and requirements for the workgroup

DMME Energy and Regulatory Program Manager, Larry Corkey gave a brief overview of R-PACE and the specific requirements for the work group. Larry mentioned that the workgroup's job is to determine the feasibility and approach of creating a Virginia R-PACE program and to do that requires addressing the following items:

- Assess the status and readiness of Federal regulations to support an R-PACE program
- Determine market interest, size, and potential volume for a Virginia R-PACE program
- Recommend draft legislation to facilitate program implementation and administration
- Develop draft guidelines governing R-PACE loans in Virginia

Larry also discussed the current status of federal regulations around R-PACE. Primarily he facilitated a discussion on the current rulemaking with the Consumer Financial Protection Bureau (CFPB). The CFPB held their initial comment period in 2019 and the next step is for them to publish a notice of proposed rule, but there is no set timeline for this. Therefore it is unclear when the federal rulemaking will be finalized. Larry also mentioned several other federal actions involving the Federal Housing Finance Agency (FHFA), the Dept. of Housing and Urban Development (HUD), and the Federal Housing Administration (FHA).

Stakeholder priorities

Larry Corkey facilitated a discussion around stakeholder priorities. Each workgroup member was given the opportunity to mention their priorities and respond to various prompt questions. A list of the various prompt questions is summarized below:

- What information should the WG convey about R-PACE in VA?
- What do we need to learn more about?
- What are the most important factors affecting the feasibility of R-PACE in VA?

R-PACE in other states:

Larry Corkey facilitated a discussion around R-PACE in other states. There are three states with active R-PACE programs, California, Florida and Missouri.

Public Comment

Joe Lerch with the Virginia Association of Counties gave a brief public comment indicating that he would be monitoring the workgroup and his organization is interested in financing mechanisms for clean energy at the local level.

Next Steps

Jordan Burns gave a brief overview of the timeline for the workgroup meetings and report. The group agreed that we would attempt to meet in person in mid to late July in the Richmond, VA area. However, some workgroup members may need to attend this meeting virtually.

Adjournment

With no further business to conduct, Jordan Burns called to adjourn the meeting. With no objection the meeting adjourned at 3:40 p.m.