



Collective Energy Company



ABOUT THIS PROJECT

Collective Energy focuses on solar+storage projects for Federally Qualified Health Centers (FQHCs) and community health centers (CHCs). FQHCs and CHCs are the frontline health providers located in low- and moderate-income communities. Without power, these facilities cannot provide critical services, electronic records are not accessible, and life-saving and sustaining medications spoil. Solar+storage systems deliver climate, economic and health benefits to FQHCs, CHCs and their communities, and a program and financing structure can simplify and speed adoption of these systems. The purpose of this loan is to enable Collective Energy to finance predevelopment and construction activities for solar+storage projects at these vital community health centers.

WHY WAS THIS NEEDED?

Challenge: Climate change overburdens people of color and low-wealth communities, which are more likely to face power affordability issues, experience intermittent power loss, and live adjacent to polluting energy sources that impact health. Financing a just and accelerated transition to clean energy is imperative for the health and well-being of the communities Kresge serves.

Solution: To enable community-level systems at scale, a set of organizations must work together to advance clean energy projects in communities via an interconnected and mutually reinforcing ecosystem. This investment came alongside a Kresge guarantee and other similar investments to co-developers working to bring this ecosystem to life.

 <p>collectiveenergyco.com</p>	<p>IMPACTED LOCATION</p>  <p>California/National</p>
<p>YEAR APPROVED</p> <p>2022</p>	<p>AMOUNT OF INVESTMENT</p> <p>\$2 million</p>
<p>TYPE OF TRANSACTION</p> <p>Loan</p>	<p>GRANT SUPPORT</p> <p>\$250,000</p>
<p>KRESGE PROGRAM</p> <p>Environment, Health</p>	<p>TERM OF INVESTMENT</p> <p>2% interest, six-year term</p>



ABOUT THE BORROWER

Collective Energy believes everyone, no matter who they are or where they live or how much money they have, should have equal and reliable access to health services, even when the power goes out. The Collective mission is to:

1. Prevent patients from dying because of health center closures due to power outages,
2. Enable quality, equitable health care services for the medically underserved and the most vulnerable in our communities by ensuring energy reliability and resiliency,
3. Provide long-term savings on electricity costs that critical facilities can use to put toward other services,
4. Avoid lost revenue from closures and spoiled medications and vaccines,
5. Offset carbon emissions by moving from fossil fuel and generator power to clean power, and
6. Finance the installation of solar and backup batteries in a way that leverages public resources, institutional investors and philanthropic institutions, but always serves the interests of health centers first.

KEY PARTNERS:

Capital Link, National Association of Community Health Centers

Key Considerations



Jessica Boehland
Senior Program Officer
Environment Program

- » There are more than 1,200 community health center sites across California and more than 17,000 around the country.
- » A robust financing program, supported by state and national trade associations, has significant potential to deploy solar+storage systems, benefit the communities we seek to serve, reduce carbon and provide added resiliency.
- » More than 30 million people nationwide consider CHCs their primary care providers.
- » This aligns with Kresge’s Community Investment in Health Equity focus area, which aims to address patterns of structural divestment and health inequities in low-wealth and Black, Indigenous and People of Color communities through innovative community ownership models and robust, equity-focused community investments.
- » Solar+storage systems can enable FQHCs to maintain services and support their roles as first responders during wildfires, storms or other emergencies; on a day-to-day basis a solar+storage system can reduce operating costs as well as carbon emissions.
- » Financing a just and accelerated transition to clean energy is imperative for the health and well-being of the communities Kresge serves.
- » This aligns with Kresge’s Equitable and Just Energy Transition Initiative, which seeks to facilitate an urban energy transition that eliminates carbon emissions, builds power for low-wealth communities and communities of color, and propels racial and economic equity.