

Press Release

Vicinity Energy Incorporates Green Loan Principles to Support Investment Funding in Green Districts

August 9, 2022 - [Vicinity Energy](#), a decarbonization leader with the nation's largest portfolio of district energy systems, has recently incorporated Green Loan Principles into its existing credit facilities. Vicinity will use funds from new Green Loan borrowings to support investments into eligible green projects across its district energy systems using renewable energy, waste heat, cogenerated heat, or a combination. The Green Loan Principles, initially introduced by the LSTA, APLMA, and LMA, provide a general framework of market standards and guidelines to promote the development and integrity of the Green Loan product. Vicinity intends to use the funds of the Green Loan for investments that are consistent with the EU Taxonomy technical criteria for District Energy and the Energy Efficiency category of the Green Loan Principles.

Vicinity's lender group includes many leading global financial institutions for sustainable financing. BNP Paribas served as Green Loan Coordinator.

With a commitment to achieve net zero carbon emissions by 2050, Vicinity is electrifying its district energy systems in Boston and Cambridge, with its other locations to follow. The company's multi-pronged decarbonization and electrification plan includes installing innovative technologies such as electric boilers, industrial-scale heat pumps, and thermal storage. As a key part of this strategy, Vicinity announced the launch of eSteam™, the first-ever carbon-free thermal energy product powered by renewable energy.

"Vicinity is on the forefront of building decarbonization. We are investing in our existing infrastructure today to provide our customers with a resilient and cost-effective option to cleanly heat and cool their buildings. Our new Green Loan financing is closely aligned with our corporate ESG objectives," said Bill DiCroce, Vicinity's president and chief executive officer.

"Vicinity is working collaboratively with our communities to help achieve their net zero goals. We are excited to have the partnership of financial institutions who share our commitment to sustainability," added Matt O'Malley, chief sustainability officer of Vicinity.

"BNP Paribas is proud to support Vicinity Energy in its program to decarbonize infrastructure and invest in energy-efficient assets as a key part of the firm's journey to net zero," said Anne van Riel, head of sustainable finance capital markets at BNP Paribas for the Americas region.

About Vicinity Energy

Vicinity Energy is a clean energy company that owns and operates the nation's most extensive portfolio of district energy systems. Vicinity produces and distributes reliable, clean steam, hot water, and chilled water to over 230 million square feet of building space nationwide. Vicinity is committed to achieving net zero carbon across its portfolio by 2050. Vicinity continuously invests in its infrastructure and the latest technologies to accelerate the decarbonization of commercial and institutional buildings in city centers. For more information about Vicinity's Clean Energy Future commitment, visit www.vicinityenergy.us.

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