

Axios Pro Exclusive Content

HASI funds GridPoint's building energy tech



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Illustration: Lindsey Bailey/Axios

Climate investor HASI has provided a credit facility of up to \$150 million to help GridPoint deploy its energy management systems for commercial buildings, *Katie reports.*

Why it matters: Commercial building owners have increasingly been turning to software and computing to manage and reduce their energy use, but the upfront cost of installing the tech has been a barrier.

Details: GridPoint plans to use the new credit facility to expand the number of buildings that use its software with the goal to get to 100,000 subscribed buildings, GridPoint CEO Mark Danzenbaker says.


- The company focuses on owners of smaller commercial buildings (under 50,000 square feet) and helps them reduce energy use and save money. Once the company has a deal with an owner, it can upsell its energy software to manage onsite batteries and EV chargers.
- No-money-down subscription business models, where a third-party investor provides the initial funding, have helped solar panels and other types of energy infrastructure grow dramatically.

Of note: Old-school climate tech folks will recognize the name GridPoint. It was founded in 2003 and raised substantial venture capital over the early aughts.

- In 2015, Twenty First Century Utilities acquired control of Reston, Virginia-based GridPoint, and reset the capital structure. Twenty First Century Utilities and GridPoint were both co-founded by entrepreneur Peter Corsell.
- Since then, GridPoint raised \$75 million in new equity funding from Goldman Sachs and Shell Ventures, and has grown the number of buildings that use its software to 18,000.

What's next: Fewer growth-stage climate tech companies have been raising funding, as Axios' [Ben Geman wrote in Generate](#). But companies that have growing revenue and customers will continue to access capital.

- "It's been a long road for a lot of companies, and we're thrilled to look ahead," said Danzenbaker.

 **Thought bubble:** Business model and financing innovation can often have the biggest effect on getting energy infrastructure deployed. The solar-as-a-service business model enabled the solar sector to ramp up quickly, and other energy sectors are following in its footsteps.