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BLOG

# DOE Announces \$3 Billion Partial Loan Guarantee to Sunnova's Project Hestia

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September 28, 2023




4 min



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# HESTIA



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**PARTIAL  
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\$3 BILLION  
SEPTEMBER 2023**

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The U.S. Department of Energy (DOE), through its Loan Programs Office (LPO), today announced the closing of a \$3 billion partial loan guarantee to Sunnova Energy Corporation’s Project Hestia. The Project will make distributed energy resources (DERs), including rooftop solar, battery storage, and virtual power plant (VPP)-ready, consumer-facing software, available to more American homeowners and create more than 3,400 good-paying, high-quality American jobs. The project reinforces President Biden’s commitment to expanding access to affordable renewable energy across America and achieving a carbon-free grid by 2035 and a net-zero emissions economy by 2050.

This announcement is the single largest commitment ever made by the Federal Government to solar power and DOE’s first loan guarantee for a VPP. This project underscores the Biden-Harris Administration’s efforts to support solar deployment across the nation so that all communities can enjoy the benefits that come with deploying renewable energy, such as lower utility bills, increased energy resilience, and healthier communities. President Biden’s [Investing in America agenda](#)<sup>®</sup> is accelerating adoption of technologies like solar and supporting innovative new climate solutions—helping the U.S. unlock a win-win opportunity for communities and the economy.

LPO works with all borrowers to create good-paying jobs with strong labor standards during construction, operations, and throughout the life of the loan

and to adhere to a strong [Community Benefits Plan](#). These plans outline how proposed projects will support community and workforce engagement; invest in the American workforce; advance energy and environmental justice; promote diversity, equity, inclusion, and accessibility; and deliver benefits to disadvantaged communities as part of the President's Justice40 Initiative.

Project Hestia will provide loans for clean energy systems for approximately 75,000 to 115,000 homeowners throughout the United States, including [Puerto Rico](#)—benefiting disadvantaged communities facing high energy burdens that would otherwise have difficulty accessing clean energy. Over the next 25 years, the approximately 568 MW project, comprised of rooftop solar installations, residential battery systems, and smart software to reduce energy waste, is expected to avoid an estimated 7.1 million tonnes of carbon dioxide—roughly equivalent to eliminating carbon dioxide emissions from 1.5 million vehicles on the nation's roads for a year.

In April, LPO announced a [conditional commitment](#) for the loan to Sunnova's Project Hestia, which will offer homeowners innovative software to accompany solar energy and batteries and to support demand flexibility. The software will give customers insight into their household's energy usage and greenhouse gas emissions, allowing customers to reduce electricity use—or even contribute electricity to the system in markets that allow such contributions—when the grid is under stress. Demand flexibility can improve grid reliability and help lower energy prices for customers, including in [energy-burdened](#) communities.

Coupling aggregated DERs with smart software can create a powerful collective tool; VPPs deliver affordable power and support grid reliability and decarbonization in an increasingly electrified world. The project focuses on households in disadvantaged communities across the United States and Puerto Rico, including at least 20% of loans to customers with credit scores of 680 FICO or less and up to 20% of Project Hestia loans to homeowners in Puerto Rico.

LPO's partial loan guarantee is one of many recent actions DOE has taken to help strengthen Puerto Rico's grid modernization and energy resiliency. In December 2022, President Biden authorized \$1 billion for the establishment of the [Puerto Rico Energy Resilience Fund](#) (PR-ERF), administered by DOE's Grid Deployment Office. The PR-ERF is a separate federal funding source to drive key investments in renewable and resilient energy infrastructure in Puerto Rico.

Across all LPO's new and improved programs, DOE has attracted 167 active applications for projects across the country totaling over \$143.9 billion in requested loans and loan guarantees, as of [August](#). For more information about Project Hestia and its plans to provide clean energy access to households across the United States, read the [conditional commitment blog post](#) and visit LPO's [portfolio project page](#).

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