

A Green Bank for Alaska

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Alaska Common Ground
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Renewable Energy
Alaska Project

Founded in 2004, REAP is a diverse, statewide non-profit coalition of businesses, electric utilities, ANCs, clean energy developers, educational institutions, local governments and NGOs

REAP's mission is to increase renewable energy development and promote energy efficiency in Alaska

REAP Education & Programs



STEM educators promoting AK *EnergySmart* and *Wind for Schools* reach hundreds of classrooms

Alaska Network for Energy Education and Employment (ANEED) to develop clean energy careers

Sustainable Southeast Partnership (SSP)

Alaska Wind Working Group


Energy Transitions Initiative Partnership Project

Conferences, Workshops, Renewable Energy Fairs, Public Presentations

REAP Advocacy

- 2008: Renewable Energy Fund, \$100 million
(\$270 million total)
- 2008: \$360 million to AHFC for home
weatherization (\$640 million total)
- 2010: Emerging Energy Technology Fund
House Bill 306 (State Energy Policy)
- 2016: SB 196 (PCE Endowment)
- 2017: Property Assessed Clean Energy (C-PACE)
- 2014-2021: Railbelt Electric Grid Reform
- 2017-2021: Green Bank

Alaska's Annual Billion Dollar Bonfire

A large, glowing bonfire of burning dollar bills is the central focus of the image. The flames are rendered in shades of orange, yellow, and red, with several dollar signs (\$) visible within the fire. The background is dark, with faint, glowing dollar signs scattered around, suggesting a vast amount of money being lost. The overall composition is dramatic and emphasizes the scale of the energy waste.

Each year, Alaskans collectively spend approximately \$5 billion on electric, heating, and transportation energy. At least 20% of that energy is wasted and goes up in smoke.

Energy Efficiency: The “First Fuel”



Alaskans will spend an estimated **\$5 BILLION** on diesel fuel, natural gas and gasoline for our electricity, heat and transportation in the next year – *and approximately 20% will be wasted*

Weatherization and Rebate Programs

- \$640 million appropriated by the state since 2008
- Over 50,000 homes - average savings: 30%
- Average annual fuel savings is over 25 million gallons of diesel equivalent



*Photo courtesy of
AHFC*



Quinhagak, Alaska



Average house: 1,000 gallons heating oil/yr
CCHRC Prototype: 180 gallons/yr

Renewable Energy Grant Fund



Established in 2008

\$270 million in state appropriations have leveraged another \$200 million in federal and private dollars

In 2020, almost 80 projects displaced the equivalent of 30 million gallons of diesel fuel

Why Private Financing for Clean Energy is Lacking

- Short track record for clean energy financing
- Clean energy projects are small and distributed
- Lack of capital market liquidity and maturity
- Human and organizational inertia

Elements of Green Banks

A focus on commercial technologies

A dedicated source of capital

A focus on leveraging private investment

A relationship with government

Functions of Green Bank

Design Loan Products & Programs to De-Risk

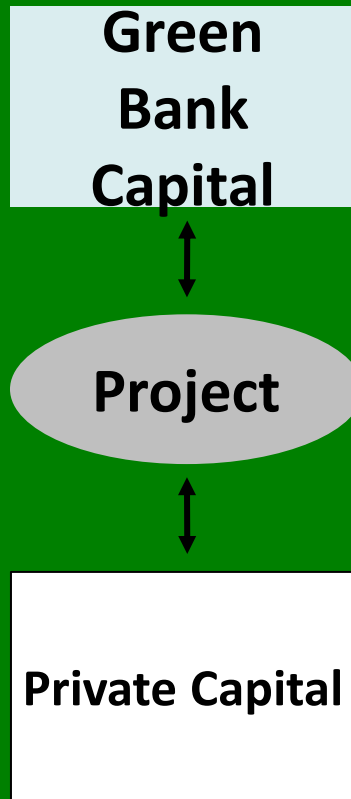
Educate Private Banks on the Opportunity

Market Loan Products and Programs

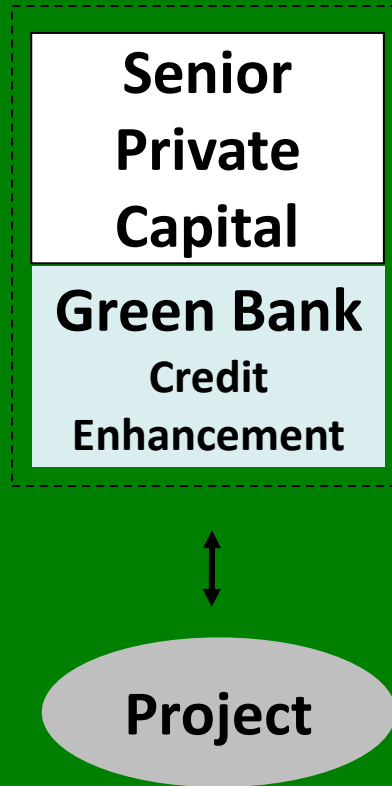
Leverage Private Investment Capital

How Green Bank's Leverage Public Capital with More Private Capital

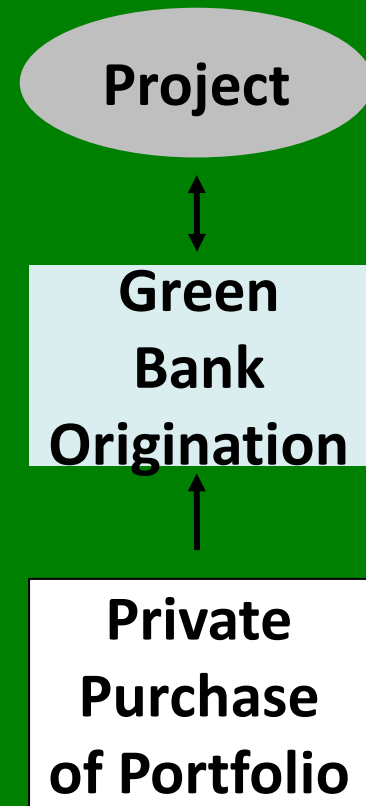
Co-Investment



Credit Support



Warehousing



Smart-E Loan



- Residential, 1-4 unit loan product for homeowners
- **Low-interest** financing with **flexible terms**
 - 5, 7, 10 and 12 year terms
 - Rates range from **2.99%** to 6.99%
- **40+** energy improvements can be financed
 - Boilers, Furnaces, Heat Pumps, Central Air, Insulation, Solar, EV Chargers and more!
- **Easy** application through eleven **local lenders**
- Borrow from \$500 up to **\$40,000**
- www.energizect.com/smart-e



Other Green Banks (so far)

- New York
- Hawaii
- Rhode Island
- California
- Colorado
- Nevada
- Montgomery County, Maryland
- United Kingdom
- Australia
- Malaysia
- Japan
- Washington, DC

A Green Bank in Alaska

Could be either at the state or municipal level

Top Markets Identified:

C-PACE

Residential efficiency and weatherization

Rooftop solar

Clean Energy & Sustainability Accelerator

\$100 billion would be appropriated by Congress to an independent 501(c)(3) non-profit

Accelerator would operate as a national "green bank"

Vast majority of dollars would run through a network of state and local green banks, including for operations

40% of investment would go to disadvantaged communities facing climate impacts

Alaska's Policy Challenges

- Make energy efficiency our first objective
- Create true, binding policy, not just programs
- Focus on Public-Private Partnerships
- Invest in education and workforce development
- Align energy subsidies with other long-term state goals



Thank you

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