

Financing Clean Energy in Alaska

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Founded in 2004, REAP is a statewide non-profit coalition of over 60 electric utilities, Alaska Native Corporations, clean energy developers, businesses and other 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 annually

Alaska Network for Energy Education and Employment (ANEEE)

Sustainable Southeast Partnership (SSP)

Alaska Wind Working Group

Energy Transition Initiative Partnership Program

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



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

Renewable Energy Grant Fund



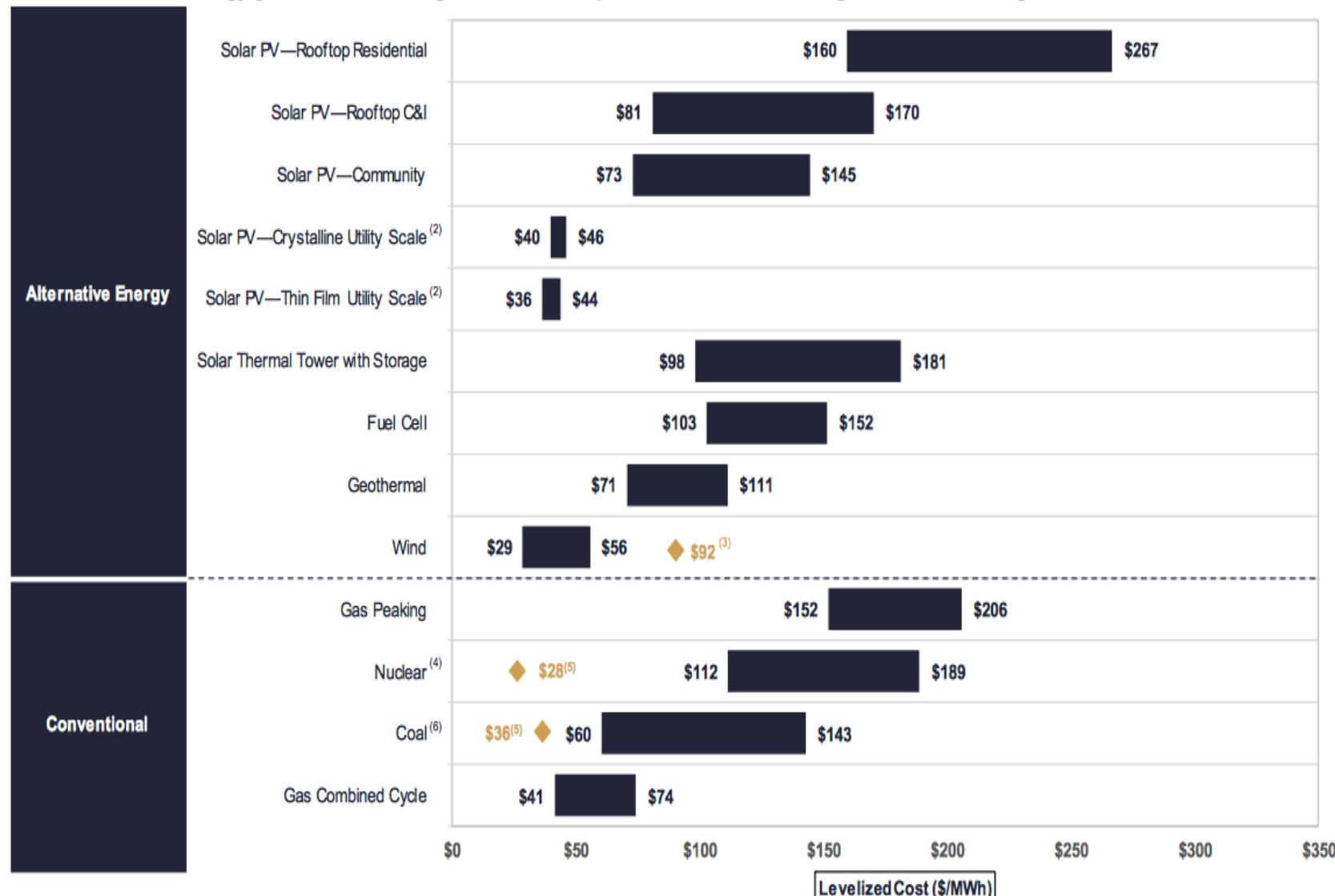
Established in 2008

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

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

Levelized Cost of Energy Comparison—Unsubsidized Analysis

Certain Alternative Energy generation technologies are cost-competitive with conventional generation technologies under certain circumstances⁽¹⁾



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 behavior

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 Banks

Design Loan Products & Programs to De-Risk

Educate Private Banks on the Opportunity

Market Loan Products and Programs

Leverage Private Investment Capital

C-PACE (Commercial Property Assessed Clean Energy)



- \$0 down financing
- Decreases costs, improves value
- Long repayment
- Low, fixed interest rate
- Projects are cash flow positive
- Secured by property, not owner
- Obligation transfers at sale

Passage of HB 170 Will:

- Lower the energy burden of Alaskans
- Develop investment opportunities for Alaskan lending institutions
- Create jobs and promote business development
- Keep precious energy dollars circulating in the economy
- Position the state to receive federal operating and investment capital



Thank you

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Renewable Energy
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