

1

AMENDMENT

OFFERED IN THE HOUSE
TO: CSHB 170(L&C)

BY REPRESENTATIVE WOOL

- 1 Page 7, following line 15:
- 2 Insert a new paragraph to read:
- 3 "(2) prioritize programs for energy efficiency and renewable energy
- 4 for residential, commercial, and public buildings in rural and urban areas;"
- 5
- 6 Renumber the following paragraph accordingly.

2
AMENDMENT

OFFERED IN THE HOUSE
TO: CSHB 170(L&C)

BY REPRESENTATIVE WOOL

- 1 Page 9, following line 7:
- 2 Insert a new subsection to read:
- 3 "(b) The authority may not use the Alaska clean energy fund established in
- 4 AS 44.88.452 for construction or renovation of fossil fuel power generation projects."
- 5
- 6 Reletter the following subsections accordingly.

3
AMENDMENT

OFFERED IN THE HOUSE
TO: CSHB 170(L&C)

BY REPRESENTATIVE WOOL

- 1 Page 7, line 22, following "available":
2 Insert ";
3 (3) in consultation with the advisory board established in
4 AS 44.88.450, establish financing programs and products the authority determines
5 necessary to encourage and promote sustainable energy development in the state"
6
7 Page 7, lines 27 - 29:
8 Delete all material.
9
10 Renumber the following paragraphs accordingly.

AMENDMENT # 4

OFFERED IN THE HOUSE
TO: CSHB 170(L&C)

BY REPRESENTATIVE JOSEPHSON

- 1 Page 7, line 14:
- 2 Delete "in"
- 3 Insert "and prioritize energy efficiency and renewable energy projects for residential,
- 4 commercial, and public buildings when"

AMENDMENT **# 5**

OFFERED IN THE HOUSE
TO: CSHB 170(L&C)

BY REPRESENTATIVE JOSEPHSON

Page 1, following line 7:

Insert a new bill section to read:

"* Section 1. The uncodified law of the State of Alaska is amended by adding a new section to read:

SHORT TITLE. This Act may be known as the Alaska Green Bank Act."

Page 1, line 8:

Delete "**Section 1**"

Insert "**Sec. 2**"

Renumber the following bill sections accordingly.

Page 10, line 24:

Delete "sec. 3"

Insert "sec. 4"

Page 10, line 26:

Delete "sec. 3"

Insert "sec. 4"

Page 11, line 4:

Delete "sec. 3"

Insert "sec. 4"

AMENDMENT # 6

OFFERED IN THE HOUSE
TO: CSHB 170(L&C)

BY REPRESENTATIVE JOSEPHSON

1 Page 9, line 24:

2 Delete "means"

3 Insert "includes"

4

5 Page 9, line 27, following "processes":

6 Insert ", but does not include a hydropower project that produces more than 120
7 megawatts of power"

AMENDMENT # 7

OFFERED IN THE HOUSE
TO: CSHB 170(L&C)

BY REPRESENTATIVE JOSEPHSON

Page 1, lines 3 - 4:

Delete "**relating to the duties of the Alaska Industrial Development and Export Authority;**"

Page 1, line 5:

Delete "**Industrial Development and Export**"

Insert "**Energy**"

Page 2, lines 1 - 2:

Delete "AS 44.88.450 - 44.88.456"

Insert "AS 44.83.660 - 44.83.700"

Page 2, following line 2:

Insert new bill sections to read:

"* **Sec. 3.** AS 44.83.080 is amended to read:

Sec. 44.83.080. Powers of the authority. In furtherance of its corporate purposes, the authority has the following powers in addition to its other powers:

(1) to sue and be sued;

(2) to have a seal and alter it at pleasure;

(3) to make and alter bylaws for its organization and internal management;

(4) to adopt regulations governing the exercise of its corporate powers;

(5) to improve, equip, operate, and maintain power projects and bulk

1 fuel, waste energy, energy conservation, energy efficiency, **sustainable energy**
2 **projects**, and alternative energy facilities and equipment;

3 (6) to issue bonds to carry out any of its corporate purposes and
4 powers, including the establishment or increase of reserves to secure or to pay the
5 bonds or interest on them, and the payment of all other costs or expenses of the
6 authority incident to and necessary or convenient to carry out its corporate purposes
7 and powers;

8 (7) to sell, lease as lessor or lessee, exchange, donate, convey, or
9 encumber in any manner by mortgage or by creation of any other security interest, real
10 or personal property owned by it, or in which it has an interest, when, in the judgment
11 of the authority, the action is in furtherance of its corporate purposes;

12 (8) to accept gifts, grants, or loans from, and enter into contracts or
13 other transactions regarding them, with any person;

14 (9) to deposit or invest its funds, subject to agreements with
15 bondholders;

16 (10) to enter into contracts with the United States or any person and,
17 subject to the laws of the United States and subject to concurrence of the legislature,
18 with a foreign country or its agencies, for the construction, financing, operation, and
19 maintenance of all or any part of a power project or bulk fuel, waste energy, energy
20 conservation, energy efficiency, or alternative energy facilities or equipment, either
21 inside or outside the state, and for the sale or transmission of power from a project or
22 any right to the capacity of it or for the security of any bonds of the authority issued or
23 to be issued for the project;

24 (11) to enter into contracts with any person and with the United States
25 and, subject to the laws of the United States and subject to the concurrence of the
26 legislature, with a foreign country or its agencies for the purchase, sale, exchange,
27 transmission, or use of power from a project, or any right to the capacity of it;

28 (12) to apply to the appropriate agencies of the state, the United States,
29 and a foreign country and any other proper agency for the permits, licenses, or
30 approvals as may be necessary, to acquire, construct, maintain, and operate power
31 projects in accordance with the licenses or permits, and to obtain, hold, and use the

licenses and permits in the same manner as any other person or operating unit;

(13) to enter into contracts or agreements with respect to the exercise of any of its powers, and do all things necessary or convenient to carry out its corporate purposes and exercise the powers granted in this chapter;

(14) to recommend to the legislature

(A) the pledge of the credit of the state to guarantee repayment of all or any portion of revenue bonds issued to assist in construction of power projects;

(B) an appropriation from the general fund

(i) for debt service on bonds or other project purposes;

or

(ii) to reduce the amount of debt financing for the project;

(15) to carry out the powers and duties assigned to it under AS 42.45;

(16) to make grants or loans to any person and enter into contracts or other transactions regarding the grants or loans;

(17) to promote energy conservation, energy efficiency, and alternative energy through training and public education;

(18) to acquire a Susitna River power project, whether by construction, purchase, gift, or lease, including the acquisition of property rights and interests by eminent domain under AS 09;

(19) to perform feasibility studies and engineering and design with respect to power projects.

* **Sec. 4.** AS 44.83 is amended by adding new sections to read:

Article 5A. Clean Energy.

Sec. 44.83.660. Alaska clean energy program; advisory board. (a) The Alaska clean energy program is created in the authority to make loans and provide other forms of financing for sustainable energy development in the state.

(b) The Alaska clean energy program advisory board is established and consists of

(1) the governor or the governor's designee; and

(2) eight members appointed by the governor as follows:

(A) one member who represents a

(i) tribe;

(ii) tribal nonprofit organization or consortium; or

(iii) regional housing authority;

(B) one member who represents an Alaska Native corporation;

(C) one member who represents an Alaska nonprofit corporation specializing in cold climate housing research;

(D) one member who has experience in

(i) renewable energy;

(ii) electric transportation; or

(iii) similar sustainable energy development;

(E) four members who have experience in

(i) finance;

(ii) marketing of financial products;

(iii) construction science and efficiencies;

(iv) renewable energy;

(v) electric transportation; or

(vi) other sustainable energy development.

(c) The advisory board established under (b) of this section shall make recommendations to the authority regarding

(1) the design of the Alaska clean energy program;

(2) a public education program for the Alaska clean energy program;

(3) best practices of funds designed to address sustainable energy development; and

(4) other matters intended to increase the use and viability of the Alaska clean energy fund.

(d) A member of the advisory board appointed under (b) of this section serves without compensation but is entitled to travel and per diem expenses as provided in AS 39.20.180.

Sec. 44.83.670. Alaska clean energy fund. (a) The Alaska clean energy fund

1 is established in the authority for the uses and purposes of AS 44.83.660 - 44.83.700.

2 (b) The fund consists of appropriations made by the legislature, loans or other
3 assets transferred to the fund by the authority, unrestricted loan repayments, interest,
4 or other income earned on loans, investments, or assets of the fund, and available
5 federal funding.

6 (c) The authority shall account for the fund separately. The authority may
7 create additional accounts in the fund. Subject to agreements made with the holders of
8 the authority's bonds or with other persons, the authority may transfer amounts in an
9 account in the fund to another account in the fund.

10 (d) The authority has custody of the fund and shall be responsible for its
11 management. The authority is the fiduciary of the fund under AS 37.10.071 and may
12 invest amounts in the fund in accordance with an investment policy adopted by the
13 authority. To promote sustainable energy development in the state, the investment
14 policy adopted by the authority may deviate from the prudent investor rule and
15 traditional institutional financing criteria. Notwithstanding AS 37.10.010 - 37.10.050,
16 the authority may make disbursements from the fund in accordance with
17 AS 37.25.050. Notwithstanding AS 37.05.130 and 37.05.140, the authority shall report
18 disbursements from the fund annually. An appropriation made to the fund by the
19 legislature shall be transferred to the authority for deposit in the fund.

20 (e) Nothing in this section creates a dedicated fund.

21 **Sec. 44.83.680. Sustainable energy development; powers and duties of the**
22 **authority.** (a) The authority shall

23 (1) consider the energy policies of the state described in AS 44.99.115
24 in managing the operations of the Alaska clean energy program and fund under
25 AS 44.83.660 - 44.83.700;

26 (2) annually prepare a report containing information regarding the
27 implementation and operation of the Alaska clean energy program and fund under
28 AS 44.83.660 - 44.83.700, including the amount of loans made, the amount available
29 to be loaned, the scope of projects financed, and actions taken by the authority in
30 response to recommendations from the advisory board established under
31 AS 44.83.660, and deliver the report to the senate secretary and the chief clerk of the

1 house of representatives and notify the legislature that the report is available.

2 (b) Subject to the requirements of AS 44.83.660 - 44.83.700, the authority
3 may

4 (1) in consultation with the advisory board established in
5 AS 44.83.660, establish financing programs and products the authority determines
6 necessary to encourage and promote sustainable energy development in the state;

7 (2) invest in eligible sustainable energy development independently or
8 with other investors, including private capital providers;

9 (3) provide capital and fund management to eligible sustainable energy
10 development in the form of

11 (A) senior, mezzanine, and subordinated debt;

12 (B) loan guarantees on third-party financing;

13 (C) credit enhancements, including loan loss reserves and
14 interest rate buy-downs;

15 (D) aggregation and warehousing;

16 (E) equity capital;

17 (F) securitization of financings;

18 (G) financing techniques that make use of loan liquidity; and

19 (H) other financial products or services approved by the
20 authority;

21 (4) make and execute contracts and other instruments to implement
22 AS 44.83.660 - 44.83.700;

23 (5) charge reasonable fees established by the authority in regulation for
24 the products and services the authority provides under AS 44.83.660 - 44.83.700;

25 (6) acquire real or personal property by purchase, transfer, or
26 foreclosure when the acquisition is necessary to protect the authority's interest in a
27 loan or other financial product;

28 (7) subject to AS 36.30.085, enter into lease-purchase agreements;

29 (8) defer principal payments or capitalize interest on loans;

30 (9) provide financing and services to municipal energy improvement
31 assessment programs established in accordance with AS 29.55.100; and

1 (10) exercise other powers necessary to implement AS 44.83.660 -
2 44.83.700.

3 (c) The authority shall adopt regulations to implement AS 44.83.660 -
4 44.83.690, including

5 (1) an application process for acquiring financing under the Alaska
6 clean energy program;

7 (2) qualifications for applicants applying for financing under the
8 Alaska clean energy program;

9 (3) record-keeping requirements for the authority to accumulate and
10 track measurable data related to the fund; and

11 (4) fiscal controls for the fund.

12 **Sec. 44.83.690. Limitations on financing; use as security.** (a) Unless the
13 authority has obtained legislative approval, the authority may not use the fund to make
14 a loan guarantee if the amount of the guarantee exceeds \$20,000,000.

15 (b) Financing under AS 44.83.680 is limited to the life of eligible sustainable
16 energy development and financing is limited by the estimated useful life of the project.

17 (c) Notwithstanding (a) of this section, the authority may use the fund as
18 security for a bond guarantee.

19 (d) A guarantee or other security provided by the authority under
20 AS 44.83.660 - 44.83.700 does not constitute a debt, liability, or obligation of the state
21 or a political subdivision of the state.

22 (e) At least 35 percent of the funds used for loans and other forms of financing
23 for sustainable energy development made over a three-year period under AS 44.83.660
24 - 44.83.700 must be made in communities that receive, or that have residents who
25 receive, power cost equalization under AS 42.45.100 - 42.45.150.

26 **Sec. 44.83.700. Definitions.** In AS 44.83.660 - 44.83.700,

27 (1) "eligible sustainable energy development" means activity approved
28 by the authority to be consistent with the Alaska clean energy program and for which
29 the authority will issue a loan or other financial product;

30 (2) "fund" means the Alaska clean energy fund established in
31 AS 44.83.670;

(3) "sustainable energy development" means

(A) renewable energy generation from sources that are continually replenished by nature, including the sun, wind, water, and biological processes;

(B) building energy efficiency, including switching from fuel to renewable fuels and electrification;

(C) industrial decarbonization;

(D) electrical infrastructure incorporating

(i) energy storage to support clean or more efficient energy distribution, including remote and non-remote microgrids and smart-grid applications; and

(ii) other sustainable technologies including distributed generation, advanced battery, and combined heat and power;

(E) greenhouse gas emissions reduction through processes that include regenerative agriculture, reforestation, afforestation, and forestry management;

(F) clean transportation, including battery-operated electric vehicles, hydrogen vehicles, plug-in hybrid electric vehicles, and other zero-emissions vehicles for consumers, businesses, government, and public transit;

(G) electric vehicle charging and fueling infrastructure for emissions reductions; and

(H) other emissions reductions or energy-efficient technologies the authority determines to be consistent with the Alaska clean energy program established under AS 44.83.660."

Renumber the following bill sections accordingly.

Page 2, line 16, through page 10, line 16:

Delete all material.

Renumber the following bill sections accordingly.

1
2 Page 10, line 24:
3 Delete "sec. 3"
4 Insert "sec. 5"
5
6 Page 10, line 26:
7 Delete "sec. 3"
8 Insert "sec. 5"
9
10 Page 11, line 4:
11 Delete "sec. 3"
12 Insert "sec. 5"
13
14 Page 11, line 5:
15 Delete "2022"
16 Insert "2023"

AMENDMENT #8

OFFERED IN THE HOUSE
TO: CSHB 170(L&C)

BY REPRESENTATIVE LEBON

1 Page 7, line 13, following "AS 44.99.115":

2 Insert "and prioritize programs that support energy efficiency and renewable energy
3 projects for residential, commercial, and public buildings"

4
5 Page 7, line 19, following "loaned,":

6 Insert "the amount loaned in communities that receive, or have a resident who
7 receives, power cost equalization under AS 42.45.100 - 42.45.150,"

8
9 Page 9, lines 16 - 19:

10 Delete all material.