



State Energy Finance Programs

Alaska Native Village Energy Development Workshop
April 29, 2014



Reducing the Cost of Energy

- Energy Planning and Policy
- Technical and Community Assistance
- Investing in Alaska's Energy Infrastructure
- Diversifying Alaska's Energy Portfolio



Alaska's Energy Policy

Reinforces AEA as the Lead Energy Agency

“It is the policy of the state to coordinate governmental functions by using one office or agency, as may be specified by law, to serve as a clearinghouse in managing the state’s energy-related functions to avoid fragmentation and duplication and to increase effectiveness.”

Reinforces Loans as Financing Mechanisms

“It is the intent of the legislature that the power project fund (AS 42.45.010) serve as the main source of state assistance for energy projects.”

-HB 306 (2010)

AEA Financing Tools

Grants

1. Renewable Energy Grant Fund
2. Emerging Energy Technology Fund
3. Rural Powerhouse System Upgrades (RPSU)
4. Bulk Fuel Upgrades
5. Village Energy Efficiency Program (VEEP)
6. Commercial Building Energy Audit

Loans

1. Power Project Fund



Atka: Hydroelectric



*JBER: Landfill-Gas-To Energy
Project*

Renewable and Emerging Energy Grants

Renewable Energy Grant Fund

- Grant program for renewable energy projects across Alaska.
- Places Alaska at or near the forefront of the nation in funding renewable energy.
- Displaces volatile-priced fossil fuels through heat recovery, hydro, wind, geothermal, biomass, solar, wind and transmission projects
- 251 projects approved totaling \$227.5 million
- Based on annual appropriations

Community Contact

- Annual application process, **JULY**, internal review and RE Advisory Committee
- Sean Calfa, scalfa@aidea.org, 771-3031

Renewable and Emerging Energy Grants

Emerging Energy Technology Fund

- Grant program for demonstration of emerging energy technologies that have a reasonable expectation to be commercially viable within five years.
 - Emerging technologies or energy conservation
 - Improvements to existing energy technologies
 - Deploying energy technologies not demonstrated in Alaska
- Based on annual appropriations

Community Contact

- Annual application process, internal review and EETF Advisory Committee
- Alan Baldivieso, abaldivieso@aidea.org, 771-3027



Installation of Slinky Loop



Altaeros Energies Helium Balloon Wind Turbine

Bulk Fuel and Rural Power Systems

Bulk Fuel and Rural Power System Upgrades

- Help utilities improve efficiency, safety and reliability of power systems
- Completed \$304 million in rural bulk fuel and rural power system upgrade projects since 2000, in partnership with Denali Commission
- Common to see 30 to 40% increase in fuel savings after a Rural Power Systems Upgrade is completed

Community Contact

- Community letter to AEA requesting assistance
- AEA maintains project priority list, based on available funding
 - List online at Akenergyauthority.org
- Kris Noonan: knoonan@aidea.org, 771-3061



Energy Efficiency and Conservation

Village Energy Efficiency Program

- Grant program to fund energy efficiency in small, high-energy cost communities
 - Includes lighting, replacing outdated HVAC and boilers, insulation, public meeting spaces, health clinics, etc.
- Based on annual appropriations

Community Contact

- Annual application process, internal review
- Rebecca Garrett, rgarrett@aidea.org, 771-3042

Commercial Building Energy Audit

- Funding for energy efficiency audits for privately-owned commercial buildings
- Average immediate savings of implemented efficiency measures: \$0.29 cents/ \$1 invested, 300% ROI after 10 years.

Community Contact

- Annual application process, internal review
- energyaudit@aidea.org

AEA Energy Finance Program: Loans



Cordova: Hydroelectric Project

Power Project Fund

- Low-interest loans to upgrade or develop small-scale electric power facilities (terms and rates vary)
- Includes bulk fuel storage, transmission and distribution, waste energy, energy conservation, energy efficiency and alternative energy facilities and equipment

Community Contact

- State assistance for a project more than \$5 million requires Legislative approval
- AEA application process
- Cady Lister: clister@aidea.org, 771-3039

AIDEA Financing Tools: Loans

Sustainable Energy Transmission and Supply Development Fund (SETS)

- Loan funds available for generation, transmission, distribution storage and conservation associated with a qualified energy development, both heat and electric.
- Terms and interest rate vary

Community Contact

- Legislative approval needed for more than \$20 million or one-third project costs
- Jeff San Juan, jsanjuan@aidea.org, 771-3066

Loan Participation Program

- Loan funds approved by a private sector financial institution
- Developing, acquiring or enhancing Alaska business enterprises, loans for qualified energy development projects and energy efficiency.
- Terms and interest rates vary, individual loan amounts up to \$20 million

Community Contact

- Apply with an AEA-eligible lender
 - List online at AIDEA.org

Other State Financing Programs

AHFC Residential Efficiency Programs

- Home Weatherization
- Alaska Energy Efficiency Revolving Loan Fund
- Residential Energy Audits

Community Contact

Alaska Housing Finance Corporation, 330-6180, AHFC.us

Alaska Department of Commerce, Community and Economic Development

- Alaska Energy Efficiency Revolving Loan Fund

Community Contact

Division of Economic Development, 1-800-478-5626

Commerce.State.Ak.Us



Alaska's Energy Policy

Senate Bill 220 (2010)

- Emerging Energy Technology Fund (AEA)
 - Created in order to promote the expansion of energy sources available to Alaskans
- Alternative Energy Conservation Revolving Loan Fund (DCCED)
 - Makes funds available for alternative energy and energy efficiency conservation in commercial buildings
- Energy Efficiency Revolving Load Fund (AHFC)
 - Authorizes AHFC to capitalize the fund through the issuance of \$250 million in bonds for public buildings
- Requires an evaluation of state buildings for energy efficiency and recommend 25 percent energy updates (DOT&PF)

AKEnergyAuthority.org

