

# Clean Energy Project Investment: The Strategic Role of the States

## Congressional Briefing Washington, DC

January 13, 2009



Lewis Milford  
President  
Clean Energy States  
Alliance

"To finally spark the creation of a clean energy economy, we will double the production of alternative energy in the next three years. We will modernize more than 75 percent of federal buildings and improve the energy efficiency of 2 million American homes, saving consumers and taxpayers billions on our energy bills.

In the process, we will put Americans to work in new jobs that pay well and can't be outsourced, jobs building solar panels and wind turbines, constructing fuel-efficient cars and buildings, and developing the new energy technologies that will lead to even more jobs, more savings, and a cleaner, safer planet in the bargain."

President-Elect Obama, January 8, 2009  
(Speech at George Mason University)



## States Lead Renewable Energy Transition

### State-Led Revolution in Clean Energy in U.S. – 1998-2009

- State are right locus to accelerate development of renewable energy and the green economy
- Clean energy is development – programs can emphasize local energy resources and be tailored to needs of state economy
- Rapid bottom up learning – allows for many, diverse experimental programs, demonstration projects
- New financing models – production incentives, green power contracts, consumer grants, rebates and loans



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## State Investment in Clean Energy: Results that Matter – New Database

- 20 states with dedicated funds to finance clean energy projects –
  - Invested \$1.5 billion in last 10 years
  - Private Investor Leverage: more than \$2.5 billion in private investment
  - Over 50,000 projects implemented to date
  - 1.7 GW clean energy capacity installed, generating 5.3 million MWh of electricity, enough to power nearly 500,000 homes each year
  - Primary driver for grid-connected PV, in 2007 more than 75% of installed systems were installed in states with funds
  - \$6 billion for next 10 years



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## Clean Energy States Alliance – Voice of State Clean Energy Programs



AK, CA, CO, CT, IL, FL, MA, MD, MN, NC, NJ, NM, NY, OH, OR, PA, VT, WI & DC



[www.cleanenergystates.org](http://www.cleanenergystates.org)

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## CESA Objectives

- Provide low cost analytical, technology, and market information services to states regarding the renewable energy sector
- Deliver state peer-to-peer information exchange
- Identify best clean energy policy and program design recommendations
- Pursue joint state projects to address major renewable energy challenges such as development of new financing strategies
- Represent the interests of states clean energy programs in federal and industry forums



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## State Fund Strategic Models

- Project Development Model:
  - Incentives & grants to directly subsidize project installation (California, New Jersey)
- Investment Model:
  - Loans & equity investment in companies & projects (Connecticut, Pennsylvania)
- Industry Development Model:
  - Business development grants, marketing support, technical assistance & education to build industry infrastructure (Wisconsin, New York)
- Research & Development Model:
  - California & New York, in part: Minnesota
- Combination of approaches (Massachusetts)



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## Challenges Facing State Clean Energy Funds

- Funds facing cuts to help balance state budgets
- Federal partnership opportunities must be enhanced
- Need for additional federal funding
- More cooperative action to address scale and scope
- State investment key to climate solutions



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## Success Stories **State Leadership in Clean Energy**

### State Leadership in Clean Energy Awards – 2009

1. **Connecticut Clean Energy Communities Program** (Connecticut Clean Energy Fund)
2. **Solar Energy for Green Affordable Housing** (Massachusetts Renewable Energy Trust)
3. **Solar Renewable Energy Certificate Program** (New Jersey Board of Public Utilities, Clean Energy Program)
4. **Western Renewable Energy Generation Information System** (California Energy Commission)
5. **Wisconsin Biogas Digestion Program** (Focus on Energy)



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## Project Example: OH Wind Industry Supply Chain

- \$850,000 grant to the Great Lakes Wind Network for a \$1.3 million project
- Create & begin to implement a comprehensive plan to develop Ohio's wind energy supply chain.
- Help local manufacturers with the production and quality requirements associated with participating in the wind industry; advise them on working with wind OEMs
- Web-based database of Ohio wind supply chain companies
- 200 companies have been identified, including 100 that are actively pursuing entering the wind supply chain



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## Project Example: VT Small-scale RE Incentive Program

- Has provided grants for 720 home-scale wind, solar PV, and solar thermal systems
- \$2.7 million in grants
- Funded by the state's VT Clean Energy Development Fund



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## CESA Panel

- Tom Plant, Director, Colorado Governor's Energy Office
- Janet Joseph, Director of Clean Energy Research & Market Development, New York State Energy Research & Development Authority (NYSERDA)
- Rob Sanders, Manager, TRF Sustainable Development Fund
- Peter West, Director of Renewable Energy, Energy Trust of Oregon



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