

Energy Project Finance Options & Assistance for Electric Utilities

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AEA's mission is to reduce the
cost of energy in Alaska

Project Development & Finance Team

- Builds on planning and technical assistance
- Focus is on identifying funding options and connecting communities/utilities to them
- Monthly compilation of funding opportunities



The Power Project Fund

- “Serves as the main source of state assistance for energy projects” (HB 306, 2010)
- A distinct and separate revolving loan fund within AEA consisting of funds provided by the Legislature as well as loan repayments, interest and fees

The Power Project Fund is available to make loans to the following entities:

- Electric utilities
- Regional electric authorities
- Municipalities
- Regional village corps
- Village councils
- Independent power producers



The Power Project Fund can help with:

- Electric generation
- Bulk fuel storage
- Transmission and distribution
- Waste energy
- Energy efficiency and conservation
- Alternative energy facilities and equipment



The Power Project Fund is flexible

- Low and negotiable interest
- Reasonable repayment
- Loan term is related to life of the project



Historic PPF Loans: 1980-2016

- 78 applications approved
- \$75 million committed
- \$43 million disbursed
- 41 diesel including distribution
- 17 hydro
- 6 transmission
- 6 bulk fuel
- 3 wind
- 3 geothermal
- 1 biomass
- 1 solar

Increasing activity: PPF Loans 2000-2016

- 39 applications approved
- 25% loans since 2014
- 50% funds since 2014
- \$43 million committed
- > \$20 million disbursed



The Power Project Fund: Current Balance

- \$11.9 million: outstanding loans
- \$16.3 million: outstanding undisbursed commitments
- \$995,500: FY18 operating budget commitment
- \$10.5 million: uncommitted cash balance

To use PPF loans:

- Applicants make direct application to AEA for loan funds
- Loans up to and including \$2 million can be approved by Loan Committee
- Loans greater than \$2 million require Board approval
- Projects with cumulative State involvement of \$5 million or more require legislative authorization to apply

For more information:

Power Project Fund Loans

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