



A Green Bank for Economic Recovery

Maine Green Bank Summit

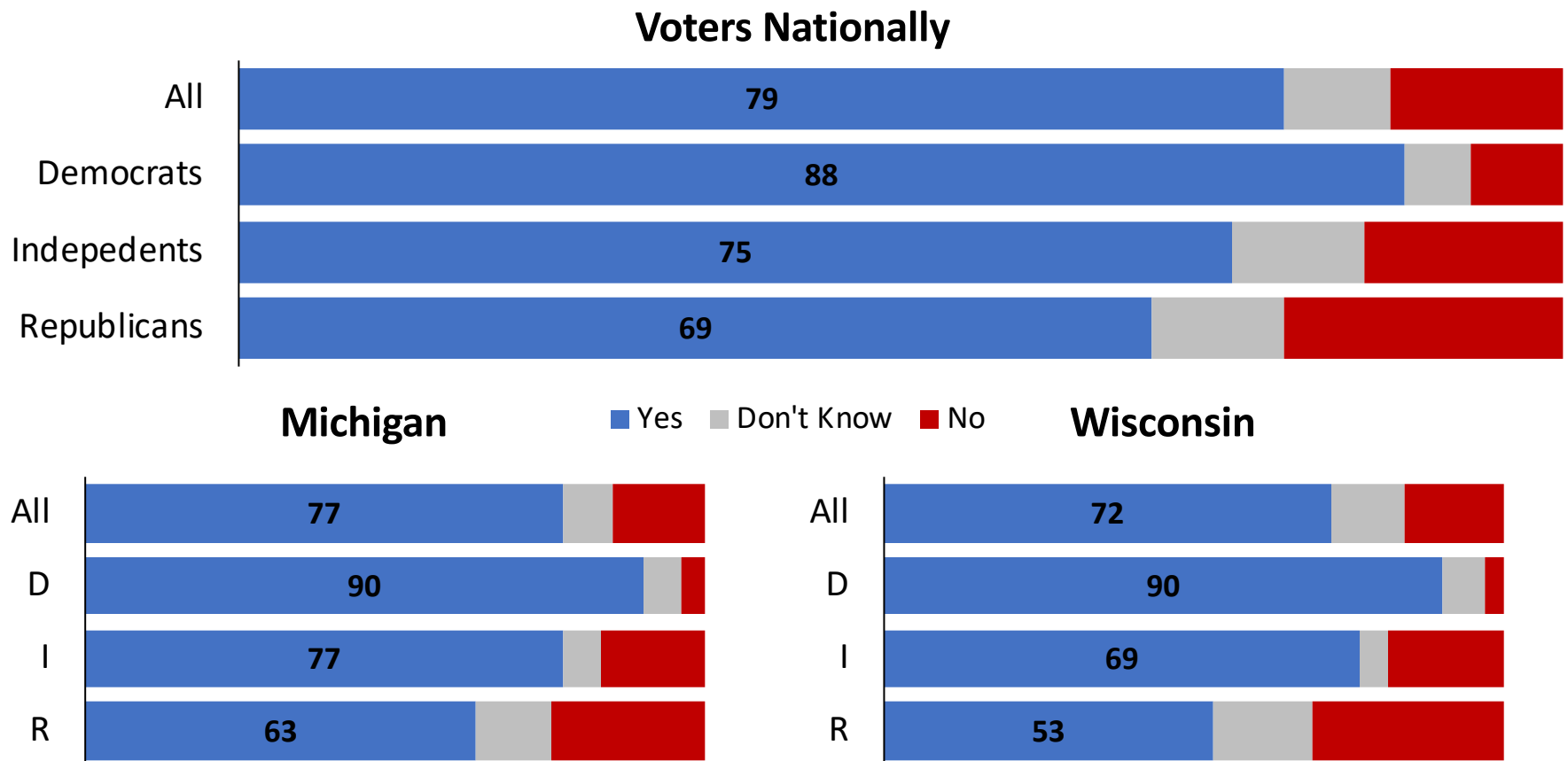
June 25, 2020

More than 10% of Maine workers out of work, Federal Government still focused on disaster relief

- From March-June 2020, 175k Maine residents have filed for unemployment
- 70k continued unemployment claims in Maine today
- In addition, 25k people have left the labor force in Maine
- Not a single cent of \$3.3T of federal spending is for job creation

Americans already know the right pathway out of the crisis – investment in jobs in clean energy

Do you think the US government should invest in creating jobs that build clean energy infrastructure, such as wind turbines, solar panels, power lines, and electric vehicle charging equipment?



National Clean Energy Jobs Fund can channel dollars through Maine Green Bank to put Americans back to work

: Bounce Back Greener
The Economic Impact
Potential of a Clean
Energy Jobs Fund



Key Results

June 2020

:vivideconomics
putting economics to good use

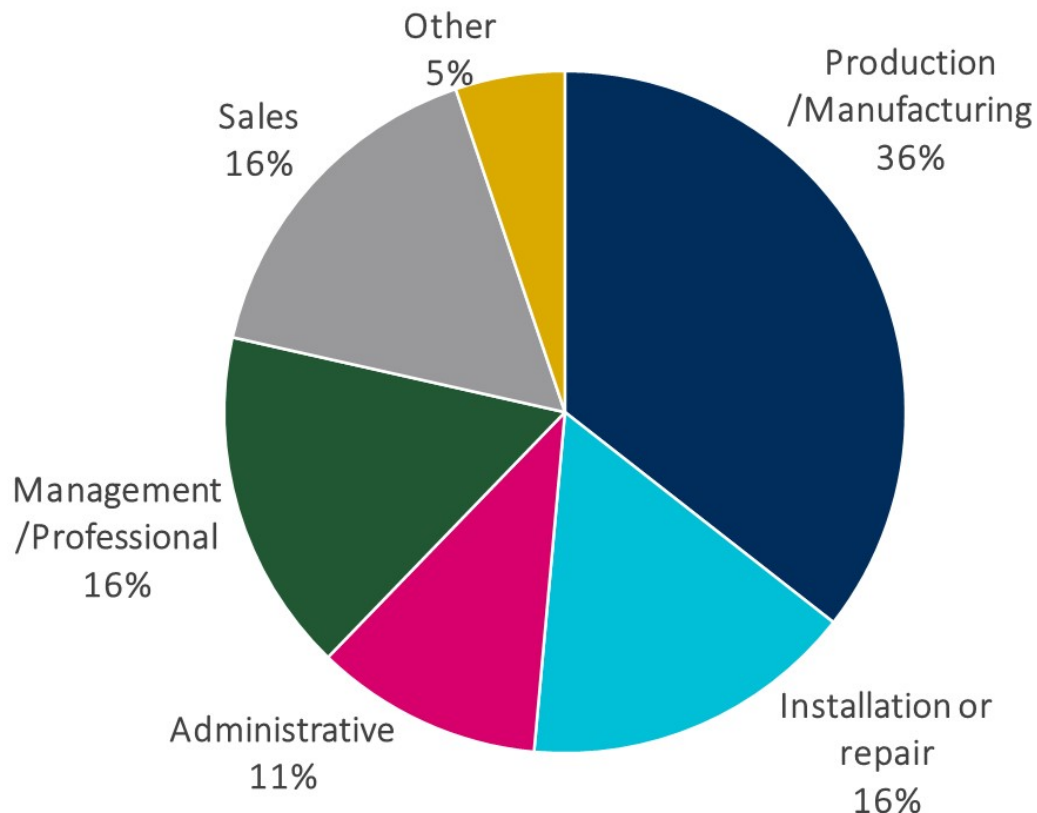
**Create 5.4M jobs years
in 5 years across US**

**21.5M continued
unemployment claims**



1 out of 4

5.4 million new jobs spread across a range of sectors and skillsets, and will be in every community in America

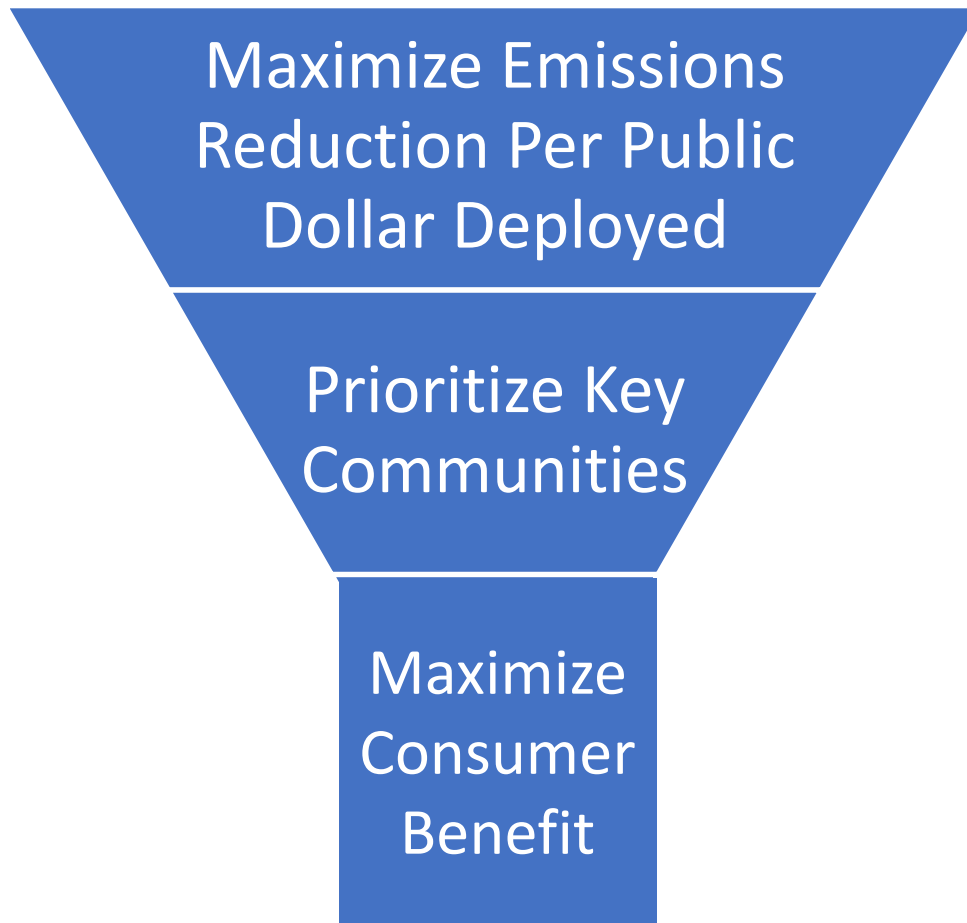


7 Authorized Sectors for Investment

- Grid technology - transmission, distribution, storage
- Renewable power
- Clean Transportation - BEV, PHEV, Hydro cars, other ZEVs and charging infrastructure
- Industrial decarbonization
- Building efficiency
- Agriculture - afforestation, reforestation, regenerative ag, forestry management
- Climate-resilient infrastructure

No community will be left behind with requirements to prioritize investment in frontline, low-income communities

Guidelines for Project Prioritization

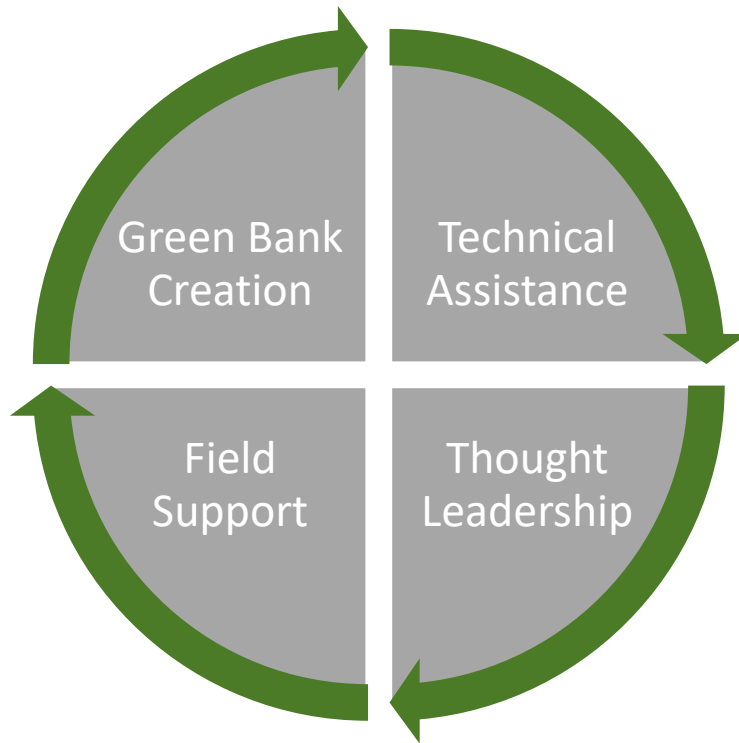


- 20% of the Fund's investment must go to frontline, low-income and climate-impacted communities
- Existing green banks have already proven the possible, delivering clean energy and health benefits to communities historically left behind
- Fund will ensure good clean energy jobs are formed throughout the U.S. by working with new regional, state or local green banks

CGC is a nonprofit focused on the development & growth of clean energy finance institution (aka Green Banks)



coalition for green capital



- CGC, a 501(c)3 non-profit, partners with governments, NGOs and market actors to create Green Banks that increase volume of clean energy investment
- CGC delivers on-the-ground technical expertise to design, start-up and help operate Green Banks
- Helped design & create multiple GBs, which have catalyzed over \$3 billion in clean energy investment
- Currently working in over a dozen states in the U.S.
- Founder and CEO Reed Hundt, former chairman of U.S. FCC
- Supported by major global foundations

What is a Green Bank?

Green Banks are mission-driven institutions
that use innovative financing to accelerate the
transition to clean energy and fight climate change.

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Green Banks aren't traditional banks (i.e., they don't take deposits). "Green Banks" are known by a variety of names, such as "clean energy funds."

They work with stakeholders to 1) understand local market gaps 2) raise capital and deploy solutions to fill those gaps.

What is a Green Bank?

Green Banks are mission-driven **institutions** that use

Institutions are durable, have cultures, are flexible, and responsive to the real world. They can use a mix of tools to achieve their goals, and those tools may evolve over time.

accelerate the transition to
net climate change

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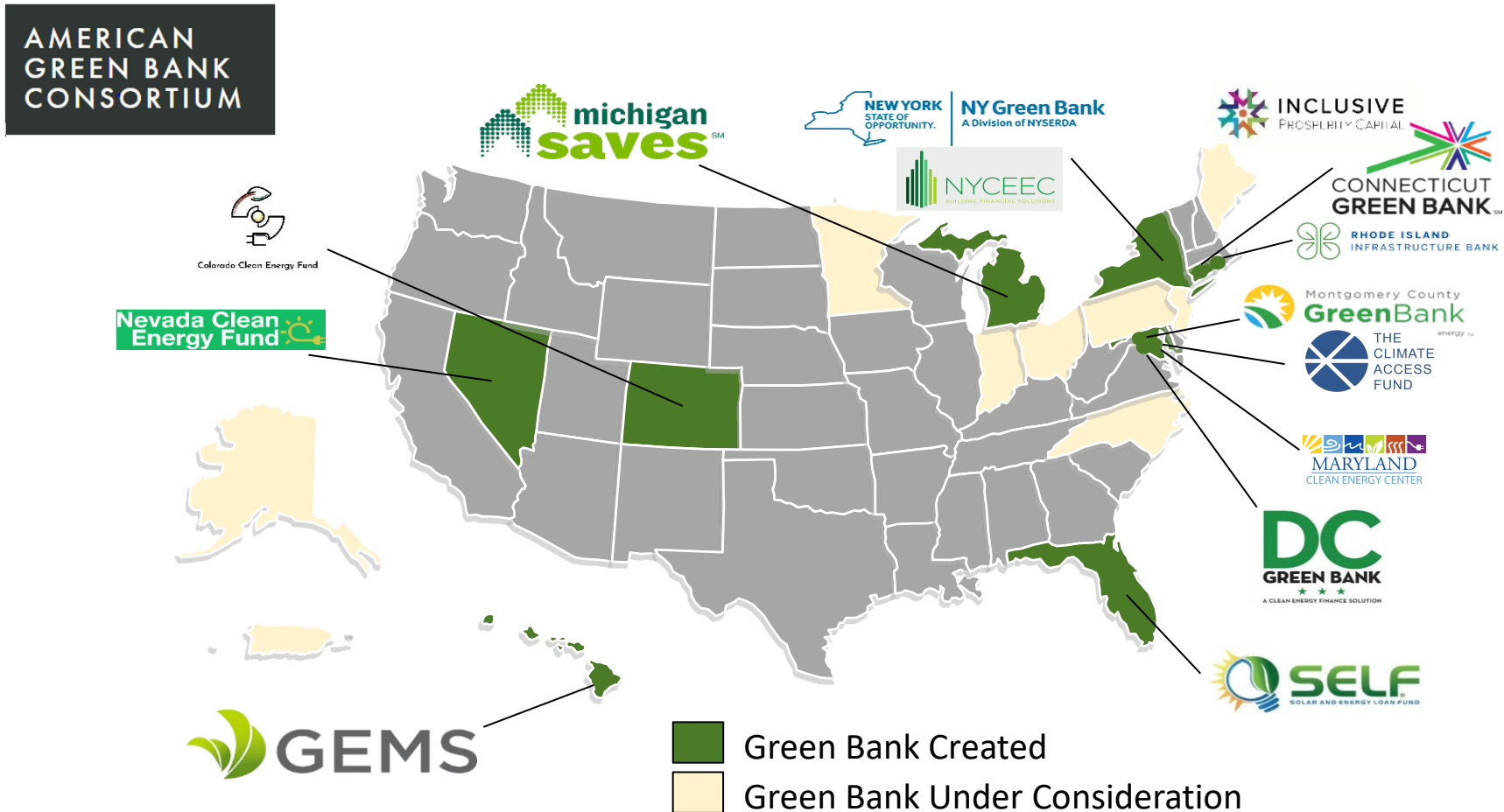
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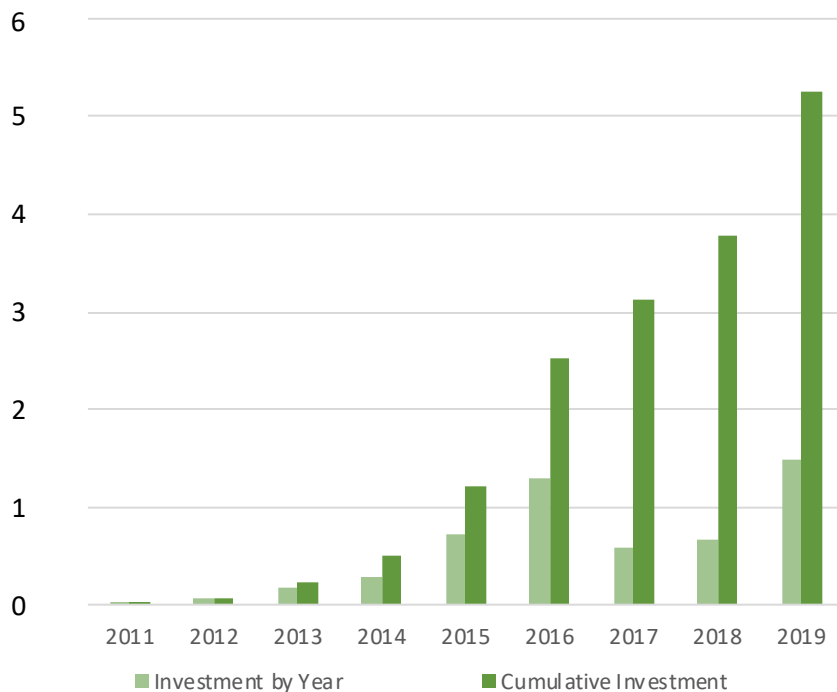
Green Banks use financing, not grants. Financing helps to maximize the impact of each dollar. The use of financing means the Green Banks will focus on markets where there is potential for payback. Financing can be done in tandem with other market development activities.

Green Banks in US form a national network to deploy capital at scale



Green Banks in US have driven \$5 billion cumulative investment in US; \$50 billion globally

US Green Bank Investment (\$ billions)



By establishing a Green Bank... [Washington, D.C.] will continue to meet our ambitious sustainability goals while creating high-paying, clean energy jobs for residents in all eight wards



The Connecticut Green Bank demonstrates how mobilizing private investment into our clean energy economy can reduce the energy burden on households and businesses while creating jobs in our communities



On average, Green Banks leverage approximately \$3 of private capital for every dollar of mission-driven capital

Lessons learned: project “investment” can and should take many forms to complement existing market activity

Barrier to Investment	Solution	Examples
Perceived project risk	Credit enhancement	Provide a loan loss reserve can mitigate risk and allow investment to flow at longer term of lower rate
Inefficiencies of scale	Aggregation & warehousing	Aggregate small projects to meet scale to attract private capital
Marginal economics	Investment	Lend to project, in senior or junior position, to improve overall economics for investors and customers
First-of-kind transaction	Technical assistance	Put in technical legwork that comes with closing more labor-intensive, innovative transactions

Green Bank model relies on mission-driven capital for investment and start-up operations

- Almost all existing Green Banks have been created with government seed capital from sources including ARRA, RGGI, and utility surcharges
- Foundations have also provided program-related investments (PRI) to supplement investment capital and grants for start-up and operations
- Sources of capital for a Maine Green Bank remain to be determined

\$35B of funding from Congress will scale clean energy investment through Maine Green Bank to create jobs

Key Messages

- A Clean Energy Jobs Fund (CEJF) could kick-start a step change in green investment by crowding in private investment and **generating millions of new jobs**.
- The CEJF could translate an initial \$35 billion capitalization into a total \$105 billion investment capacity through borrowing and **drive almost \$500 billion dollars of public and private investment** across key green sectors within its first five years through direct financing and private co-investment in projects. Over two decades, the CEJF could drive almost \$2 trillion worth of investment.
- Looking at a realistic investment portfolio for the CEJF across six climate mitigation sectors, the Fund could support the creation of **5.4 million new job-years in its first five years of operation**. As initial investments are repaid and then reinvested by the Fund, job creation would continue at approximately the same rate.
- Clean investments generate more jobs than fossil fuel investments, for the same level of spending. In particular, the CEJF's **clean transport and renewable energy sectors have huge job creation potential**, providing more than 60% of new jobs created.



Thank You

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