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News Release

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NGA Center Report Provides Guidance for States on Clean Energy Financing Programs

Includes States Strategies for Identifying and Securing Capital, Designing and Implementing Programs

WASHINGTON—As states look for ways to increase the use of energy efficiency, renewable energy and other clean energy resources, high initial costs remain a barrier to achieving the longer-term energy, environmental and economic benefits of clean energy programs.

To help states consider innovative clean energy program financing options that maximize state resources, the National Governors Association Center for Best Practices (NGA Center) today released the [State Clean Energy Financing Guidebook](#).

"States are developing new ways to finance clean energy initiatives to encourage greater use of clean energy by households, businesses, industry and state government itself," said **John Thomasian, director of the NGA Center**. "This report is designed to support states as they take their efforts to the next level by providing a wide range of options and tools to create new financing programs or expand existing programs."

The Guidebook helps states consider three important elements of a clean energy financing program: sources of capital including bonds, state revenues and private capital. The report suggests states explore specific approaches, including:

- Establishing revolving loan funds to recycle funds in the state's economy;
- Developing utility on-bill financing programs to marry repayment with the source of savings;
- Creating linked deposit or loan purchase programs, which help leverage private capital;
- Pooling state building upgrades to support tax-exempt bond financing; and
- Using energy savings performance contracting or power purchase agreements for state buildings.

The Guidebook provides case studies from five states – **Illinois, Oregon, Pennsylvania, Texas** and **Washington** – that have successfully implemented innovative financing programs.

This report adds to a growing number of [clean energy resources](#) released by the NGA Center, including a brief on enhancing state clean energy workforce training and a comprehensive review of state clean energy activities, [Clean & Secure State Energy Actions – 2010 Update](#), which shows ways that each state is pursuing clean energy. A state-by-state listing of clean energy actions, as well as state clean energy actions listed by category, can be found on the [NGA Center website](#).

For more information about the NGA Center Environment, Energy & Transportation Division efforts, visit www.nga.org/eet.

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Founded in 1908, the National Governors Association (NGA) is the collective voice of the nation's governors and one of Washington, D.C.'s most respected public policy organizations. Its members are the governors of the 50 states, three territories and two commonwealths. NGA provides governors and their senior staff members with services that range from representing states on Capitol Hill and before the Administration on key federal issues to developing and implementing innovative solutions to public policy challenges through the NGA Center for Best Practices. For more information, visit www.nga.org.

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