

ALASKA C-PACE PROGRAM

Alaska C-PACE is a joint effort among the members of the Alaska C-PACE Advisory Group (“Advisory Group”) to design a Commercial Property Assessed Clean Energy (“C-PACE”) program that may be uniformly adopted and administered by local governments in the state of Alaska.

The enabling legislation for C-PACE (HB 80) was signed into law August 2017, and codified at AS 29.55.100 - .165 (“the C-PACE Act”), which allows local governments to create and manage C-PACE programs. In 2017, the Alaska Energy Authority (“AEA”) and the Governor’s office convened stakeholders and outside experts to discuss the implementation of C-PACE in Alaska. Because local administration of C-PACE would be expensive and reduce the effectiveness of C-PACE, consensus was reached among participating local governments, non-profit organizations, financial institutions, trade associations, and other stakeholders to work together toward a uniform program parameters that could be adopted by local governments and create a statewide administration platform..

This group became the Advisory Group, which meets regularly and is open to relevant stakeholders interested in helping implement C-PACE in Alaska. The Advisory Group includes representatives of local governments, State entities, lending institutions, non-profits, utilities, and private businesses. As an eligible government partner of the Advisory Group, AEA applied for and was awarded a competitive grant from the U.S. Department of Energy State Energy Program (DOE SEP) in 2018 for the purpose of developing platform documents to assist local governments in creating a C-PACE program.

Under the grant, AEA secured support from expert C-PACE consultant PACE Financial Servicing (“PFS”) to develop the following documents required by the C-PACE Act for a local governments to establish a C-PACE program within its jurisdictional boundaries (“AK C-PACE Documents”):

- Resolution of Intent;
- Ordinance to Establish a PACE Program;
- Ordinance Approving PACE Program;
- Program Report;
- Owner Contract; and
- Capital Provider Contract.

The AK C-PACE Documents are attached hereto. Each document is for informational purposes only and not for the purpose of providing legal advice. Local governments should consult their attorney to obtain advice with regard to the content, and use, of these documents.

The AK C-PACE Documents primarily describe the roles and responsibilities of a local government in a C-PACE program as described in the C-PACE Act. One important exception noted here is that one requirement of the local government is to ensure a plan for capital to be provided under the program, which the C-PACE Act contemplates may be provided by either private sources or by the local government through the issuance of bonds or other public funds. As a result of consultation with the Advisory Group, the AK C-PACE Documents do not contemplate the provision of capital through issuance of bonds by local governments or use of public funds. Certain changes to the AK C-PACE Documents are required if local I governments want to preserve this funding option pursuant to the terms of the C-PACE Act.

The AK C-PACE Documents are meant to be a tool for local governments seeking to establish C-PACE in tandem with other program administrative documents not prescribed by the C-PACE Act but developed under this initiative. Please contact PFS for more information at: info@paceservicing.com.