

Coalition for the Green Bank (CGB)

**PRESENTATION TO THE ICBA
November 18th, 2009 Geneva, Switzerland
by Michael Peck
North American Delegate, Mondragon
and Member, Green Bank Coalition**

Executive Summary

- The Green Bank/CEDA is an independent, wholly owned government corporation to support, via direct loans, loan guarantees, insurance and other credit support, the emergence of the U.S. clean energy industry
- The Green Bank is a bi-partisan effort supported by leading U.S. corporations, financial sponsors, and service providers
- The Benefits of the Green Bank are clear:
 - Support clean energy/address climate change
 - Create new manufacturing, construction, and service jobs
 - Enhance US energy security
- It is critical to act now to keep green jobs in the U.S., to lower power prices, and to stimulate the economy
- The Green Bank is a crucial part of any energy/green jobs legislation: Renewable Electricity Standards (RES) create demand, transmission assures that supply comes from optimal locations, the Green Bank finances new supply without raising prices to consumers or hurting shareholders and caps guarantee that utilities phase out the dirtiest power first

Table of Contents

Who is the Coalition for the Green Bank?

How will the Green Bank work?

What are the benefits of the Green Bank?

Why is the Green Bank needed now?

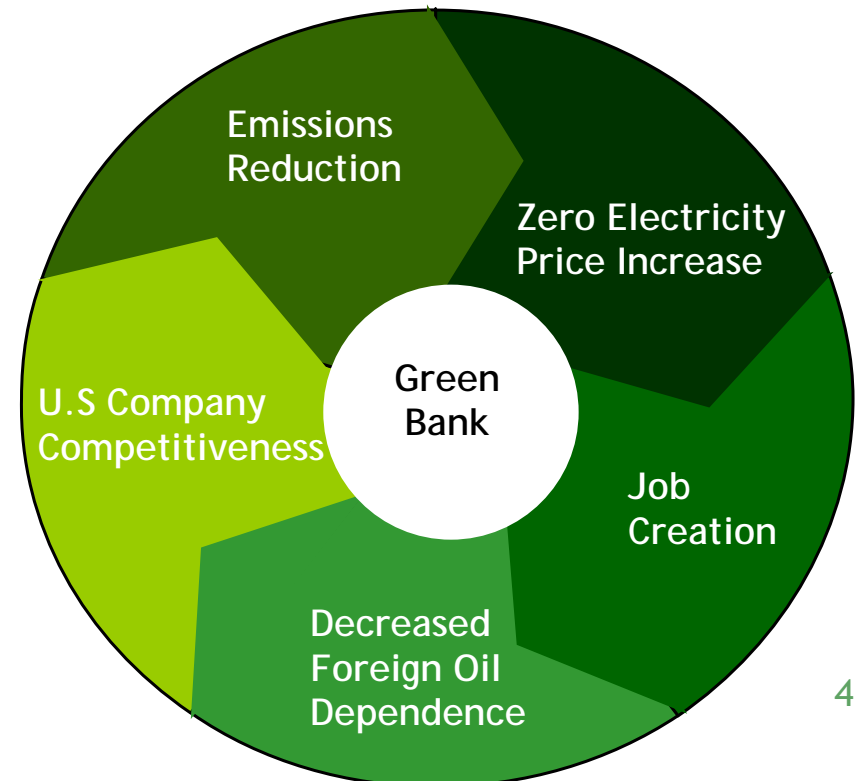
The Coalition for the Green Bank aims to support the creation of a Green Bank which will spur clean energy development

Mission: To support federal legislation that will spur clean energy development through funding renewable generation and related transmission as well as other clean energy initiatives

Vision: Supporting the creation of an independent Green Bank, currently named the Clean Energy Deployment Administration (CEDA), in active legislation:

Benefits of a Green Bank:

- Create new, clean generation without raising consumer rates or impairing shareholder value
- Create job growth
- Reduce CO₂ emissions
- Decrease foreign oil dependence
- Increase American competitiveness in clean energy technology



Coalition for the Green Bank Co-Chairs and Steering Committee Members

Coalition Co-Chairs:

- Reed Hundt
- Todd Filsinger (PA Consulting Group)

Steering Committee

- AES Corporation (Rajeev Garside)
- Cavallo Energy, LLC (Phillip P. Gennarelli)
- Chinook Energy, LLC (William Gleason)
- Equilibrium Capital Group, LLC (William Campbell)
- Greencore Capital (Gilbert Barnes)
- KRM Energy Advisors LLC (Ken Marks)
- Latham & Watkins LLP (Mike Gergen)
- Mesa Power Group, LLC (Monty Humble)
- PSE&G (Ralph LaRossa)
- Riverstone Holdings, LLC (Michael Hoffman)
- Wellford Energy Advisors (Harrison Wellford)
- Alan Fleischmann
- Marty Klepper

The Coalition is comprised of leading Energy, Professional Service, Technology, and Financial Companies

Coalition Members:

- AES Corporation
- AES Solar Energy Ltd. (Robert Hemphill)
- Alston & Bird (Bob Jones, Tom Amis)
- AMB International Finance, LLC (John E. Mullen, Raymond J. Albright)
- American Council on Renewable Energy (ACORE) (Michael Eckhart)
- AMSOLAR Corporation (Joshua Weinstein)
- Applied Materials (William G. Morin)
- Boyd Strategies (Steve Boyd)
- Brown Rudnick LLP (Alan N. Forman)
- Cavallo/Cross Hudson (Harold Borden)
- Clean Economy Network (Jeffrey King)
- Commonwealth of Kentucky (Paul Kaplan)
- Continental Capital/GCMG (Nalin Meegama)
- CURRENT Group, LLC (Tom Casey)
- Diversified Bio-Energy LLC (Marina I. Mercado)
- Eagle View Capital Strategies (Andrew Kreig)
- EKO Asset Management Partners (Jason Scott)
- Encomia, LP (William J. Eckert)
- Envision Solar International, Inc. (Robert Noble)
- Equilibrium Capital Group (Dave Chen)
- Free Flow Power Corporation (Daniel Lissner)
- Gas Turbines International, LLC (Larry Rayman)
- GE Energy Financial Services (Steve Taub)
- Global Energy, Inc. (Harry H. Graves)
- Global Environmental Outreach & GeoConsult (Gregory O'Reilly)
- Good Energy, Inc. (Greg Kats)
- Green Amperage Partners, LLC (Thomas R. Rosén)
- Green Harvest Technology (Dan Carol)
- GreenAtom LLC (Todd Greenhalgh)
- Greencore Capital (Michael Telford)
- GreenWorld Capital, LLC (David W. Elkin, Michael J. Howe)
- Grid Storage Technologies (Ben Rogers)
- Helix Electric, Inc. (Ken Emma)
- Higher Power Energy, LLC (Mark Patkunas)
- International WoodFuels (Steven Mueller)
- Kanepi Innovations (Larry Leete)
- Konarka Technologies, Inc. (Howard R. Berke)
- Lane Powell (Karen Williams)
- MAPA Group (Michael Peck)
- Mesirow Financial Consulting, LLC (John Oates)
- Mohave Sun Power LLC (Mitchell Dong, Robert Marsh)
- National Cooperative Bank (NCB) (Andrew Kho, Romie Basra)
- New Cycle Capital (Josh Becker)
- Nixon Peabody LLP (Rich Cogen)
- Pario Capital (Guy Piazza)
- Passport Capital (Ravi Anaparti)
- Patton Boggs (Joshua Greene)
- Peregrine Energy Group, Inc. (Francis Cummings)
- Pillsbury Winthrop Shaw Pittman LLP (J. Todd Culwell)
- Principle Power (Jon Bonanno)
- RecycleBank (Preston Read)
- Renewable Funding LLC (Cisco DeVries)
- Renewable Ventures (Karin Berardo, Peter Conklin)
- Schwartz Communications (Jason E. Morris)
- Serious Materials, CalStar, ZETA (Marc Porat)
- Solarsa, Inc. (Gregory Hilty, Scott E. Jorgensen)
- Strategic Energy Advisors, Inc. (Jeanine Hull)
- Suntech America (K. Scott Son)
- Sustainable Spaces (Matt Golden)
- Tessera Solar (Kevin Scannell)
- Tioga Energy (Kristian Hanelt)
- Training, Resources and Consulting, Inc. (Kevin Douglas Moran)
- US Mainstream Renewable Power Inc. (Bruce Thompson)
- Wilson Sonsini Goodrich & Rosati (Robert O'Connor)

Table of Contents

Who is the Coalition for a Green Bank?

How will the Green Bank work?

What are the benefits of the Green Bank?

Why is the Green Bank needed now?

The Coalition supports an independent, wholly-owned government corporation for the Green Bank

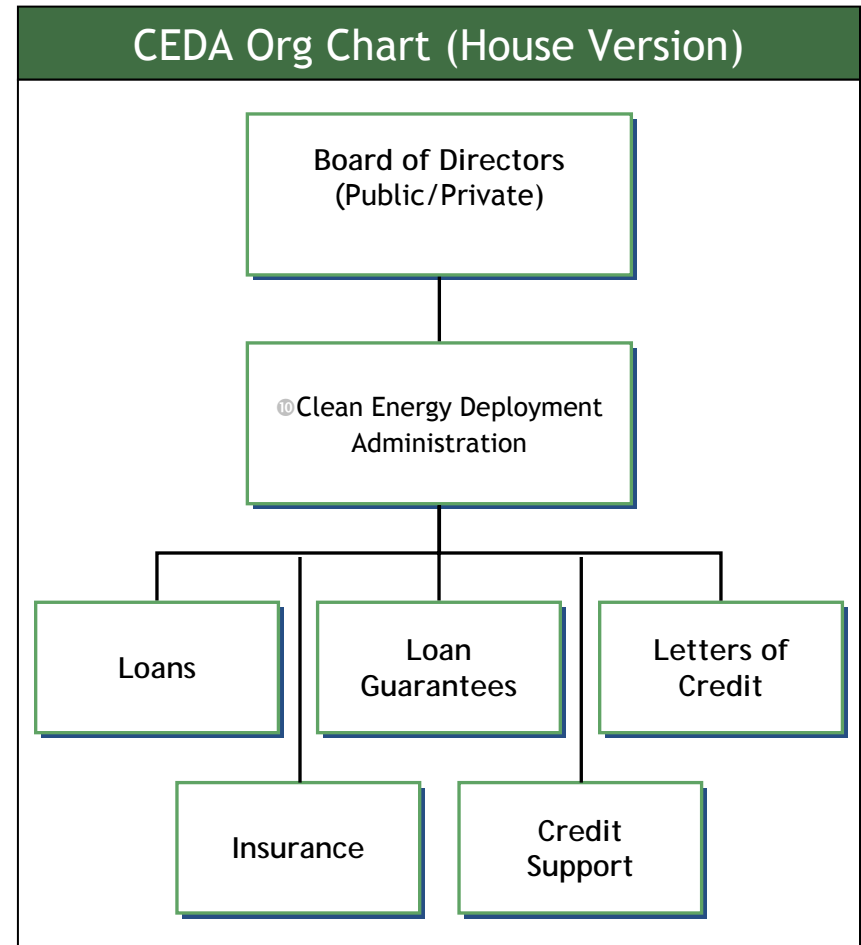
The Coalition supports a Green Bank with the following characteristics and structure:

- Independent, government-owned and nonprofit
- Providing a guaranteed capitalization of at least \$10 billion
- Have a President appointed and Senate Confirmed CEO and a Board of Directors consisting of the Secretaries of Agriculture, Energy, Interior and Treasury as well as five private experts
- Contain an Energy Technology Advisory Council, consisting of eight members selected by the Board of Directors
- Authorized to issue direct loans, letters of credit and loan guarantees to deploy "clean energy technologies"
- Authorized to facilitate financing in tax equity markets
- Chartered for 20 years
- Fully transparent and accountable to Congress

The Green Bank is currently proposed in the House American Clean Energy and Security Act (ACES) as the Clean Energy Deployment Administration (CEDA)

Mission: To accelerate the market penetration and capital formation of domestic clean energy technology in the United States through the effective administration of financial services to bridge market inefficiencies.

- CEDA will be a wholly-owned government corporation combining the best practices and experience of government corporations that support private sector finance and investment (i.e. Overseas Private Investment Corporation, Export-Import Bank)
- CEDA will charge fees for its services sufficient to be self-sustaining and protect U.S. taxpayers
- CEDA will aim to lower capital costs and mitigate market risks impeding investment
- CEDA will administer energy-centric financial services instruments on behalf of the Federal Government



The Clean Energy Deployment Administration will increase America's national, economic and environmental security.

Multi-Generational investment objectives require use of mission-focused independent government corporations outside of traditional agencies to further national priorities

National Priority

Quasi-governmental agency

Exports/Trade

- Overseas Private Investment Corporation (OPIC)
- Export-Import Bank of the United States (EX-IM)

Regional Development

- Tennessee Valley Authority (TVA)

Bank Insurance

- Federal Deposit Insurance Corporation (FDIC)

Foreign Aid

- Millennium Challenge Corporation (MCC)

National Security

- In-Q-Tel

Energy security, job creation and environmental stewardship are critical and immediate priorities supported by the Green Bank.

By lowering the cost of debt, the Green Bank protects consumers and shareholders alike

The Green Investment Bank

Low cost financing increases the net present value of supported renewable projects

50 MW Wind plant

	Cost of Debt	Return on Equity	Leverage Ratio	Maturity of Long Term Debt	Project NPV (\$000s)	REC Price (\$/MWh)
Without Green Bank	8.50%	15.00%	43%	16	\$901	\$16.61
With Green Bank	4.50%	15.00%	49%	22	\$1,081	\$0.00

After-tax Cash Flow (\$000s)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Without Green Bank	\$38,057	\$11,669	\$7,341	\$4,752	\$4,772	\$2,832	\$890	\$903	\$924	\$943	\$956
With Green Bank	\$37,501	\$11,107	\$6,775	\$4,185	\$4,208	\$2,274	\$342	\$369	\$410	\$454	\$497

EBITDA / Debt Service	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Without Green Bank	1.61	1.34	1.37	1.41	1.44	1.47	1.50	1.54	1.57	1.61	1.65
With Green Bank	1.62	1.23	1.26	1.29	1.32	1.36	1.39	1.42	1.46	1.49	1.53

Notes:

Modeled cash flows are for illustrative purposes only and do not reflect an actual plant valuation

Revenues for the representative 50 MW wind plant assume the national average wholesale price of \$60/MWh escalates at 2% per year

Table of Contents

Who is the Coalition for a Green Bank?

How will the Green Bank work?

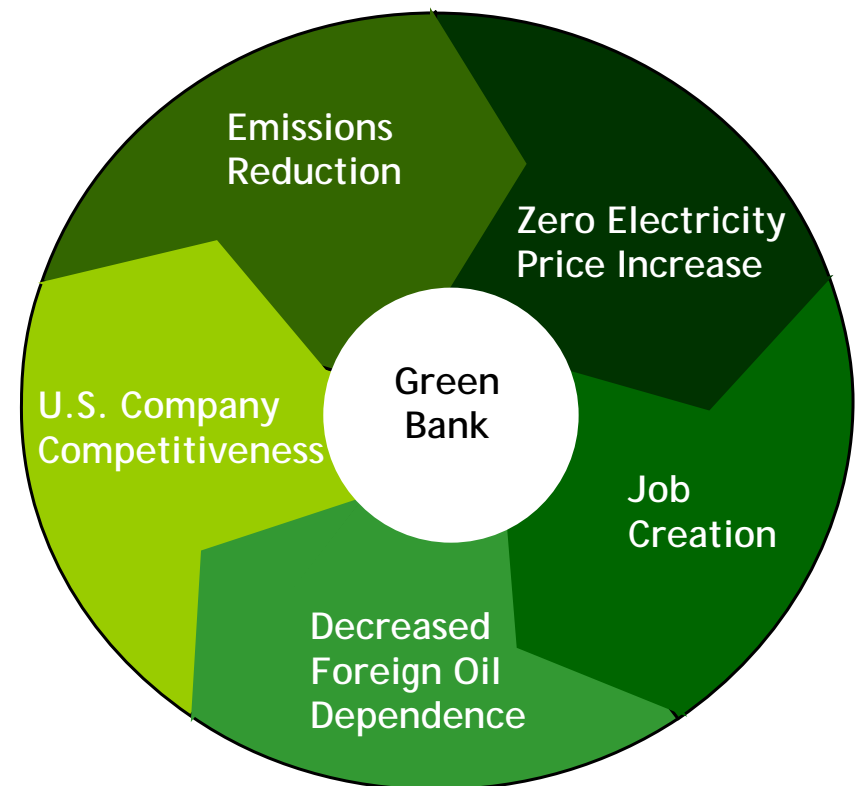
What are the benefits of the Green Bank?

Why is the Green Bank needed now?

The Green Bank would provide many benefits to the U.S.

Benefits of the Green Bank:

- Reduce CO₂ emissions
- Create new, clean generation without raising consumer rates or impairing shareholder value
- Create job growth
- Decrease foreign oil dependence
- Increase American competitiveness in clean energy technology



The Green Bank could support up to 100 GW of clean energy generation which will reduce carbon emission rates

- Green Bank will be instrumental in meeting CO2 emission reduction goals set forth by the administration
- Supporting investment of \$200B could account for 20-30% of the annual reduction needed from the Waxman Markey through 2020 or 5-10% of the CO2 emitted from the power sector in a business as usual scenario

The Green Bank would protect existing electricity price levels in every state

Current price of electricity, state by state (in c/kWh):

National 9.8 c/kWh	Illinois 9.2 c/kWh	Nevada 9.9 c/kWh	Texas 11 c/kWh
Alabama 8.6 c/kWh	Indiana 7.1 c/kWh	New Hampshire 14.6 c/kWh	Utah 6.5 c/kWh
Alaska 14.5 c/kWh	Iowa 7 c/kWh	New Jersey 14.9 c/kWh	Vermont 12.3 c/kWh
Arizona 9.1 c/kWh	Kansas 7.6 c/kWh	New Mexico 8.3 c/kWh	Virginia 8.1 c/kWh
Arkansas 7.8 c/kWh	Kentucky 6.3 c/kWh	New York 16.7 c/kWh	Washington 6.7 c/kWh
California 13 c/kWh	Louisiana 9.5 c/kWh	North Carolina 8.1 c/kWh	West Virginia 5.6 c/kWh
Colorado 8.6 c/kWh	Maine 13.7 c/kWh	North Dakota 6.6 c/kWh	Wisconsin 9 c/kWh
Connecticut 17 c/kWh	Maryland 13 c/kWh	Ohio 8.4 c/kWh	Wyoming 5.7 c/kWh
DC 13.5 c/kWh	Massachusetts 16.2 c/kWh	Oklahoma 8 c/kWh	
Delaware 12.3 c/kWh	Michigan 9.1 c/kWh	Oregon 7.3 c/kWh	
Florida 10.8 c/kWh	Minnesota 7.8 c/kWh	Pennsylvania 9.3 c/kWh	
Georgia 9 c/kWh	Mississippi 8.9 c/kWh	Rhode Island 16.1 c/kWh	
Hawaii 29.2 c/kWh	Missouri 6.9 c/kWh	South Carolina 7.9 c/kWh	
Idaho 5.7 c/kWh	Montana 7.4 c/kWh	South Dakota 7.1 c/kWh	
	Nebraska 6.5 c/kWh	Tennessee 8 c/kWh	

1. Source: EIA. Retail rate represents all sectors (Residential, Commercial, Industrial and Transportation)

This is accomplished because of the flexible terms and lower cost of debt provided by the Green Bank

- The financing model assumes higher leverage and lower cost of debt under the Green Bank scenario

Because Green Bank will provide a lower cost of debt, projects can still provide 15% return on equity, and meet debt coverage ratios without an increase in rates.¹

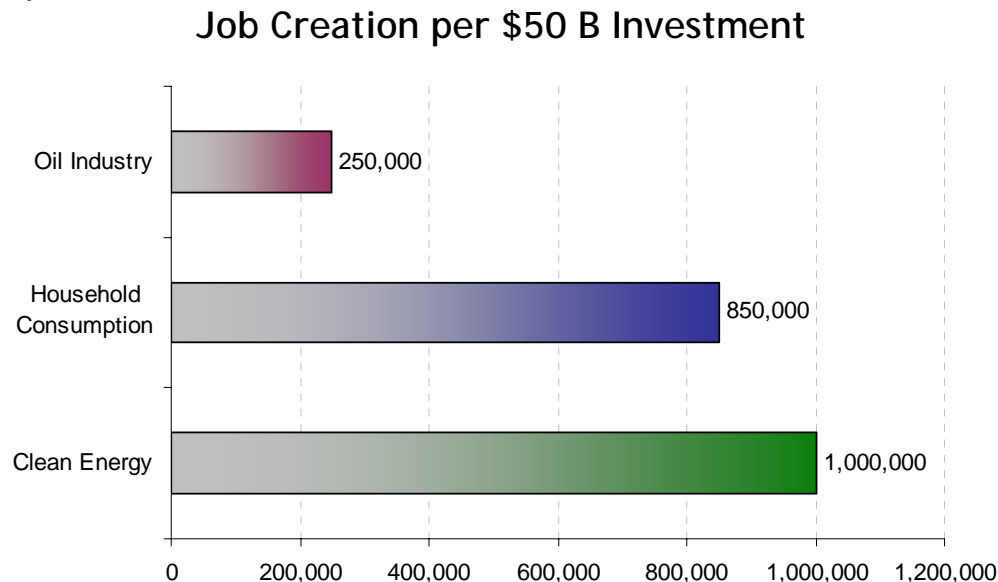
	Financing with Green Bank	Financing without Green Bank
Capital Cost Class IV Wind	\$2200	\$2200
Cost of Debt	4.5%	8.5%
Return on Equity	15.0%	15.0%
Leverage Ratio	49%	43%
Debt Maturity	22	16
Required increase in current rates ¹	\$0	\$16.61 (1.661 c/kWh)

¹ Assumes 2007 national average wholesale generation electricity rate of \$60/MWh (\$2007).

The clean energy investment supported through the Green Bank could create up to 1 million new jobs for \$50B of investment per year

\$50 billion invested in clean energy could create and maintain:

- 1 million new jobs, with a significant proportion in the struggling construction and manufacturing sectors¹
- 4x times more jobs than spending the same amount of money within the oil industry,
- Triple the number of good jobs—paying at least \$16 dollars an hour—as spending the same amount of money within the oil industry¹
- 150,000 more jobs than a similar amount of spending directed toward household consumption¹

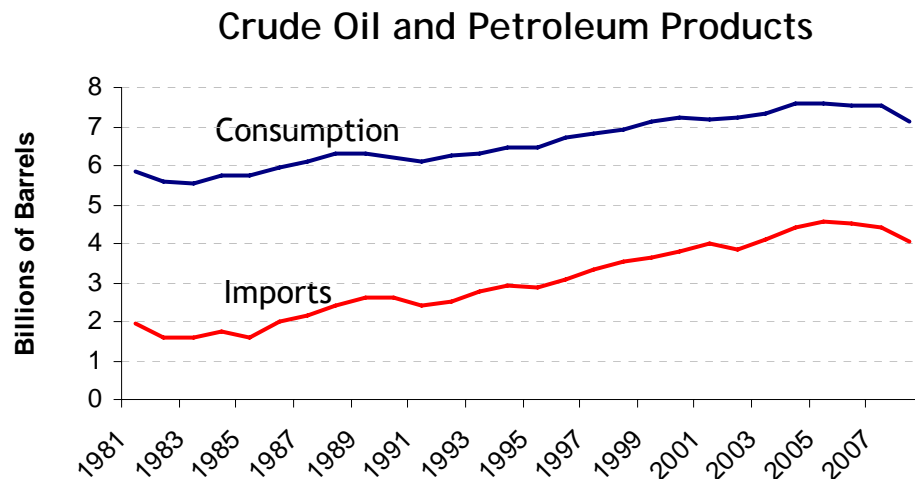


The Green Bank would lead to a steady and reliable creation of these good jobs, so that human capital can be upgraded, and wages can rise with productivity gains and on the job training.

¹ Source: Center for American Progress

The Green Bank is also a critical element to energy independence

- Renewable generation created through a fully capitalized (\$50B) Green Bank could:
 - Provide enough electricity to power approximately 22.9 M car/year¹
 - Decrease gasoline consumption by an incremental 12.6B gallons/year²
 - Decrease oil consumption by an incremental 642 million barrels/year or 1.8M barrels/day³



- The U.S. consumed 19.5 million barrels per day of petroleum products during 2008
- 58% of petroleum products were imported
- Oil provides 97% of the fuel used by America's enormous fleet of trucks, trains, planes, ships, buses and cars

Source: EIA

¹ Assumes 20 GW of renewable generation produces 63,000 GWh. Electric car can go 40 miles/8kwh and standard gas sedan goes 25 miles/gallon. Current average gallon usage/year/car is 550 gallons. Using an electric car, this is equivalent to 2,750 kwh/year/car.

² Assuming it replaces 550 gallons/year/car.

³ Assumes that 19.6 gallons of gasoline are produced from one barrel of oil.

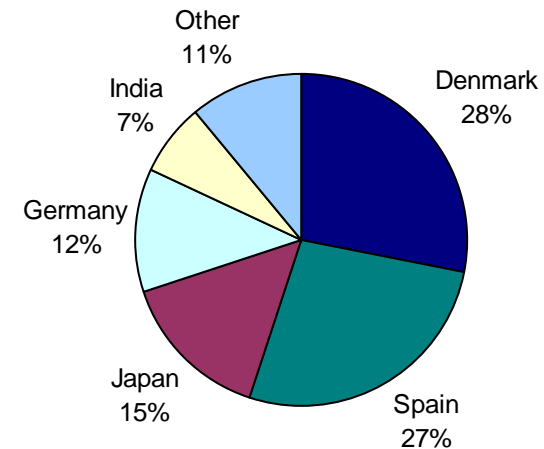
The Green Bank will allow for the U.S to increase its worldwide competitiveness in the clean technology sector

- The U.S. is currently a net importer of wind technologies
- New investment in clean energy spurred by the Green Bank could put the U.S. in a position to become a world leader in not only wind technology, but other innovative, new technologies, such as solar, batteries, etc.

Wind Turbine Imports and Exports (\$MM)		
	U.S. Imports	U.S. Exports
2004	60	4
2008	2,500	22

Source: USITC

US Wind Turbine Imports by country



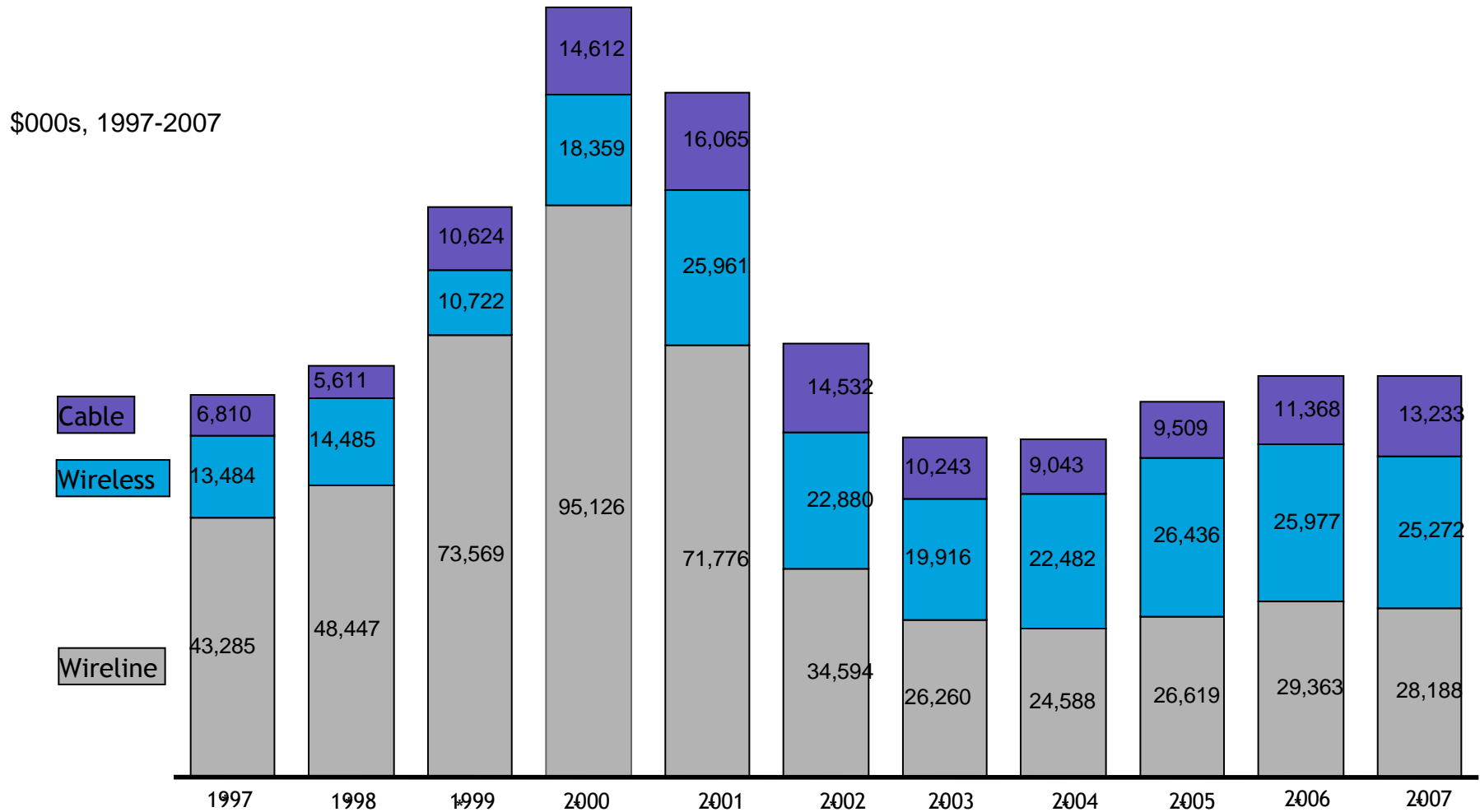
Lessons Learned:

Denmark committed to wind power early on. In 2004, they were already producing 20% of the energy from wind, compared to 2.4% in Europe and less than 1% in the U.S.. This commitment gave them a distinct advantage in the world marketplace for wind turbines - Denmark's world share of wind turbines is approximately 40%..

Source: Danish Wind Industry Association

Overall, private investment spurred by the Green Bank in clean energy could have similar impacts as Congressional communications strategies on telecom investment

- Congressional communications regulatory strategies in the 1990s spurred more than \$850 Billion in private sector investment over 10 years, with no federal appropriations



Source: CIBC; SG Cowen; Kagan; CTIA

Coalition for the Green bank

Table of Contents

Who is the Coalition for a Green Bank?

How will the Green Bank work?

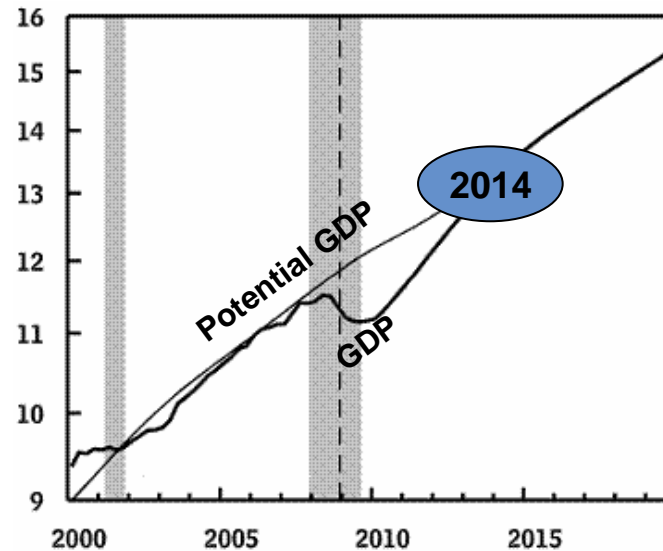
What are the benefits of the Green Bank?

Why is the Green Bank needed now?

Due to the drop in output for the whole economy, new investment will require stimulus

- The output gap is predicted to be 6 pts of GDP by 2009 Q4, in log terms
- The Congressional Budget Office (CBO) projects U.S. output out to 2019. Based on its forecast, output does not revert back to potential GDP until 2014

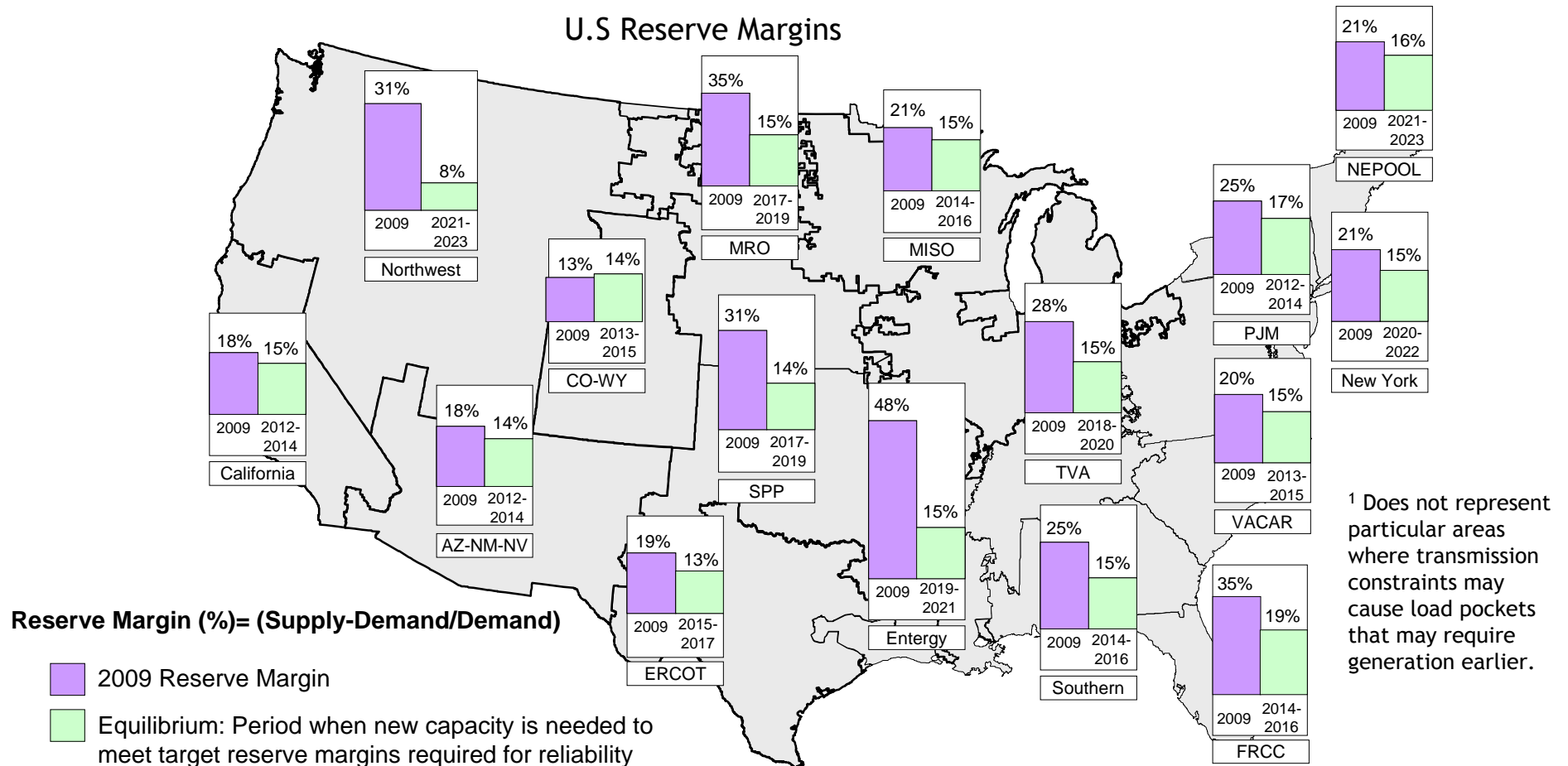
**GDP and CBO estimate of potential GDP
2000-2019**
Trillions of 2000 Dollars



SOURCE: CBO

In particular, the energy markets do not need new capacity until the 2015-2016 time frame-unless compelled by RES and Green Bank

- There is a currently an oversupply of generation in the U.S. needed to meet demand, as measured by reserve margin ((Supply - Demand)/Demand)
- Based on supply projections and economic growth, new generating capacity is not needed until 2015-2016, on average across the U.S.¹

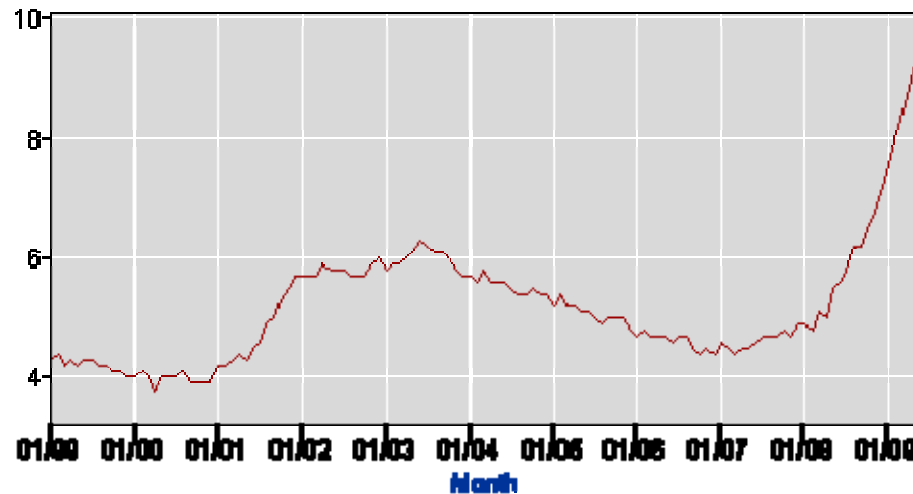


Source: PA Consulting Group

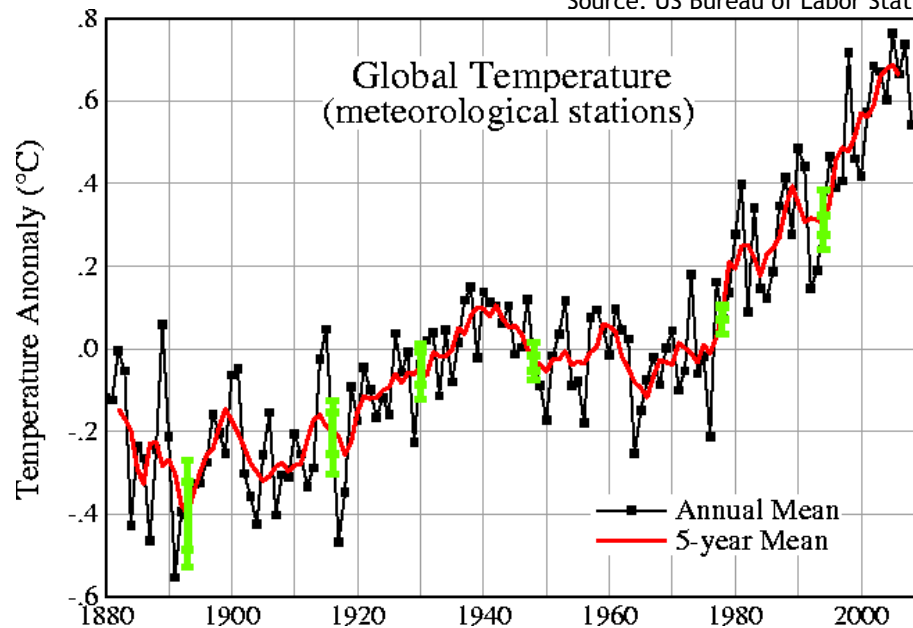
Coalition for the Green bank

Action has never been more critical, and the Green Bank is part of the answer

US Unemployment (%)



Source: US Bureau of Labor Statistics



Source: <http://data.giss.nasa.gov/gistemp/>

- The Green Bank helps to address two of the largest issues facing our country today, climate change and the economic recession
- A fully-funded Green Bank would create 1 million new jobs, reduce emissions, decrease our dependence on foreign oil, increase our international competitiveness in clean energy technology, all while keeping consumers' retail electric prices flat

It's time for a Green Deal...

Tenets of the Green Deal

- Renewable Electricity Standards (RES) guarantee demand
- Transmission bill assures that supply comes from optimal locations
- Green Bank finances new supply without raising prices to consumers or hurting shareholders
- Caps guarantee that utilities phase out dirtiest power first

For more information on the Green Bank, please email Irina Dayton at irina.dayton@paconsulting.com or visit our website at www.coalitionforthegreenbank.com



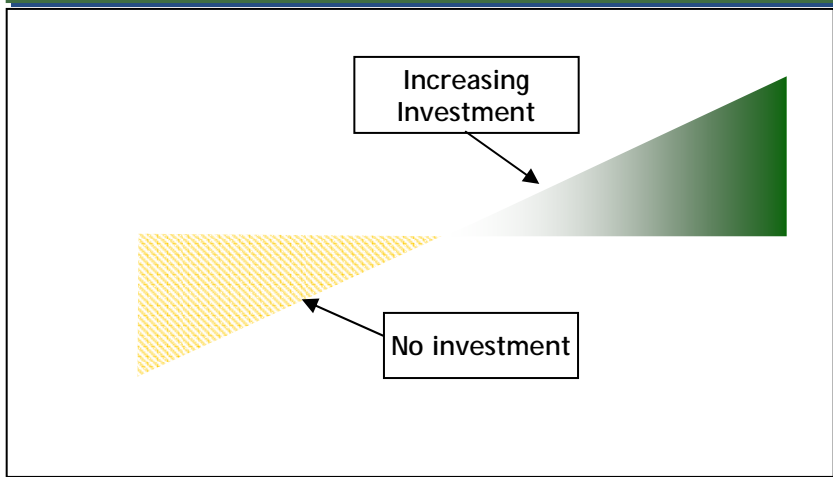
Appendix: Net Present Value Calculations

$$NPV = - \text{Equity Investment} + \frac{\text{Year 1 FCF}}{(1+r)^1} + \frac{\text{Year 2 FCF}}{(1+r)^2} + \frac{\text{Year 3 FCF}}{(1+r)^3} + \dots$$

Paths to Decrease Equity Investment

- ↓ Decrease Equity Investment
 - Technology innovation
 - Grants
 - Subordinated Loans
 - Senior Loans

Additional Leverage Increases NPV



Paths to Increase Free Cash Flow (FCF)

Revenue
– Expenses
Operating Income (EBITDA)
– Interest on debt
– Taxes
– Debt Repayment
Free Cash Flow

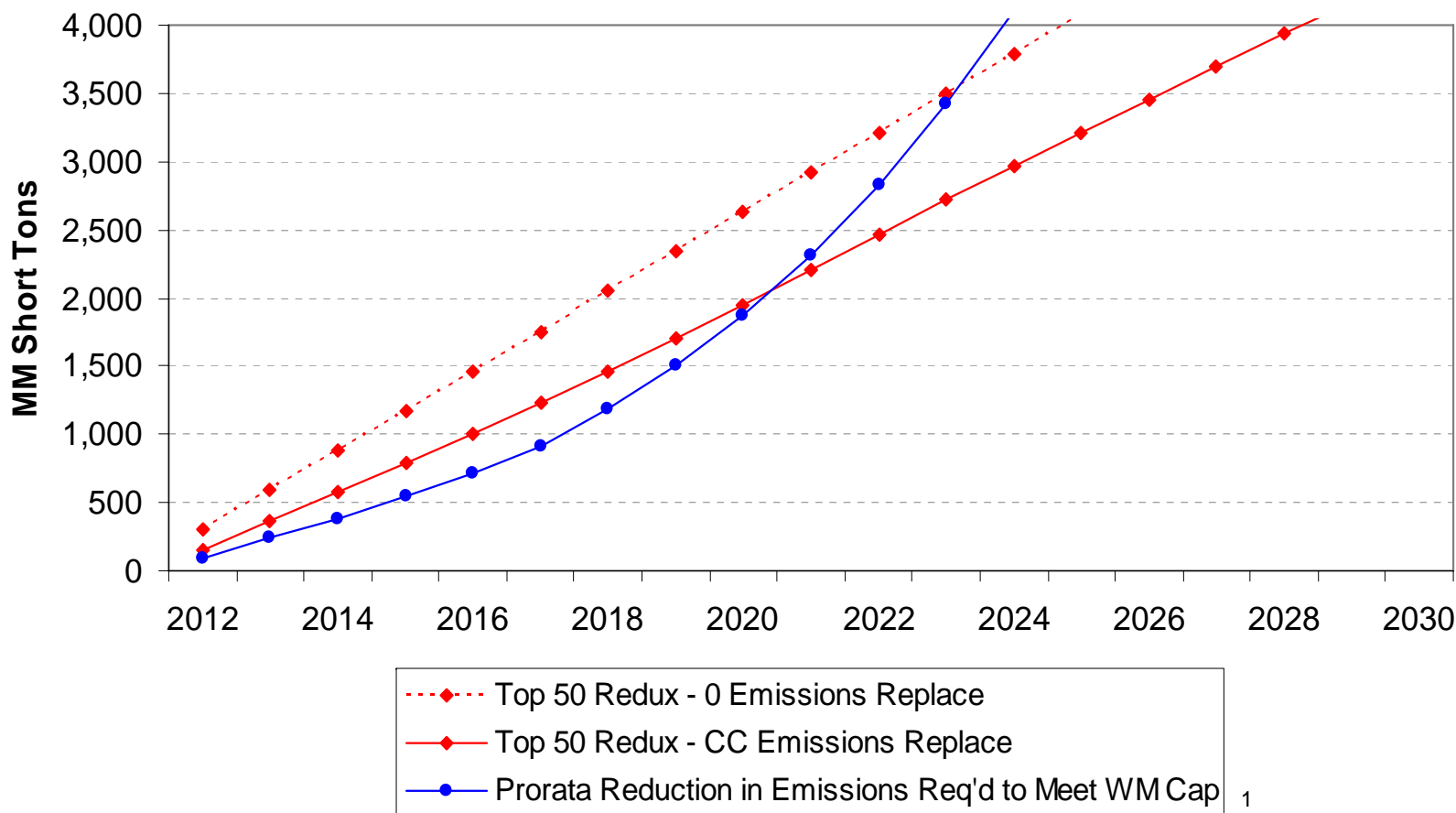
- ↑ Increase Revenue
 - Subsidies
 - Federal Procurement
 - Demand Pull
- ↓ Decrease Interest on Debt
 - **Loan Guarantees**
 - Mortgage Securitization
- ↓ Decrease Expenses
 - Technology R&D
 - Economics of Scale
 - Futures Hedging
- ↓ Decrease Risk
 - Future Hedging
 - Insurance
- ↓ Decrease Taxes
 - Tax Rate
 - Tax Credits
 - Accelerated Depreciation

A Green Bank will work to increase the NPV and thus increase the market transformation of clean energy

The CO2 reduction proposed under Waxman-Markey legislation will likely require reduction to output by some coal and inefficient gas

⑩ For example - displacing the generation of 50 coal plants meets the cumulative emission reductions targeted in Waxman Markey bill through 2020 -2024 (depending on what type of technology replaces it)¹

Cumulative Emissions Reductions (2012+)



¹ Assumes electricity sector is responsible for a pro rata portion of target based on electricity sector emissions as a percent of total emissions.

Cash for Carbon

Utilizing Clean Energy Deployment
Administration (CEDA)/Green Bank to Meet
Waxman-Markey Goals for Reducing CO2
Emissions



Coalition for the Green Bank

What is Cash for Carbon?

- CEDA/Green Bank will purchase coal-fired facilities through an auction process from willing bidders at lowest offered prices per ton of CO₂ abated
- CEDA/Green Bank will provide low cost financing for clean replacement facilities to ensure grid reliability
- Benefits include:
 - Rapid green job creation in states where unemployment is high
 - Assure immediate demand for new clean power generation capacity
 - Achieve immediate and measurable CO₂ (in addition SO₂ and Mercury) abatement at a lower cost than any other proposed method
 - Cash for Carbon offers Congress the flexibility to devise other programs applicable to coal mining and other secondary impacted industries

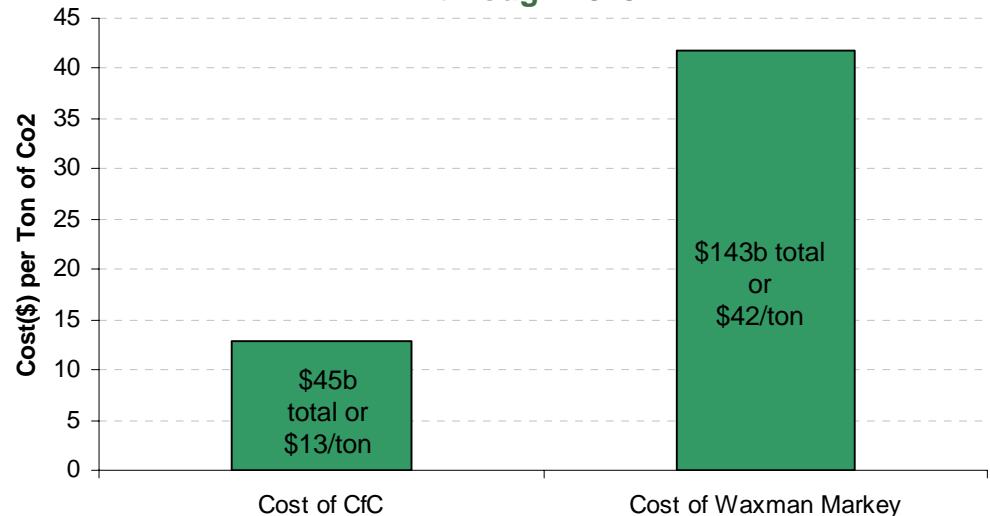
How *Cash for Carbon* Works

- The CEDA/Green Bank holds an auction to purchase coal-fired power generation facilities in the U.S.
- Bidders prequalify based on offering to sell useful assets which address “actual” CO₂, SO₂ and Hg abatement potential (e.g., 5 years historical operations data) and ability to mitigate grid reliability issues (through replacement generation, transmission, energy efficiency, smart grid or other means); committing to buy or build clean energy as a substitute
- Any allowances allocated to the plant owners would transfer with the plants
- CEDA/Green Bank could re-sell allowances in future to reduce cost of the Cash for Carbon program
- The bidders could use the CEDA/Green Bank financing coupled with cash received from the sale of the coal plant to construct or purchase replacement electricity
- CEDA/Green Bank can realize in future the value of real estate under decommissioned facilities to reduce the cost of Cash for Carbon

Cash for Carbon: Necessary Reductions at the Lowest Cost

- Cash for Carbon meets Waxman-Markey required abatement of carbon dioxide through 2023 at lowest cost of any proposal.
 - Cash for Carbon would cost \$45B upfront, or approximately \$13/ton of CO2 reduced by 2023, less the value of allowances and real estate sold later in time
 - Compliance with Waxman-Markey caps will otherwise cost approximately \$143B through 2023, or approximately \$42/ton of CO2 reduced through 2023.

Comparative Costs per Ton of CO2 reduced through 2023¹



Notes to analysis:

Cost per ton is based on total estimated cost of each program divided by estimated cumulated CO2 reductions.

Neither cost estimate includes replacing existing capacity

Cash for Carbon option: \$45B is an estimated cost. for meeting 2023 abatement goals

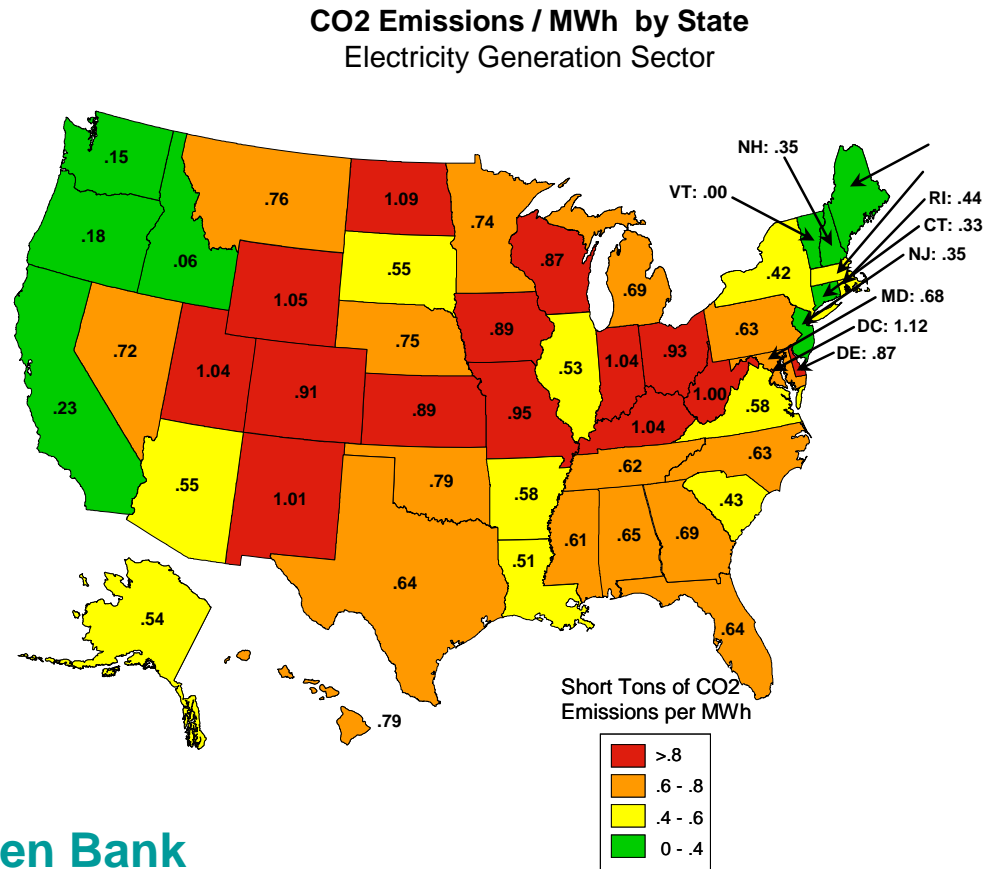
Cost of complying with Waxman-Markey caps reflects the estimated price for allowances under EIA limited tech case times the estimated reductions necessary to meet WM targets which are assumed to be a pro-rate portion to the electricity industry based on amount of total contribution to emissions (i.e. it does not represent total WM reduction targets).

Plants Would be Purchased Through An Auction

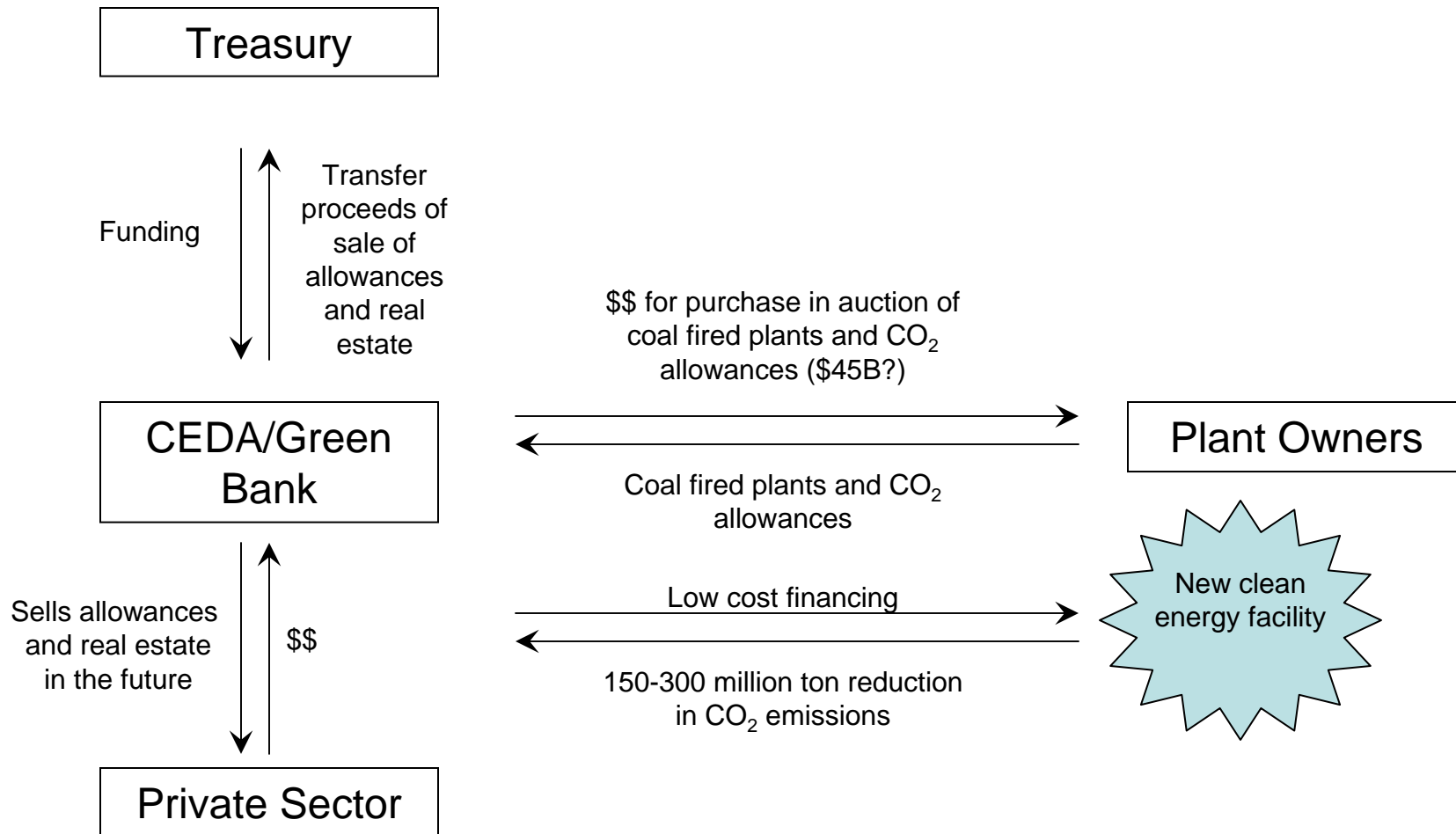
- The coal-fired plants (or promise of abatement) would be purchased through an auction, a technique effectively utilized in the spectrum auctions since 1990's:
 - For example, CEDA/Green Bank could use a technique known as a Dutch auction, in which each entrant places a bid and all the facilities receive that marginal bid (that bid which when applied to the MW's equals the capital allocated for Cash for Carbon)
 - The auction process should ensure that facilities would be purchased for their going concern value that incorporates the environmental costs associated with the facilities (enhancing efficacy of cap and trade).

Likely bidders will come from states hit hard by the economic downturn, putting cash where it is most needed

- Cash for Carbon gives plant owners struggling to maintain profitable production in the CO2 regulated environment a new way to transform their fleets to the future



Funding and Asset Flow of *Cash for Carbon*

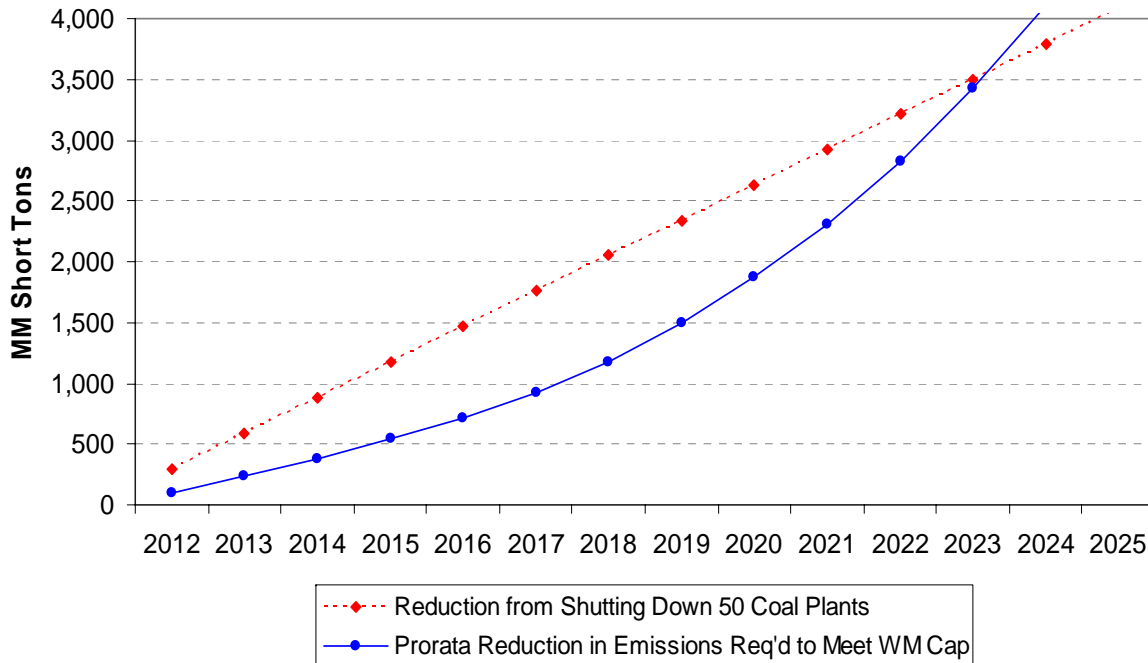


Coalition for the Green Bank

Cash for Carbon meets all emissions reduction targets every year through 2023

- Cash for Carbon would guarantee compliance with caps set by Waxman-Markey legislation as of 2023.

Cumulative Emissions Reductions (2012+)



¹ Assumes electricity sector is responsible for a pro rata portion of target based on electricity sector emissions as a percent of total emissions for Waxman Markey emission reductions. Does not include impact or costs of new generating facilities.

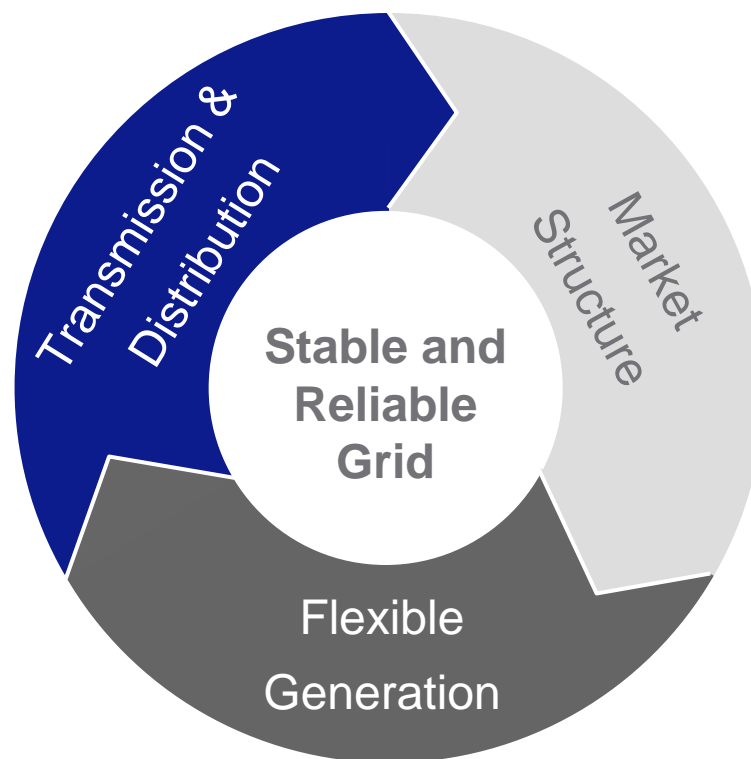
Cash for Carbon will meet multiple objectives

- Accelerate investment in new clean energy generation, quickly stimulating the manufacturing sector and others
- Accelerate creation of green jobs
- Guarantee meeting Waxman-Markey caps every year through 2023
- Meet Waxman-Markey caps at lower cost and subject to less price-tag uncertainty than other proposals

Reducing our CO2 emissions and adding renewable generation will require an integrated solution

A diverse and flexible generation fleet, transparent price signals, and transmission upgrades will all be required to incorporate wind while maintaining a reliable and stable grid.

- New and upgraded transmission to get resources to demand centers
- Smarter grids to adapt to variability
- Advanced grid technologies



- Adequate capacity and ancillary services market
- Fast time signals to adjust generation on time
- Locational signals to guide dispatch and incent transmission and generation builds

- Sufficient peaking capacity will be required
- Complementary generation such as solar and battery storage

This will require investment and access to financing, which is why the Green Bank will be a critical part of the solution

- The Green Bank/CEDA as passed in the House will be funded with \$7.5B which will support \$150B of investment.
- The Green Bank/CEDA as passed out of the Senate Energy and Natural Resources Committee will be funded with \$10B which will support \$200B of investment.



Coalition for the Green Bank (CGB)

Conclusion Philosophical:

§ To ensure economic growth is sustainable, the new “green” economy must be built on collaboration. The new labor-environment convergence emerging in the U.S. can be viewed as the end of false choices (i.e. the false choice between a good job and a clean environment). Green Economy leaders realize that the old models no longer command respect and that the next step must be to rid our economies of other false choices.

§ This next phase of the Green Economy will need countries to get the human resources equations right on both sides of the company/labor ratio starting at the supposed top as well as the supposed bottom as we transfer from a “culture of irresponsibility” towards a new structural ethos based on progressive worker empowerment concepts and models that produce results and inspire respect.

§ We know that good labor practices lead to profitability – there is a lot of literature on this. We also know that the Corporate Sustainability Index (CSI) shows how companies improve their performance by going green in terms of waste reduction. A new worker empowerment ethos means a new era of inclusive, interactive, socially networked, Green Economy rights and principles. The Green Bank can serve as the financial tool to articulate a global partnership to identify newer, more progressive models that respect but enhance capitalist marketplace foundations through the qualities of fairness, transparency, more inclusion, and broader access.

Coalition for the Green Bank (CGB)

Concrete Steps:

- § Recommend that global cooperative financing institutions recreate similar Green Banks in their respective geographies
- § Recommend that our collective movement work vigorously to make ‘Green Bank Lending Through Cooperatives’ a staple tenet of all multilateral lending institutions
- § Recommend that energy efficiency operations around the world be developed as worker cooperatives with cooperative and multilateral financing institutions poised to incentivize these structures in their respective geographies so that the workers own the activity and benefit from the results on a continuing sustainable basis.