

Missouri Energy Infrastructure Bank

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State Environmental Improvement and
Energy Resources Authority
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Missouri Energy Infrastructure Bank

About the Authority

- The Authority was created by statute in 1972 as an independent, self-supporting, quasi-governmental agency, governed by a five member Board appointed by the Governor.
- Is a “body corporate and politic,” that is authorized to finance, acquire, construct and equip projects for the purpose of reducing, preventing or controlling pollution and **to provide for the development of energy resources** of the State of Missouri.
- Is empowered to conduct environmental and **energy research and development activities, develop alternative methods of financing environmental and energy projects**, and assist Missouri communities, organizations and businesses in obtaining low-cost funds and other financial assistance for projects related to the Authority’s purposes.
- To date has issued over \$6.0 Billion in bonds and loans.

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INFLATION REDUCTION ACT OF 2022

SECTION 60103
GREEN HOUSE GAS REDUCTION FUND
\$27 BILLION

CONTEXT: STATUTORY PARAMETERS

	Funding stream #1	Funding streams #2 and #3
Funding	\$7 billion in competitive grants	\$11.97 billion and \$8 billion in competitive grants
Eligible Recipients	States, municipalities, Tribal governments, and 'eligible recipients' (see righthand column)	<p><i>Eligible recipients</i> defined as:</p> <ul style="list-style-type: none"> • A nonprofit that provides capital, including by leveraging private capital • Does not take deposits other than from repayments and other revenue from using these grant funds • Is funded by public or charitable contributions • Invests in or finances projects alone or with investors
Use of Funds	<ul style="list-style-type: none"> • Provide eligible applicants with funding that can be used as subgrants, loans, other forms of financial assistance, and technical assistance • Distributed technologies on residential rooftops is specifically mentioned as an allowable use, in addition to zero-emission technologies 	<p>Funds for financial and technical assistance in projects that reduce or avoid GHG and other forms of air pollution.</p> <p>Eligible recipients shall make:</p> <ul style="list-style-type: none"> • Direct investments in qualified projects • Indirect investment through funding and technical assistance to establish new or support existing public, quasi-public, and nonprofit entities that provide financial assistance to qualified projects at the state, local territorial, or Tribal level, as well as community lenders
Conditions and Carve-Outs	Funds must enable low-income and disadvantaged communities to deploy or benefit from zero-emission technologies and carry out GHG reduction activities	\$8 billion for qualified projects in low-income and disadvantaged communities

Key Statutory Deadlines:

- Begin making grants on a competitive basis within 180 days of enactment (February 12, 2023)
- Award all funding by September 30, 2024

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GREEN HOUSE GAS REDUCTION FUND

February 14, 2023 Guidance

EPA Intends to split into 2 programs:

- \$7 Billion for Zero-Emissions Technology Competition
 - 60 applications accepted
 - States, Tribes, Municipalities, Eligible non-profits
 - Leverage with private capital
- \$20 Billion General and Low-Income Assistance Competition
 - 2-15 applications accepted
 - Eligible non-profit entities to collaborate with community financing institutions

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GREEN HOUSE GAS REDUCTION FUND

April 19, 2023 Guidance

EPA Intends to split into 3 grant competitions:

- \$7 Billion Solar for All competition
 - Up to 60 applications accepted, States, Tribes, Municipalities, Eligible non-profits
 - To expand the number of low income and disadvantaged communities access to low cost solar energy
- \$14 Billion National Clean Investment Fund competition
 - Will fund 2-3 national nonprofits that will partner with private capital providers to deliver financing at scale to businesses, communities, etc., to accelerate progress towards energy independence
- \$6 Billion National Clean Communities Investment Accelerator competition
 - Will fund 2-7 “hub” nonprofits with capability to rapidly build financing capacity of networks of public, quasi-public and nonprofit community lenders (CDFIs, Credit Unions, Green Banks)

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GREEN HOUSE GAS REDUCTION FUND

April 19, 2023 Guidance

EPA GHGRF Objectives and Priorities

Reduce emissions of greenhouse gases and other air pollutants

Deliver benefits of greenhouse gas- and air pollution-reducing projects to American communities, particularly low-income and disadvantaged communities.

Mobilize financing and private capital to stimulate additional deployment of greenhouse gas- and air pollution-reducing projects.

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GREEN HOUSE GAS REDUCTION FUND

April 19, 2023 Guidance

Priority Project Categories for \$14B and \$6B categories:

Distributed Power Generation and Storage

Decarbonization Retrofits of Existing Buildings

Transportation Pollution Reduction

Priority Project Categories for \$7B category:

Residential Solar

Community Solar

Associated Storage

Enabling Upgrades

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GREEN HOUSE GAS REDUCTION FUND

Back to GHGRF Basics

\$20B General Assistance and Low-Income and Disadvantage Communities category

Section 134(c)(3) defines qualified project as any project, activity, or technology that:

“(A) reduces or avoids greenhouse gas emissions and other forms of air pollution in partnership with, and by leveraging investment from, the private sector; or

(B) assists communities in the efforts of those communities to reduce or avoid greenhouse gas emissions and other forms of air pollution.”

\$7B for rooftop solar

Section 134(c)(4) defines Zero-Emission Technology as any technology that produces zero emissions of: **“(A) any air pollutant that is listed pursuant to section 108(a) (or any precursor to such an air pollutant); and (B) any greenhouse gas.”**

Missouri Energy Infrastructure Bank

- Missouri Energy Infrastructure Bank
 - Hope to capitalize revolving loan fund with IRA funding
 - Cooperative effort between EIERA and MO Division of Energy
 - Intended to play a broad role in financing energy projects, including energy resource development, energy efficiency improvements, deployment of renewable energy sources, and improved resilience for critical infrastructure.

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Questions?

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