

LOW-COST ENERGY PROJECT FINANCING

The Alaska Energy Authority (AEA) has low-cost money available for qualifying energy projects.



ABOUT THE POWER PROJECT FUND

AEA's Power Project Fund (PPF) loan program qualifies applicants seeking low-interest loans for eligible power projects. The PPF loan program provides local utilities, local governments, or independent power producers an avenue to seek funding for the development, expansion, or upgrade of electric power facilities. The PPF loan term is related to the project's useful life. The interest rate calculation is formula-driven and low-cost. The current interest rate as of October 2022 is 3.92%.



Access to Capital

PPF loans provide energy ventures with access to debt capital at advantageous rates.



Flexible Financing

PPF financing is tailored to meet the specific needs of the project and borrower.



Project Assistance

AEA engages with projects at all stages of development and remains involved for the entire lifetime of the loan.



Eligible Borrowers

The PPF is available to the following eligible borrowers:

- ✓ Electric Utilities
- ✓ Independent Power Producers
- ✓ Municipalities
- ✓ Regional Electric Authorities
- ✓ Regional and Village Corporations
- ✓ Village Councils

Loan Application Process

- 1 Pre-Application Consultation**
Engage with AEA for a no-fee, pre-application consultation to review project and applicant eligibility.
- 2 Formal Application Process**
Submit completed PPF application to AEA along with supporting documentation and payment for the appropriate application fee.
- 3 Due Diligence and Internal Review**
Loan application is reviewed by PPF loan committee, which assesses the project's economic, technical, and financial feasibility.
- 4 Loan Closing and Project Monitoring**
Negotiate and execute loan documents after loan approval and closing. AEA monitors project status and progress throughout the life of the loan.



PPF Project Spotlight

Willow Solar Farm Expansion

AEA financed Alaska-based start-up company, Renewable Independent Power Producers (IPP) LLC, through its PPF loan program to provide the additional capital needed to expand an existing solar farm in Willow, Alaska. The 1.2 megawatt facility began operations in December 2019 and is the largest utility-scale photovoltaic (PV) facility in the state.

Renewable IPP, in leveraging their Willow project as a proof of concept for solar power in Alaska, continues to make new forays into other future solar projects in the Southcentral region.



AEA is a public corporation of the State of Alaska governed by a board of directors with the mission to “reduce the cost of energy in Alaska.” AEA is the state's energy office and lead agency for statewide energy policy and program development.

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