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## **New National Partnership Explores State Bond Finance to Scale up Clean Energy Investment**

*“Clean Energy + Bond Finance Initiative” to Tap Task Force of Leading Experts, Looking to Dramatically Expand Clean Energy Investment*

Washington, D.C. – Clean Energy Group (CEG) and the Council of Development Finance Agencies (CDFA) announced today the creation of the **Clean Energy + Bond Finance Initiative (CE+BFI)**, a new partnership to advance clean energy through the power of bond financing institutions.

CE+BFI will work with institutional investors, public finance agencies, and public clean energy fund managers across the country, finding ways to increase clean energy investment by an additional \$5 billion to \$20 billion in the next five years.

To assist the CE+BFI in its mission, CDFA and CEG also launched a national Task Force on Clean Energy Bond Finance to support the partnership. The Task Force includes over 40 50 representatives from the top public and private clean energy and development finance organizations throughout the country, including states, cities, law firms, private banks, and other clean energy and bond finance industry professionals. A full list of confirmed participants is [available online](#).

“States have been the leaders in clean energy project support for the last decade,” said Lewis Milford, founder and CEO of Clean Energy Group. “Now, state clean energy leaders and bond authorities have agreed to work together to solve the next decade’s clean energy problem: how to use existing state clean energy and bond tools to massively scale up clean energy capital.”

CE+BFI comes at a critical time. With the federal government gridlocked and the country looking for new sources of clean energy financing to scale up the industry, many experts are turning to states and localities for the public investment strategies of the future. In the U.S., over 50,000 municipal authorities access the capital markets to finance economic development. It is the scale available through access to these markets that is now needed for sustained clean energy development.

“Development finance agencies with bond issuance authority know how to fund large infrastructure projects and are ready to tackle clean energy finance,” said Toby Rittner, CEO of CDFA. “Bonds can be the tools that make clean energy finance attractive to underwriters, pension funds, and institutional investors. They can create the needed, secure pipeline to the trillion-dollar capital markets, and this can be done with existing tools and institutions.”

"In order to compete in the global race for clean energy technologies, we need to pursue innovative strategies that lower the cost of financing commercial-scale clean energy projects," said U.S



Department of Energy Senior Advisor Richard Kauffman. "States are often the laboratories for solving problems, so trying to crack the code of clean energy finance at the state level can make a difference everywhere."

Development finance through the issuance of bonds has already begun to bring new capital into the clean energy space. Examples include the "Morris Model" for solar installations and bond-funded programs for clean energy economic development in New Jersey. More work must be done to use bond finance at the scale needed to expand the industry.

There is currently a great deal of misconception about the use of bond financing by state and local governments. The truth is that municipal bonds remain safe investments, a fact evident in the market's lack of reaction to high-profile negative news. Further, CE+BFI will emphasize the issuance of revenue bonds, not general obligation bonds backed by a state or municipality.

CE+BFI, with advisory assistance from the Task Force, will immediately begin the work of identifying opportunities and barriers facing stakeholders looking to issue bonds for clean energy development. The initiative then looks to launch pilot partnerships to finance clean energy projects in six to eight states and localities.

"The CE+BFI partnership is what's needed to begin answering the question of how clean energy can get to scale, and how it can access capital markets in the same way we now finance other projects," said Lori Beary of the Iowa Finance Authority, a Task Force member. "Bringing everyone together to figure out clean energy finance will bring economic benefits to states all across America. I'm glad this effort is underway and am excited to participate."

A background paper on why CE+BFI initiative was formed, how clean energy can be financed through bonds, and the initiative's action plan is [available online](#).

**About Clean Energy Group (CEG):** CEG is a leading national, non-profit advocacy organization working in the U.S. and internationally on innovative technology, finance, and policy programs in the areas of clean energy and climate change. For more information, see [www.cleanegroup.org](http://www.cleanegroup.org).

**About Council of Development Finance Agencies (CDFA):** CDFA is a national association dedicated to the advancement of development finance concerns and interests. CDFA is comprised of the nation's leading and most knowledgeable members of the development finance community representing public, private and non-profit entities alike. For more information about CDFA, visit [www.cdfa.net](http://www.cdfa.net).

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