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CAPITAL MEETS CAPACITY:

How Green Banks and Economic Development Organizations Can Power the Advanced Energy Economy

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Acknowledgements and Housekeeping

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- This session is being recorded.
- If you have questions at any point, please drop them into the Q&A box.



New Energy Works

Launched October 22, 2026, New Energy Works (NEW) is a national community of practice that powers U.S. economic development from new energy technology



Actionable new energy industry insights



Peer learning exchanges



Deep expert consultations

NEW provides EDOs, local governments, and partners with key support for economic growth initiatives.

Programing includes a monthly webinar series, and in-person convenings.

November Webinar: *The American New Energy Economy After the Midterms* | Tuesday, November 17, 1 p.m. ET

Agenda and Speakers



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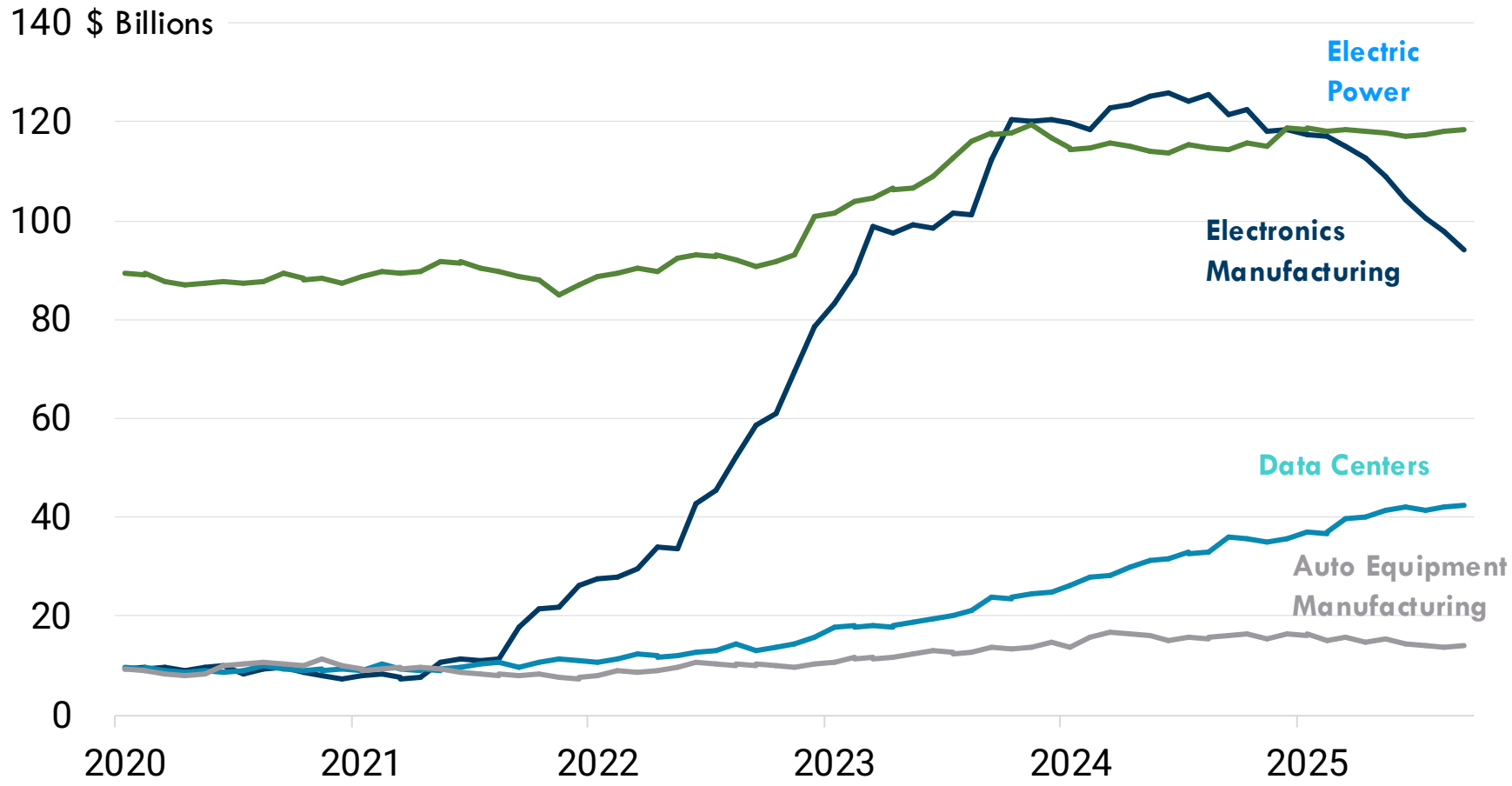
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Investment is up in the advanced energy sector

Some of the fastest growing construction has been in electro-industrial sectors



Spending Growth

Electric Power

10.3x

Growth from 2020 to 2025

Electronics Mfg

4.4x

Growth from 2020 to 2025

Data Centers

1.3x

Growth from 2020 to 2025

Auto Equipment Mfg

1.5x

Growth from 2020 to 2025

Source: Census Bureau

Yet, critical parts of the supply chain still face risks that make private investors unwilling to invest

High barrier | Medium barrier | – Not a meaningful constraint

TECHNOLOGY	REVENUE	PERMITTING	FEEDSTOCK	REGULATORY	INFRA.	TECHNOLOGY
Critical minerals extraction	Medium	High	–	High	Medium	–
Critical minerals refining & processing	High	–	Medium	Medium	–	Medium
Battery materials (anodes, cathodes, electrolytes)	High	–	Medium	Medium	–	Medium
Battery cell & module manufacturing	Medium	–	Medium	High	–	High
Battery recycling & circular materials	Medium	–	High	Medium	–	Medium
Solar PV manufacturing	Medium	–	Medium	High	–	–
Wind & generation equipment	Medium	High	Medium	High	Medium	–
Power semiconductors & advanced chips	–	–	Medium	High	Medium	High

TECHNOLOGY	REVENUE	PERMITTING	FEEDSTOCK	REGULATORY	INFRA.	TECHNOLOGY
Semiconductor fabs & advanced packaging	–	Medium	Medium	High	High	High
Transformers, switchgear & grid hardware	–	–	High	–	–	High
Advanced conductors & grid-enhancing tech (GETs)	–	Medium	–	–	High	Medium
Transmission, distribution & substations	–	High	Medium	High	High	–
Grid-scale storage (especially LDES)	High	–	–	High	Medium	High
Data centers & compute campuses	–	High	High	Medium	High	–
Industrial heat & electrification	High	–	Medium	Medium	Medium	Medium
Hydrogen, e-fuels & derivatives	High	Medium	High	High	High	High
CO_2 transport, storage & carbon management	High	High	–	High	High	Medium

The “Four Ps” of attracting and delivering advanced energy projects at the state level:

01

Places

Power-ready sites: land, utility service, power delivery, and permits aligned on a credible schedule.

02

Powering the Markets

Shape how large new loads connect and pay, so demand anchors durable investment instead of straining the grid.

03 

Private Capital

Use public finance to target the bottlenecks lenders face and crowd in private capital.

04

People

Treat workforce like infrastructure: employer-driven training, funded on placement and retention outcomes.

Source: RMI analysis.

Historic silos vs. advanced energy economy project needs

Neither economic development nor green banks were built to reduce specific electro-industrial risk

Economic Development Organizations

BUILT FOR	Mega-deals and already financeable projects
SUCCESS =	Jobs, wages, new businesses
FALLS SHORT	**Incentives pay out after costs; not built for first-of-a-kind risk**

Green Banks

BUILT FOR	Small-scale, consumer, and commercial projects
SUCCESS =	Private leverage ratio, technology deployment
FALLS SHORT	**Only 3 of 45 offer manufacturing or supply chain products, few have sufficient capital**

ELECTRO-INDUSTRIAL PROJECT NEEDS

- **First-loss and guarantees**
- **Subordinated debt and equity**
- **Predevelopment funding**
- **Coordination of power, sites, permits**

To meet this moment, states need more strategic, creative, catalytic public financing. Enter: SPIFIs!

S tate

P ublic

I nvestment

\+

F inancing

I nstitutions

Strategic

Target the risks that block bankability, not just individual deals

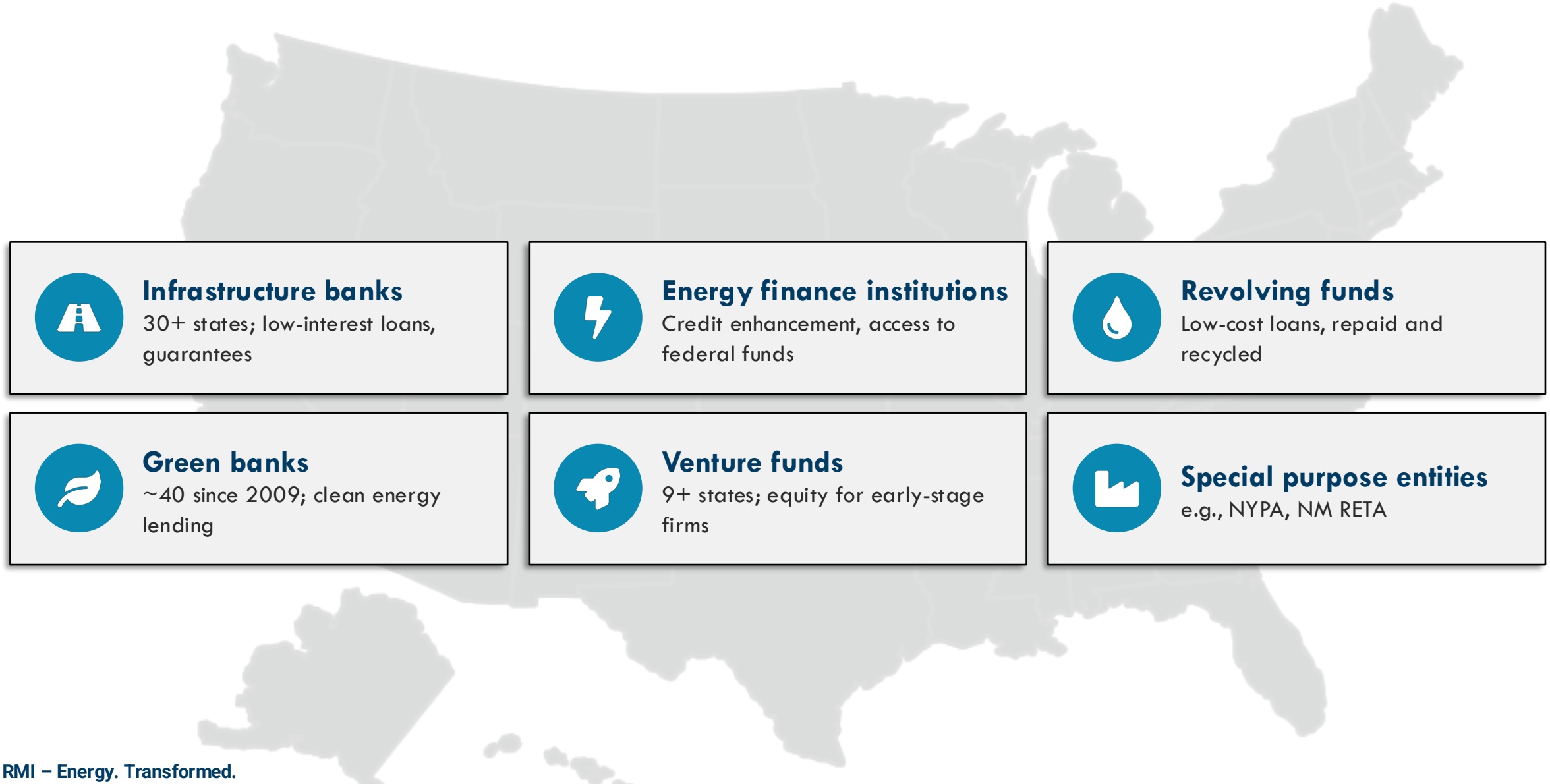
Creative

Go beyond grants and tax breaks to participate in risk sharing, coordination, equity

Catalytic

Crowd in private capital and recycle public dollars

Several existing entities in a state could function as a SPIFI.



Infrastructure banks
30+ states; low-interest loans, guarantees

Energy finance institutions
Credit enhancement, access to federal funds

Revolving funds
Low-cost loans, repaid and recycled

Green banks
~40 since 2009; clean energy lending

Venture funds
9+ states; equity for early-stage firms

Special purpose entities
e.g., NYPA, NM RETA

SPIFIs fall into three primary categories, in response to the state's budget, priorities, and risk-appetite.



A State as facilitator	B State as financier	C State as investor
Convene, coordinate and de-risk investments	Participate in the capital stack with targeted financial products	Take direct equity or ownership in strategic projects and companies

Design recommendations

Eight principles for designing a new SPIFI, or expanding an existing one

1. Build on regional strengths and national priorities
2. Define economic outcomes before designing financial tools
3. Design for flexible governance with the right mix of leadership
4. Prioritize additionality over capital deployment volume
5. Coordinate infrastructure, industry, and market development
6. Optimize for system outcomes over individual projects
7. Maintain patient capital across economic cycles
8. Measure mobilization, coordination, and capability creation

Up next: a snapshot of the green bank landscape, and two examples of states deploying SPIFIs

Thank You!

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