



## ASSOCIATED GENERAL CONTRACTORS of ALASKA

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February 11, 2012

Senator Lesil McGuire  
State Capitol, Room 125  
Juneau, AK 99801-1182

Re: SB 25

Dear Senator McGuire: *Lesil*

On behalf of the Associated General Contractors of Alaska, a construction trade association of over 650 business members, representing the majority of the construction industry in Alaska, thank you for your sponsorship of SB 25.

SB 25 would establish and capitalize a revolving loan program within AIDEA and give them the authority to finance energy projects.

This model departs from the more traditional Alaska model of outright grants for projects, by making credit available for project owners and sponsors. This assures that others have a stake in the success of the project. It also assures that there be more eyes of due diligence on the investment thus minimizing the risk to AIDEA and the State.

The availability and cost of energy is one of the largest expenses in Alaskan households. Energy, along with transportation, is also the greatest impediment to resource development. As you know, our hope of keeping a healthy economy in Alaska for our citizens depends on development of our resources.

While we'll never return to those halcyon days of cheap energy, as a State we can make wise investments that will help to hold down the inevitable future increases in energy costs for our residents.

Thank you for sponsoring SB 25.

Sincerely,

A handwritten signature in blue ink that reads "John".

John MacKinnon  
Executive Director  
Associated General Contractors of Alaska