



ASSOCIATED GENERAL CONTRACTORS of ALASKA

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February 11, 2012

Senator Dennis Egan
Chair, Labor and Commerce Committee
State Capitol, Room 510
Juneau, AK 99801-1182

Re: SB 25

Dear Senator Egan:

Dennis

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, I ask for your support 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 Alaskan 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 the State.

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 to keep 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 hearing SB 25 in committee and I hope you'll support this legislation.

Sincerely,

John MacKinnon
Executive Director
Associated General Contractors of Alaska