



Alaska Power Association
703 West Tudor Road, Suite 200
Anchorage, Alaska 99503-6650
907-561-6103
Fax: 907-561-5547
www.alaskapower.org

January 27, 2012

Representative Neal Foster, Co-Chairman, House Special Committee on Energy
Representative Lance Pruitt, Co-Chairman, House Special Committee on Energy
Representative Bob Lynn
Representative Kurt Olson
Representative Pete Petersen
Representative Dan Saddler
Representative Chris Tuck

Honorable Members of the House Special Committee on Energy:

Alaska Power Association respectfully requests your support for House Bill 250. Since its creation in 2008, the Alaska Renewable Energy Fund has provided \$80 million in funding for projects that utilize renewable energy resources in communities throughout the state.

Many electric utility members of our statewide trade association are recipients of this funding, and they have several success stories of how their renewable energy projects have significantly reduced reliance on diesel fuel.

The Alaska Renewable Energy Fund is one of the most successful policy mechanisms in the nation for stimulating rapid renewable energy development.

- By the end of 2011, 58 projects (Rounds I-IV) were completed.
- Eleven of the projects in operation at the end of 2011 produce power for Power Cost Equalization utilities.
- By the end of 2012, 120 projects are expected to have been completed.
- By the end of 2013, 184 projects are expected to have been completed and fuel displacement is expected to be approximately 3.4 million gallons equivalent per year.
- By the end of 2016, fuel displacement is anticipated to be 11.6 million gallons per year.

(Source: Alaska Renewable Energy Fund Status Report, January 21, 2012)

Thank you for your dedication to ensuring that all Alaskans have access to safe, reliable and affordable energy. We believe that continued funding of the Alaska Renewable Energy Fund will keep us moving in this direction.

Sincerely,

Marilyn Leland
Executive Director

cc: Representative Bill Thomas



ALASKA POWER ASSOCIATION

R E S O L U T I O N

A Resolution Urging Capital Funding In Support of Alaska Energy Policy (12-2)

In light of the ambitious and aggressive goals set forth in the Alaska Sustainable Energy Act (SB 220) and State Energy Policy (HB 306), the Alaska electric utility sector needs sources of capital for infrastructure and transmission.

Alaska Power Association urges the Alaska Legislature to fully support the following funding mechanisms:

- Extend the authorizing language for the Renewable Energy Grant Fund, which supports the intent of the legislature to provide funds annually for projects recommended by the Renewable Energy Fund Advisory Committee;
- Properly capitalize the Power Project Loan Fund, enabling meaningful funding for infrastructure projects; and
- Establish a State of Alaska-funded and administered revolving loan fund for the sustainable financing of infrastructure projects.

(Adapted Dec. 2010, updated Dec. 2011)

Association Members

Alaska Electric and Energy Co-op
Alaska Electric Light & Power
Alaska Power & Telephone
Alaska Railroad Energy Authority JAA
Alaska Village Electric Cooperative
Anchorage Municipal Light & Power
Aurora Energy
Barrow Utilities & Electric Co-op
Chugach Electric Association
Copper Valley Electric Association
Copper Valley Telephone Co-op
Cordova Electric Cooperative
Doyon Utilities
City of Galena
Golden Valley Electric Association
Homer Electric Association
INN Electric Cooperative
Inside Passage Electric Co-op
Kodiak Electric Association
Kotzebue Electric Association
Kwaan Electric Transmission
Interle Cooperative
Matanuska Electric Association
McGrath Light and Power
Metlakatla Power & Light
Middle Kuskokwim Electric Co-op
Naknek Electric Association
Nome Joint Utility System
North Slope Borough
Nushagak Cooperative
OTZ Telephone Cooperative
City of Seward
Southeast Alaska Power Agency
Tanalian Electric Cooperative
Tanana Power Company
TDX Power
Unalakleet Valley Electric Co-op
Yakutat Power

Anchorage office

700 W. 1st Avenue, Room 200
Anchorage, Alaska 99501
Tel: 907.562.8700
Fax: 907.562.7123

Juneau office

1025 - Second St.
Juneau, Alaska 99801
Tel: 907.586.1000
Fax: 907.586.1000

www.alapower.org

MUNICIPAL
LIGHT & POWER

January 27, 2012

faxed / mailed
907-465-2652

The Honorable Bill Thomas
House of Representatives
Alaska State Capitol
Juneau, Alaska 99801-1182

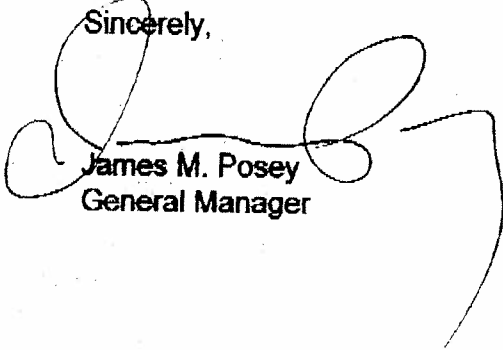
Subject: HB 250

Dear Representative Thomas:

Mr. C. Choin

- Municipal Light and Power Supports HB 250, the time extension of the Alaska Renewal Energy Grant Fund until 2023. Dozens of projects currently in the reconnaissance, feasibility and design stage will be put into limbo if the program is not extended this year.
- So far 21 projects have been constructed under the program, which have cumulatively displaced over \$7 million in fuel since 2009. By the end of 2016, AEA estimates that diesel fuel displacement from Fund projects will be approximately 11.6 million gallons per year.
- The program has so far leveraged over \$100 million federal and other dollars in matching funds for projects funded.

Sincerely,


James M. Posey
General Manager*Dated*
JAN 30 2012
+ mailed



Homer Electric Association, Inc.

Corporate Office
3977 Lake Street
Homer, Alaska 99603-7680
Phone (907) 235-8551
FAX (907) 235-3313

Central Peninsula Service Center
280 Airport Way
Kenai, Alaska 99611-5280
Phone (907) 283-5831
FAX (907) 283-7122

January 30, 2012

Representative Bill Thomas, Jr.
State Capitol, Room 505
Juneau AK, 99801

Dear Representative Thomas:

Homer Electric Association, Inc. (HEA) strongly supports HB 250, extending the sunset clause of the renewable energy grant program to 2023. This bill will allow the state to continue to support a wide variety of renewable energy technologies that holds great promise for Alaska such as wind, hydroelectric, biomass, and geothermal.

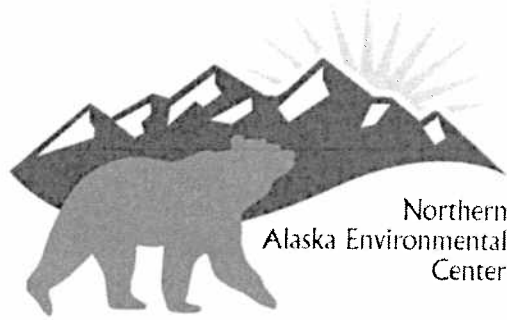
HEA has been fortunate to receive two grants from the renewable energy program that have allowed us to proceed with field work and scoping for a hydroelectric project on the Kenai Peninsula. This renewable energy project would not be possible without the support of the renewable energy grant program.

On behalf of Homer Electric Association, thank you very much for your unwavering commitment to renewable energy.

Sincerely,

Bradley P. Janorschke
General Manager

Memo



To: Representative Bill Thomas
via FAX, 907-465-2652

From: Karen Kelly, Executive Director

Cc: The House Energy Committee via e-mail:

- Representative Foster Co-Chair
- Representative Pruitt Co-Chair
- Representative Lynn
- Representative Olson
- Representative Saddler
- Representative Petersen
- Representative Tuck

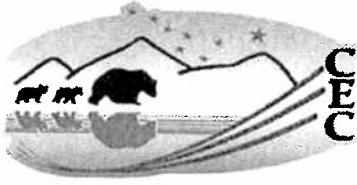
Date: January 30, 2012

Re: Support for HB 250

The Northern Alaska Environmental Center (NAEC) Board of Directors and staff extend our thanks and appreciation for your support and consideration of HB 250, "An Act relating to the renewable energy grant fund and recommendation program; and providing for an effective date"

The NAEC is also dedicated to supporting renewable energy projects that promote the health, wealth and sustainability of our Interior Alaskan communities, while maintaining the integrity of the wild places in which we live. Extending the Renewable Energy Grant Fund for another 10 years through HB 250 will help provide opportunities for renewable energy projects that we need to meet the economic demands of the present and future. The Interior's unique geography, remote rural communities and incredible diversity of abundant renewable energy resources provides an excellent opportunity to become a world leader in energy technology development. Renewable technologies like wind, geothermal, biomass, solar, tidal or small scale hydropower, have the potential to impart significant environmental, health and economic benefits to communities throughout Alaska.

We are honored to be among those in support of your ongoing efforts to encourage renewable energy. If there is anything the NAEC can do to further this legislation, please do not hesitate to contact us.



CORDOVA
ELECTRIC
COOPERATIVE, INC

P.O. Box 20, 705 Second Street, Cordova, Alaska 99574-0020 * (907) 424-5555 * Fax (907) 424-5527

January 31, 2012

The Honorable Bill Thomas, Neal Foster, Lance Pruitt, and
House Special Energy Committee Members

RE: HB 250 Extension

Dear Representative Thomas and Committee,

Cordova Electric Cooperative (CEC) strongly supports HB 250 reauthorization to "Extend the Renewable Energy Grant Fund". CEC was a recipient of renewable energy grant funds for the Humpback Creek Hydroelectric Project, which was matched with Federal and CEC funds. Since the project went into operation on July 13, 2011 just over 6 months ago, it has produced over 1,500,000 kWh of energy or 110,000 gallons of diesel fuel savings despite a dry 2011 and low fall production. The project is designed to save 370,000 gallons of diesel a year average for at least 50 years.

The program benefits both rural and railbelt utilities, large and small. The application, review, and award process is straightforward, fair, and accountable. It has been touted as the most successful renewable energy grant incentive program in the world and I am inclined to agree.

This program is an excellent investment of State resources that will pay dividends for generations. While it would be nice to commit to this successful program for ten years, the State of Alaska has other priorities and a five year commitment is appropriate.

CEC urges reauthorization of this important bill and thanks you for your colleagues' efforts to support and cosponsor the original bill and this extension.

Sincerely,

Clay Koplin, CEO

January 31, 2012

Representative Bill Thomas
State Capitol, Room 505
Juneau, Alaska 99801

Subject: Support for HB 250

Dear Representative Bill Thomas:

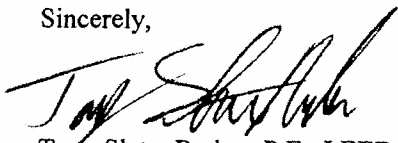
Myself and Coffman Engineers is in support of HB 250. The Alaska Renewable Energy Grant Fund allows alternative energy projects to be funded throughout the state. The communities benefit from this in many ways:

- By creating local jobs maintaining and operating equipment (wind turbines, wood fired boilers, etc)
- By creating local jobs to provide fuel that is locally created (wood/pellets)
- Reduce the impact of high fuel prices and fuel price volatility
- Reducing the overall cost of energy and increasing energy security
- Taking advantage of locally renewable energy sources
- Reduces environmental pollution

Additionally, so far 21 projects have been constructed under the program, which have cumulatively displaced over \$7 million in fuel since 2009. By the end of 2016, AEA estimates that diesel fuel displacement from Fund projects will be approximately *11.6 million gallons per year*. The program has so far leveraged over \$100 million federal and other dollars in matching funds for projects funded. Dozens of projects currently in the reconnaissance, feasibility and design stage will be put into limbo if the program is not extended this year.

Please take what steps you can so this program does not lapse. Thank you

Sincerely,



Tony SlatonBarker, P.E., LEED AP
Program Manager, Alternative Energy and Sustainability
Coffman Engineers

cc: House Energy Committee Members