

# **SB 220: Alaska Sustainable Energy Act**

## **Bill Components and Brief Description**

### **Energy Efficiency and Renewable Energy Goals**

The bill includes intent language stipulating that Alaska will achieve a 15% increase in energy efficiency per capita by 2020 and meet 50% of its electrical needs through renewables by 2025.

### **SB 121, Energy Efficient Public Buildings**

As the owner of nearly 1,800 public facilities, the state can save substantial sums by maximizing the energy efficiency of its facilities. Efficiency measures put in place in eight state buildings cut electricity usage by 22%, natural gas by 15%, and fuel oil by 36%. The total reduction in energy use for these eight facilities in the first year was 24%.

### **SB 31, Renewable Energy Production Tax Credit**

In energy plans across the nation, production incentives are playing an increasingly important role in encouraging the development of renewable energy resources. Twenty-five states offer some sort of renewable energy corporate tax incentives and 5 states and the federal government offer production tax credits. These credits enable states to incentivize renewable energy development without requiring large state appropriations.

### **SB 150, Emerging Energy Technology Fund**

Currently there is little or no state funding available for research and development of new energy technologies. Although the state funds renewable energy development through the Renewable Energy Fund, projects are limited to proven “off the shelf” technologies. To encourage innovation and exploration of new sources of renewable energy, this Fund would enable the state to foster promising emerging energy technologies.

### **SB 186, Renewable Energy Fund**

In 2008, the Legislature pledged \$300 million over a five-year period for renewable energy projects and created the Renewable Energy Fund. This bill would require that funded projects have a “verifiable” financial benefit that exceeds the amount of grant funds received.

### **HB 196, Alternative Energy Loan Fund**

The presently defunct Alternative Energy Loan Fund was created to assist in the purchase, construction, and installation of small-scale alternative energy systems. This bill would revive the fund and amend its terms.

## **SB 71, Alternative Energy for Public Works**

By incorporating viable renewable energy systems into new public works projects, the state can offset considerable long-term operating costs. This bill simply requires the Administration to consider alternative energy systems, when constructing new public works projects.

## **Energy Efficiency in State Government**

The bill requires the Executive Branch to set energy efficiency targets for state agencies; use energy efficient equipment and vehicles where cost-effective; and establish a statewide fuel buying cooperative. Energy Star appliances can save upwards of 60% in energy consumption, and vehicles that are even 10% more efficient than the current fleet could save the state nearly \$.5 million annually. A fuel buying cooperative, initially organized by the AEA, could reduce heating costs significantly for Alaskan families, businesses, schools and governments.

## **SB 132, Southeast Energy Fund (will be added through an amendment)**

This fund would provide a mechanism to help pay for construction of power generation and transmission projects in Southeast Alaska. Many communities in the region are not on hydropower and still burn oil to generate electricity and heat. While hydroelectric projects provide low-cost, renewable power over the long-term, they are capital intensive. This Fund provides a mechanism for the state to help capitalize these projects on the front end. A completed Integrated Resource Plan will guide expenditures of the funds.