

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version HB 250
 Fiscal Note Number _____
 () Publish Date _____

Identifier (file name) HB250-DCCED-AEA-01-20-12 Dept. Affected DCCED
 Title Extend Renewable Energy Grant Fund Appropriation Alaska Energy Authority
 Allocation AEA Statewide Project Dev and AEE
 Sponsor Representatives Thomas, P. Wilson, Millett
 Requester House Energy Committee OMB Component Number 2888

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY13	FY13	FY14	FY15	FY16	FY17	FY18
Personal Services							
Travel							
Services		2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	0.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0

FUND SOURCE		(Thousands of Dollars)					
1002	Federal Receipts						
1003	GF Match						
1004	GF						
1173	GF MisEarn (UGF)	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0
1037	GF/MH (UGF)						
1178	temp code (UGF)						
TOTAL		0.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							
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Estimated SUPPLEMENTAL (FY12) operating costs 0.0 (separate supplemental appropriation required,
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs 0.0 (separate capital appropriation required,
 (discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial Version

Prepared by Sara Fisher-Goad, Executive Director
 Division Alaska Energy Authority
 Approved by Susan K. Bell, Commissioner
Commerce, Community, and Economic Development

Phone 907-771-3000
 Date/Time 1/20/12 4:30 PM
 Date 1/21/2012

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Analysis

This legislation adds legislative intent language related to the continuation of the renewable energy grant fund and recommendation program (AS.42.45.045) at funding levels of \$50 million each fiscal year to be appropriated to the renewable energy grant fund for projects recommended by the Alaska Energy Authority (AEA); and extends the program an additional 10 years to June 30, 2023.

Costs of Administering the Fund:

The renewable energy grant recommendation program was established by legislation for the fiscal year ending June 30, 2009 (HB152 SLA 2008 CH 31). The associated fiscal note provided an increment of \$226.0 for the first year and \$155.0 for subsequent years through FY2013 to AEA's Statewide Project Development and AEE component.

Starting in FY2011, interest earnings on the renewable energy grant fund, not to exceed \$2 million, were appropriated to AEA for the costs of administering the renewable energy grant fund program (FY2011: SB230 SLA 2010 CH 43 Sec 28 Pg 160 Lines 26-29; FY2012: HB108 FSSLA 2011 CH 3 Sec 13 Pg 72 Lines 2-4). A continuation of funding is included in the FY2013 Governor's budget.

In FY2011, the actual costs of administering the renewable energy grant fund program were \$1.2 million. Estimated costs for FY2012 are \$1.6 million. Costs include AEA project management, grant management, as well as finance and administrative support. Costs also include contractual services related to the technical analysis and evaluation of applications and project proposals. At June 30, 2011, four renewable energy fund application periods were complete; \$150 million had been appropriated for 133 renewable energy projects and approximately 126 grants were being managed. In FY2012, \$36.6 million was appropriated for an additional 74 projects (\$36.6 million included \$10 million of re-allocated funds). This fiscal note assumes a continuation of current funding levels estimated at up to \$2 million annually for the costs of administering the renewable energy grant fund program.