



April 5, 2017

The Honorable Adam Wool
Alaska House of Representatives
House Energy Chair
State Capitol Room 412
Juneau, AK 99801

RE: Support of HJR 18

Dear Representative Wool and House Energy Committee Members:

The Alaska Energy Authority writes in support of House Joint Resolution 18 urging Alaska's Congressional delegation to support renewable energy in the state.

Much of Alaska's renewable energy knowledge and lessons learned about the technical and economical deployment of renewable energy, and importantly about the *integration* of renewable energy, stems from the evaluation, development, construction, operations and performance of renewable energy projects funded by Alaska's Renewable Energy Fund.

The State of Alaska has invested over a quarter billion dollars in renewable energy projects funded through the Renewable Energy Fund. This State investment has resulted in 70 projects currently in operation, displacing 30 million gallons of diesel equivalent per year and growing as more projects are completed and come online. Another 150 additional projects have received assistance in completing the higher risk early project development stages resulting in quality feasibility analyses, resource assessments and preliminary designs.

The State of Alaska, through the Renewable Energy Fund, has jumpstarted the renewable energy market in Alaska while establishing a strong vetting process for developing cost effective renewable energy projects.

Significant knowledge has also been gained on pre-commercial energy solutions through Alaska's Emerging Energy Technology Fund, which has helped spur development of new energy technologies by entrepreneurs and other private-sector developers.

There are many more good projects to be developed, and many future technologies and systems that will be part of cost effective renewable energy future for Alaska and the country. There are many communities in Alaska that could benefit from investment in renewable energy projects. In the 2016 legislative session AEA recommended 39 projects for funding, 38 of these projects are still seeking funding.

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Federal funding infused into the Renewable Energy Fund could continue to provide cost-effective solutions to Alaska residents and could help Alaska continue to grow as a world leader in integrating renewable energy into small grids, a significant challenge facing many parts of the world.

The Federal tax incentives for renewable energy are not a good fit for Alaska's market and thus have rarely been used in Alaska. This results in Alaska receiving a disproportionately small share of the federal incentives that has helped so many other states significantly advance their renewable energy projects.

For reference, attached are 1) our current Renewable Energy Fund Status Report and Recommendations which outlines the performance of the program and this year's recommended projects; 2) The Renewable Energy Atlas of Alaska. Later this month AEA will be publishing to our web site an update to the Emerging Energy Technology Fund Status Report which outlines the progress on the pre-commercial technologies that are being advanced through this program.

Sincerely,

 S. Skaling for M. Lamb

Michael E. Lamb, CPA, CGFM, CGMA
Executive Director

Attachments: Renewable Energy Fund Status Report and Recommendations
Renewable Energy Atlas of Alaska

cc: Representative Chris Tuck
Commissioner Chris Hladick, DCCED