ALASKA STATE LEGISLATURE

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Chair Special Committee on Energy

REPRESENTATIVE CALVIN SCHRAGE

Summary of Changes for HB 301 (Version A to W)

Page 1, Lines 1 – 3: amends the title to read "clean energy standard" and adds "relating to the Alaska Energy Authority and clean energy projects;" to the title of the bill. The title change was done to conform with the "renewable portfolio" standard being replaced with a "clean" energy portfolio.

Page 1, Lines 9 – 11: after "energy resources" adds to the purpose section of the bill, "in order to minimize costs to consumers, increase stability for economic development, maximize grid resiliency, and minimize the state's carbon emissions."

Page 1, Line 14: adds a new section to AS 42.05.381 that directs the Electrical Reliability Organization to develop a uniform transmission services rate for the transmission of energy to comply with the clean energy standard under AS 42.05.900.

Page 2, Line 15: amends subsection (B) to be more aligned with utility industry language.

Page 3, Line 27 – Page 4, Line 3: amends the benchmarks for the clean energy standard to from four to three. The first being 25% by December 31, 2030. The second being 55% by December 31, 2040. And finally, the third being 80% by December 31, 2050. The third benchmark was amended to now only be applied Railbelt wide instead of by each utility.

Page 4, Lines 18 – 23: adds a new section to AS 42.05.900 that would allow for construction that has begun prior to the end of a compliance period to be counted to fulfilling the clean energy standard if the project will begin providing energy no later than two years after the compliance period or the end of a period determined by the Regulatory Commission of Alaska.

Page 5, Line 2: adds a new section to AS 42.05.900 stating that a load serving entity may satisfy the clean energy standard using clean energy credits.

Page 5, Line 4: adds a new section to AS 42.05.900 that a project located wholly or partially on state lands are exempted from state lease fees.

Page 5, Line 20: adds a new section to empower the Regulatory Commission of Alaska to monitor the effect of the clean energy standard on rates and reliability to determine if it if consistent with the public good.

Page 5, Line 23 – Page 6, Line 4: amends the previous credit system into the "Clean energy Credits". A clean energy credit may only be used once. A credit may be used to comply with the clean energy standard without purchasing or use of the electrical generation from which the credit is derived. The energy from which the credit is derived must be generated in the State of Alaska.

Page 7, Line 6: after "commission" changed the word "may" to "shall".

Page 7, Lines 16 – 20: amends the previous exemptions section to a single exception. The new exemption states that if the Railbelt achieves the clean energy standard than the individual load serving entities are exempted.

Page 7, Lines 24 – 28: adds a definition of a "clean energy credit".

Page 7, Line 29: Amended the definition of "renewable energy resource" and renamed "clean energy resource" was cleaned up by legislative legal to be more in line with their drafting standards and the previous committee added nuclear generation to the definition.

Page 8, Lines 6 – **8**: amends the previous definition of "renewable energy standard" to be a "clean energy standard" and reordered it in the definitions section.

Page 8, Line 11: amends the compliance period to a 10-year period.

Page 8, Line 26: adds a new subsection to AS 44.83.940. The new subsection would require that the Alaska Energy Authority shall provide a report to the legislature every two years on the progress developing renewable and clean energy resources in rural parts of the state.

Page 9, Line 3: the regulations language for the RCA of Alaska was cleaned up by legislative legal to be more in line with their drafting standards and existing powers of the RCA.