

Alaska State Legislature

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Rep. Bryce Edgmon
Rep. Chuck Kopp
Rep. Mia Costello
Rep. DeLena Johnson
Rep. Justin Ruffridge

House Special Committee on Energy

Representative Donna Mears, Co-Chair
Representative Ky Holland, Co-Chair

TO: Reps. Josephson, Foster, and Schrage; Co-Chairs, House Finance Committee
FROM: Reps. Donna Mears and Ky Holland; Co-Chairs, House Energy Committee
DATE: March 17, 2026
RE: Renewable Energy Fund (REF) Funding Recommendations

The House Special Committee on Energy recommends an addition to the language section of the Operating Budget (HB263) for the Renewable Energy Grant Fund. The current amount in the budget is only for administration of the program by the Alaska Energy Authority and does not fund any of the qualified projects. Since the Finance subcommittee process with the Department of Commerce, Community, and Economic Development does not have purview over the language section of the operating budget, the committee chairs are making a recommendation directly to the House Finance Committee.

Since 2008, the REF has funded projects that have displaced 120 million gallons of diesel use in rural Alaska, saving roughly \$600 million in imported fuel costs for remote communities with just \$333 million in appropriations over the same time. The 28 projects in Round 18 of the REF are projected to add to yearly energy savings by over \$250,000 per year.

The chairs of the House Special Committee on Energy recommend the full funding of projects on the REF list but recognize the competing interests for general fund dollars. As such, following are recommendations of alternative funding levels for the projects. The Legislature historically funds REF projects in priority order, and we continue to support that practice.

Recommended increment	Projects funded	Leveraged match funds	Annual household energy savings
\$41,164,051	28/28	\$70,498,426	\$251,135
\$24,821,714	13/28	\$32,460,637	\$130,918
\$7,861,885	5/28	\$19,491,001	\$55,774

By leveraging federal, local, and private matching funds to achieve energy savings across Alaska, the REF provides a strong return on investment, and benefits communities throughout the state.