

April 12, 2012

Senator Lesil McGuire  
State Capitol, Room 125  
Juneau, Alaska 99801-1182

RE: SB 25

Dear Senator McGuire:

On behalf of Renewable Energy Alaska Project (REAP) I am writing to support the passage of SB 25, a bill to expand the authority of AIDEA to make loans for energy projects and to establish a dedicated fund so that the loan program can be capitalized by the legislature.

REAP is statewide, non-profit coalition of over 80 dues-paying members representing small and large electric utilities, conservation and consumer groups, businesses and Alaska Native organizations. Since 2004, REAP has been working to educate the public about the importance of energy efficiency (EE) and flat-priced renewable energy (RE) to the state's economy. REAP has also advocated for state policy that creates long-term incentives to increase investments in EE and RE.

SB 25 will fill a significant financing gap that currently exists and will facilitate the advancement of many important energy projects in Alaska. It will provide a much needed source of funding for commercial enterprises who wish to make their businesses more energy efficient but who lack the up-front capital to pay for the improvements themselves. The return on investment for energy efficiency is significantly quicker than the return on generation projects, and saving energy means more money will remain circulating in the state's economy instead of being exported out of state. The bill will also provide financing for various renewable energy projects across Alaska that cannot be financed with state grant funds alone.

Thank you for your leadership in bringing this bill forward. REAP supports both the creation of the dedicated fund at AIDEA and the proposed \$250 million capitalization.

Sincerely,



Chris Rose  
REAP Executive Director