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Governor Mike Dunleavy
STATE OF ALASKA

March 27, 2025

The Honorable Bryce Edgmon
Speaker of the House
Alaska State Legislature
Capitol Building, Room 208
Juneau, AK 99801

Dear Speaker Edgmon:

Under the authority of Article III, Section 18 of the Alaska Constitution, I am transmitting a bill to create a statutory net metering program, provide credits for participating consumer-generators, and establish a net metering reimbursement fund.

This legislation incentivizes renewable energy systems by requiring certain electric utilities to provide invoice credits to participating customers who install renewable energy generation systems that provide excess energy to the local grid. The bill allows an electric utility to offer credits to these "consumer-generators" without the rate reduction constituting an unreasonable preference or advantage under the utility statutes.

Through AS 42.05.395, load-serving electric utilities must provide a monthly credit to customers with an eligible renewable energy generation system equal to the excess electricity they produce, multiplied by the rate they would otherwise pay. Participating consumers can accrue bill credits over an annual cycle ending each March 31, at which point any unused credits expire.

Because these credits may reduce utility revenue, sections 2 and 3 establish a net metering reimbursement fund to allow utilities—subject to appropriation, Regulatory Commission of Alaska regulations, and an application process overseen by the Alaska Energy Authority—to recover lost revenue without raising rates.

I urge your prompt and favorable action on this measure.

Sincerely,

A blue ink signature of Mike Dunleavy, written in a cursive style.

Mike Dunleavy
Governor

Enclosure