HB 196 Renewable Energy Grant Fund

Rep. Robyn Niayuq Burke House Energy Committee – April 29, 2025

What does HB 196 do?

- Flips the way REF appropriations work: Under current law, the Alaska Energy Authority and the Renewable Energy Fund Advisory Committee recommends a list of grants to the Legislature, and the Legislature makes the final appropriation to approve specific grants from the Renewable Energy Grant Fund. Under HB 196, the Legislature would appropriate money into the Renewable Energy Grant Fund. AEA and the REFAC will review grant applications with the same methodology they use now. The REFAC would recommend projects to AEA, and AEA would approve grants with money appropriated to the fund.
- <u>Requires AEA to provide technical assistance to small communities:</u> Communities with populations less than 2,000 would be eligible for assistance with grant writing and preparation.
- Requires AEA to annually solicit and review Renewable Energy Grant Fund applications from communities.
- <u>Strengthens the Renewable Energy Fund Advisory Committee:</u> HB 196 adds a statutory chair to the REFAC and allows them to call the REFAC to order.
- Preserves statutory requirements for processing REF grant applications: Under current law, the Department of Natural Resources and the REFAC are required to work together with AEA to develop a methodology for evaluating and recommending grant applications. This bill preserves those requirements.

Why is HB 196 needed?

- <u>Helps to stabilize the Renewable Energy Grant Fund in times of unpredictable funding:</u> HB 196 gives the Legislature flexibility to appropriate more funding to the Renewable Energy Grant Fund in times of budget surplus and less in times of budget deficit, potentially smoothing the support communities can expect each year.
- <u>Gives all Alaska communities the opportunity to access REF grants:</u> Small communities without the support of a borough government or a sizable local tax base may not have the resources or expertise to pursue REF grants. With technical assistance for small communities from AEA, HB 196 would give all Alaska communities the opportunity to access renewable energy grants on equal footing.
- Insulates REF grants from political decision making: Ensures grant awards are decided based on merit using the methodology developed by the AEA in consultation with the Department of Natural Resources and the REFAC.

HB 196 Sectional Analysis

Section 1: Amends statute created by SB 48 (2023) to make potential carbon offset revenue reserved for the REF subject to appropriation rather than automatic, as it is under current law.

Section 2: Adds language clarifying that the purpose of the Renewable Energy Grant Fund is to provide affordable energy to all communities in Alaska.

Sections 3, 5-9: Flips how REF grants are funded. Instead of making recommendations to the Legislature for their ultimate approval, the Legislature will appropriate funds to the REF and AEA will make grant decisions with input from the REFAC.

Section 4: Requires AEA to provide technical assistance to communities with populations of less than 2,000, requires AEA to annually solicit grant applications, and requires AEA to annually report to the Legislature with their REF grant decisions with explanations.

Section 10: Creates the chair of the Renewable Energy Fund Advisory Committee in statute. Empowers the chair to call meetings of the REFAC to order.

Thank you! Questions?

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