



**House Finance Committee on DCCED
Follow-up Responses to Committee Member Questions
January 30, 2012 Meeting**

1. *The FY13 Tourism request is \$4 million more than the current year - what will this provide for?*

DCCED is currently working with our contractors, reviewing research findings, and engaging industry leaders as we develop the FY13 plan. While we are in the planning stage, a significant portion of the additional \$4 million will likely be used to increase Alaska's television presence. Increasing our television presence keeps Alaska on the top of people's mind as a vacation destination, but is typically implemented only after the "base program" is funded.

The "base marketing program" utilizes a combination of direct mail, media relations, advertising, and tour operator and travel agent education to drive potential visitors to trip planning tools like the Official State Vacation Planner and TravelAlaska.com website. Complementing the base program with an increased television presence has proven successful in prior years.

2. *What progress is occurring towards a 50/50 tourism funding plan?*

It is important to recognize that the funding for the FY12 tourism marketing was directed to DCCED for implementation. The qualified trade association budget component, which requires a match, was not funded. Secondly, while the travel industry has consistently raised about \$2.7 million in recent years from ad sales and other cooperative marketing programs, the taxes and fees from the visitor industry have grown considerably in the past decade and exceed \$100 million annually.

3. *What is the state doing to promote that Alaska currently has great snow for skiing at a time when the lower 48 does not?*

The state's tourism public relations contractor sent out a press release on January 12 and also included the story as the lead item in the monthly e-newsletter sent to travel related media. Over 650 qualified journalists were on the distribution list that received the snow press release and e-newsletter. The press release is attached

4. *Are renewable energy projects, such as wind, generating the predicted capacity and do we know which projects are "winners"?*

AEA has contracted with a third party, the Vermont Energy Investment Corporation, for a program evaluation. A preliminary assessment of project performance, by AEA, is attached.

Many of these projects are in early stages of operation and the alternative energy options vary widely between communities based on available resources and climate, making it difficult to declare one approach the winner. We do know that wind-diesel systems in smaller communities will continue to require our attention, whereas the larger wind systems are performing well.

5. *What coordination is occurring to train locals for the renewable projects?*

Alaska State Energy Sector Partnership is the governing body for operator and technician training, including renewable. This effort includes AEA, Alaska Works Partnership and AVTEC and an update on the trainings is attached.

AEA's current training program funding provides for one Hydroelectric Power Plant Operator course and two Power Plant Operator courses that have a wind integration component.

AVTEC hired a wind technology instructor and has scheduled a wind technician class for June 2012. Additional classes will be scheduled as need increases. AEA also provides training in Bulk Fuel Tank Farm Operation and has two courses in Advanced Power Plant Operator. While these courses are not in the renewable area there is a strong emphasis on generation efficiency.

Attachments:

Tourism Public Relations News Release January 12, 2012
Preliminary Assessment of Project Performance February 4, 2012
Alaska State Energy Sector Partnership Update December 31, 2012