

HB 259

Large Energy Facilities

House Energy Committee
January 29th, 2026

By Representative Mears

HB 259: Supporting Business, Communities, and Moving Alaska into the future

Support new large projects coming to Alaska

Ensure fair contracts and rate payer protection

Encourage community engagement early in the process



Power Creek Project, a run-of-river hydro project in by the Cordova Electric Cooperative, is part of a small, diversified grid that integrates a small data center.

Alaska's Energy Grids are Unique

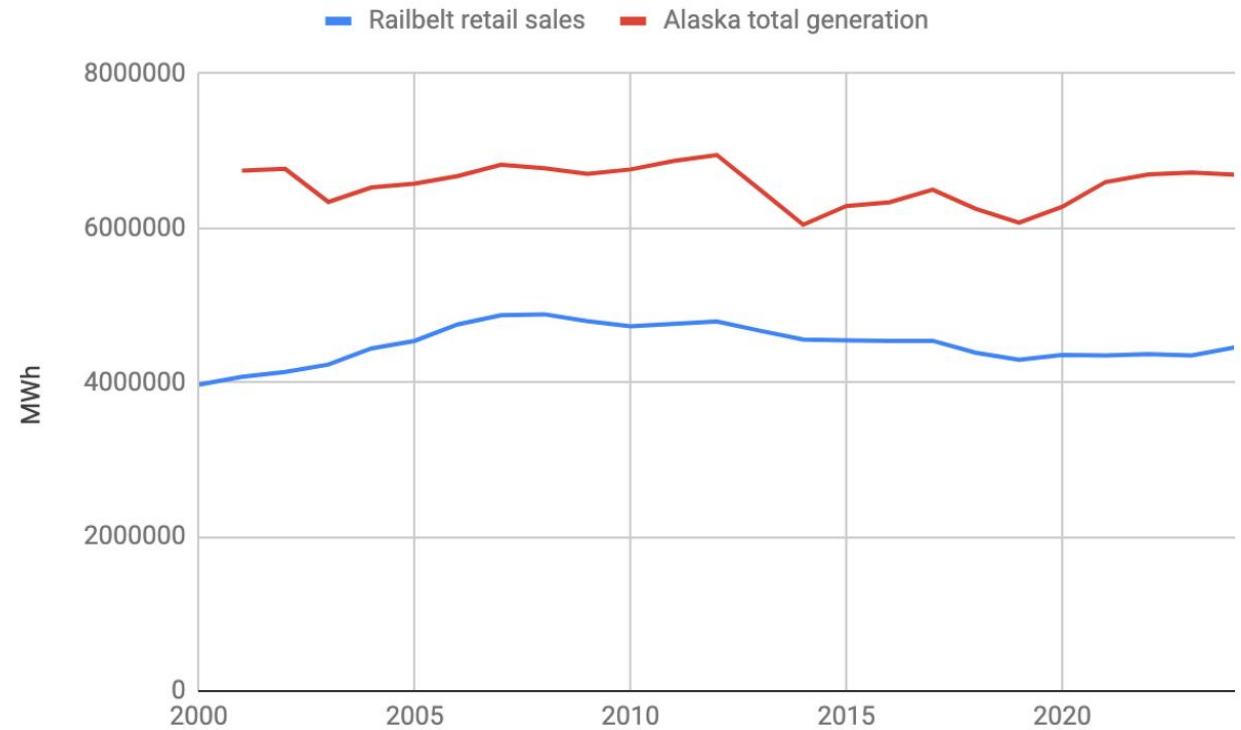
We have virtually limitless untapped energy resources, but a very small customer base

And a historically flat demand on our energy infrastructure

Growth supports the modernization of Alaska's aging generation and transmission

New "anchor tenants", or customers that consume a significant amount of energy, can help stabilize and grow Alaska's energy infrastructure

Over time, this supports sustainable, long-term growth rather than short-term stop-gap measures



Source: Erin McKittrick via RCA Data

What Increases Demand?

- Beneficial Electrification
- Military installations
- Mining and Resource Development
- Future Fuel Production
- Data Centers



Kinross's Fort Knox in the Fairbanks North Star Borough is an important anchor tenant in the GVEA grid.

When Large Loads Arrive Without Clear Rules

Costs can be shifted onto existing customers & raise utility bills

Utilities face planning and reliability risks

Communities may be left out of early decisions, creating local project opposition



The Spartan 151 jack-up rig at the Allegra Lee platform May 2025

The Case for Data Centers in Alaska

Alaskan Potential

- Naturally cool climate
- Vast energy development potential
- Globally positioned for international connectivity
- Available industrial greenfield brownfield development sites with existing infrastructure

Bill Highlights



Turbine Blades at Bradley Lake

Process Clarity

Consumer Protection

Community Collaboration

A Clear Framework for Large Energy Users

- Creates clarity for utilities and developers
- Establishes a regulatory framework for impactful large energy loads
- Applies only when a single user can impact the grid
- Prevents cost shifting to other customers
- Take or pay stipulations
- Flexibility for contract negotiations and lower rates when project shows cost benefits to utilities

Community Benefit Agreements: Working together towards common goals

- Requires a Community Benefit Agreement with the host municipality
- Encourages early conversations and firm agreements about impacts and concerns
- Builds local buy-in and avoids conflict later



Learning about how the Greensparc data center in Cordova helped lower rates and update to more efficient generation.



Questions?