

# Alaska Power Association

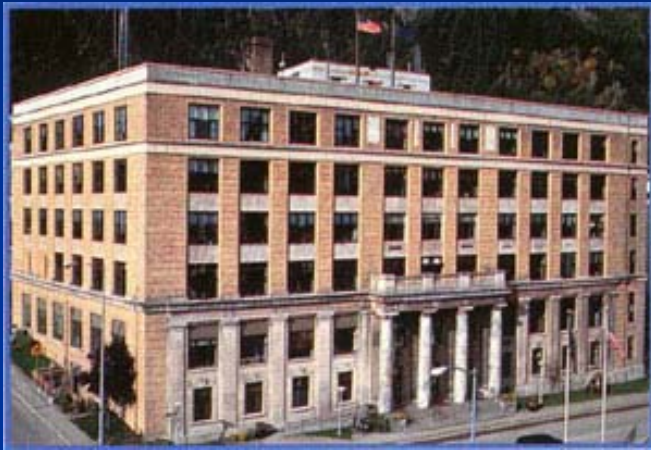
## 2014 Legislative Priorities



Presented to the House Special Committee  
on Energy by:

Clay Koplin, Cordova Electric Cooperative,  
Joe Griffith, Matanuska Electric Association,  
and Crystal Enkvist, Alaska Power Association

# What Will Be Covered



- Alaska Power Association background
- Development of APA's legislative priorities
- Legislative Priorities
- Questions

# Alaska Power Association

- Trade association for electric utility industry
- Electric cooperatives, municipalities, joint action agencies and investor-owned utilities
- Statewide membership



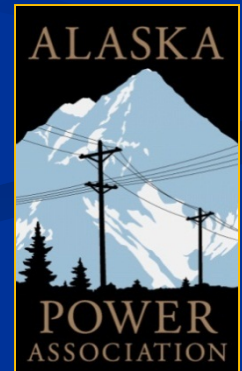
**APA members provide power to  
a majority of Alaskans**



# Development of Legislative Priorities



- Diverse electric utility membership comes together to speak with one voice
- Positions reflect the challenges and opportunities of providing safe, reliable and affordable electric power
- Statewide issues as well as rural- and Railbelt-focused issues





# Resolutions Process

- Issues brought forward by APA members
- Resolutions and Government Affairs Steering Committee
  - Chair: Rick Schikora, Golden Valley Electric Association
- APA Managers' Forum
  - Co-Chairs: Clay Koplin, Cordova Electric, and Brad Evans, Chugach Electric
- Review by APA Board of Directors
  - President: Ben Frantz, Barrow Utilities & Electric

# APA State Legislative Resolutions

- A Resolution Urging the Creation of an Urgent Implementation Plan for Alaska Energy Policy
- A Resolution Urging Capital Funding in Support of Alaska Energy Policy
- A Resolution Supporting Full Funding for Power Cost Equalization
- A Resolution Addressing Unaffordable Energy in Rural Alaska
- A Resolution Urging Continued Funding of the Emerging Energy Technology Fund
- A Resolution Urging the State of Alaska to Provide a Match to Denali Commission Funding of Energy Infrastructure
- A Resolution Supporting Construction of an Alaska Natural Gas Pipeline
- A Resolution Supporting Funding for Projects Recommended by the Alaska Energy Authority for the Renewable Energy Grant Fund
- A Resolution Urging the Legislature to Support Utility Efforts to Create a Unified Transmission System for the Railbelt
- A Resolution Urging the Legislature to Use the Bradley Lake Model for Financing Additional State-owned Hydroelectric Projects
- A Resolution Urging the Legislature to Support Legislation to Address Metals Theft

# APA State Legislative Resolutions



*Presented by*

Clay Koplin, Cordova Electric Cooperative  
Joe Griffith, Matanuska Electric Association



# Renewable Energy Grant Fund

*A Resolution Supporting Funding for Projects Recommended by the Alaska Energy Authority for the Renewable Energy Grant Fund*

- Provide appropriation sufficient to cover the projects and funding levels recommended by AEA
- Renewable energy projects benefit Alaskans in many ways
- Projects recommended for funding help advance Alaska's goal of producing 50 percent of the state's power with renewable energy by 2025

# Emerging Energy Technology Fund

*A Resolution Urging Continued Funding of the Emerging Energy Technology Fund*

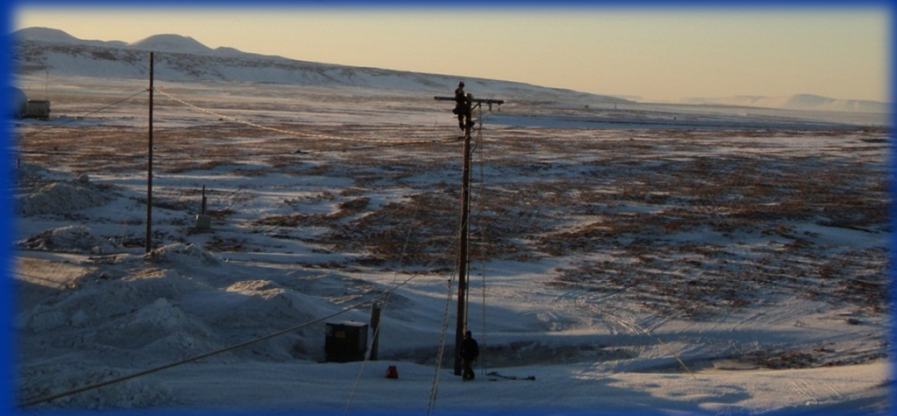
- Continue funding the EETF
- Alternative Energy Source
  - Research
  - Development
  - Application



# Full Funding for PCE

*A Resolution Supporting Full Funding for Power Cost Equalization*

- Residential rates in rural Alaska range from 0.18/kWh to \$1.30/kWh
- High energy costs are crippling rural Alaska
- Fully fund Power Cost Equalization in the Administration's FY15 operating budget.



# State Funding Match for Denali Commission

*A Resolution Urging the State of Alaska to Provide a Match to  
Denali Commission Funding of Energy Infrastructure*

- Established in 1998 to establish code-compliant energy facilities in rural Alaska
- Intended to be joint State-Federal partnership
- Provide 200 percent matching State funds
- Safe, code-compliant electric generation and bulk fuel tank farm facilities for rural Alaska



# Implementation Plan for Alaska Energy Policy

*A Resolution Urging the Creation of an Urgent Implementation Plan  
for Alaska Energy Policy*

- Create an energy policy implementation plan
- Provide support and funding sources to short-, mid-, and long-term generation and transmission facilities
- Fund fuel development and storage infrastructure projects

# Capital Funding for Energy Projects

## *A Resolution Urging Capital Funding in Support of Alaska Energy Policy*

- Direct appropriations toward major energy projects
- Capitalize the Power Project Loan Fund
- Implement the State-funded and administered revolving loan fund (AIDEA Sustainable Energy Program) for financing infrastructure





# Construction of Natural Gas Pipeline

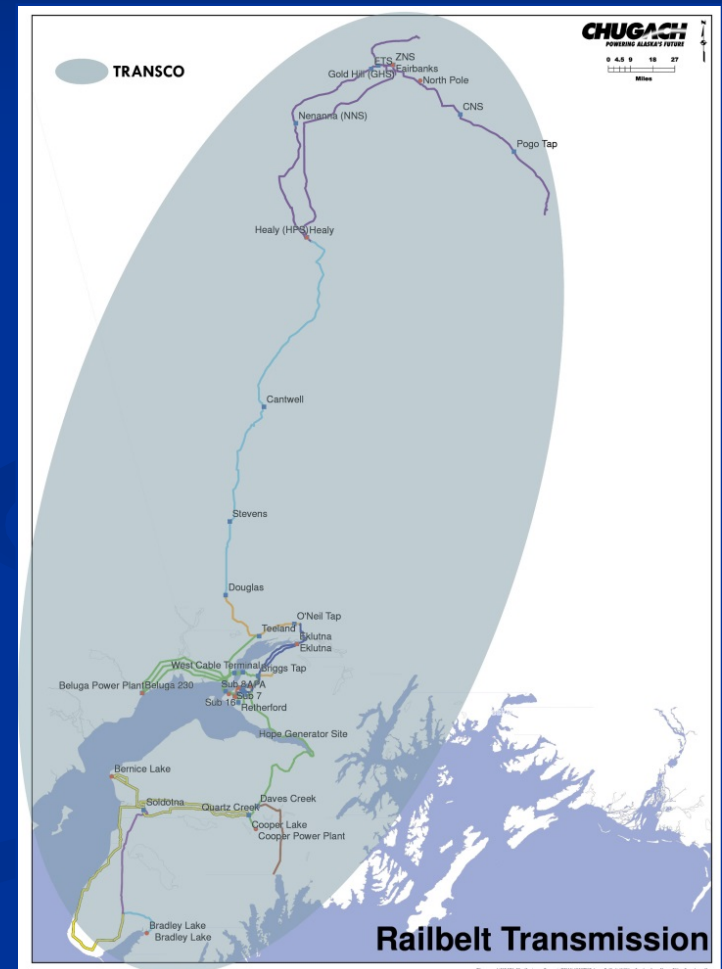
*A Resolution Supporting Construction of an Alaska Natural Gas Pipeline*

- Natural gas accounts for just over one-half of Alaska's electricity generation
- Facilitate the prudent development of an Alaska Natural Gas pipeline that will bring North Slope natural gas to market immediately
- Encourage the use of Alaska royalty natural gas in communities along the pipeline route

# Unified Transmission System for the Railbelt

*A Resolution Urging the Legislature to Support Utility Efforts to Create  
a Unified Transmission System for the Railbelt*

- Support efforts by the Railbelt electric utilities to unify the regional transmission system
- Alaska's Raibelt "grid" not robust. Utilities studying successful Lower 48 models.
- Working together to develop, operate and maintain a rational regional transmission system



# Bradley Lake Financing Model

*A Resolution Urging the Legislature to Use the Bradley Lake Model for Financing Additional State-owned Hydroelectric Projects*

## ■ Bradley Lake Hydro financing



- 50 percent equity contribution from the State
- 50 percent debt through State-issued bonds
- Proven itself fair and equitable for the State of Alaska and the ratepayers of the region
- Use this model for financing additional State-owned hydro electric projects



# Metals Theft Legislation

*A Resolution Urging the Legislature to Support Legislation to Address Metals Theft*

- Several APA members have experienced metals theft
- Results: power outages, lost productivity and needless expenses to electric customers
- APA part of stakeholder group led by Associated General Contractors
- Legislation being drafted with assistance from AG's office



# Questions?



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# Alaska Power Association

## Government Relations Team

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