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Senator Lesil McGuire

Sponsor Statement for Senate Bill 192

“An Act authorizing the Alaska Industrial Development and Export Authority to issue bonds to finance the infrastructure and construction costs of the Sweetheart Lake hydroelectric project; and relating to legislative approval for a loan from the power project fund to the Lynn Canal Transmission Corporation.”

Senate Bill 192 authorizes the Alaska Industrial Development and Export Authority (AIDEA) to issue up to \$120 Million in bonds to finance a hydroelectric project at Sweetheart Lake, which is approximately forty-three (43) miles south of Juneau. It also allows the agency to provide a loan, if approved, of up to \$22 Million to build a power transmission line to the Kensington Gold Mine, which is within the City and Borough of Juneau.

AIDEA would perform the due diligence on these projects to determine their qualifying status for financing and would have the option to own the Sweetheart Lake hydroelectric project.

Hydroelectric power is a clean, effective and affordable source of energy in coastal rainforest Alaska—a region that can use it to offset high costs that block or create barriers to industries such as mining and the processing of fish, agriculture, and forest products. Mining, tourism, and fish processing are booming and are vital to the area’s economy. They also create demands for more energy which, when met, can foster more growth and prosperity.

Affordable energy is a keystone of a healthy and sustainable economy. It ensures that Alaska families, business, and job-creating industries may grow and thrive. SB 192 would help the region take steps toward unlocking its great energy and resource potential and move toward having a stronger and more diversified economy.

It is for these reasons I have submitted SB 192, and I humbly ask for your support.