

33RD ALASKA STATE LEGISLATURE

Session:

State Capitol, Room 501
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REPRESENTATIVE FRANK TOMASZEWSKI

Sponsor Statement

House Bill 328: Community Energy

This bill will increase options for renewable energy development, allow Alaskan ratepayers to lower their electric costs, and offset natural gas usage by establishing a virtual net metering program for small scale renewable energy generation. Currently, ratepayers for economically regulated utilities can utilize net metering, which lowers their electric bills based on the amount of electricity they generate from generators like solar panels or wind turbines. Unfortunately, many ratepayers including renters and condo owners are not able to take advantage of net metering because they do not have space available on-site. HB 328 will allow multiple ratepayers to pool their resources to receive net metering benefits from a single project.

HB 328 will allow power generated from a single centralized and efficient renewable energy source to be purchased through a subscription for multiple utility customers. This subscription allows homeowners and tenants who might not have access to consistent solar or renewable energy sources to reap the benefits of cost savings, reliability, and other benefits to the community.

Twenty states have established formal community energy programs, with several more that operate at the utility regulation level. This new effort could generate 7.3 GW of new solar capacity nationwide by 2030. Utility customers who subscribe to community energy projects save between 5 and 15% on their utility bill through monthly credits. Creating a community energy program in Alaska will allow the state to capture millions of dollars in investment for new renewable energy projects. It will lead to hundreds of new jobs in the energy industry. The announcement of \$7 Billion in federal funding for residential and community solar projects will help pay for community energy projects. Several private investors in community solar projects have already reached out to express interest. Through this bill, an 8 percent increase in renewable energy on the Railbelt could help offset natural gas usage and address the supply issues for Cook Inlet natural gas.

This bill will only apply to utilities that are economically regulated by the Regulatory Commission of Alaska, who will be responsible for reviewing and approving utilities' community energy programs. The RCA will have the authority to modify or waive the requirements of this bill to meet the needs of specific utilities. SB 152 will help utility customers save money, attract millions in investment, and help offset natural gas use in Cook Inlet while creating good jobs for Alaskans.

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