



House Bill 328 Community Energy

Sponsored by Representative Tomaszewski

House Energy committee April 23, 2024

In 2009 the Legislature Adopted a State Energy Policy Setting the Goal that:

“[T]he state remain a leader in petroleum and natural gas production and become a leader in renewable and alternative energy development.”

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HB 328 helps Alaska meet this goal.

What is Community Energy?

- Also known as virtual net metering.
- Allows individual Alaskans to subscribe to renewable energy projects
- Helps achieve goals of affordability and reliability.



Community Energy is Popular Across the Nation

23 other states and dozens of utilities have community energy programs.

7.3 GW of new solar capacity expected by 2030.

Community energy is the fastest growing sector in renewable energy.

Current Net-Metering Program



In current regulations adopted by the Regulatory Commission of Alaska.



Wind or solar installation tied to specific property and meter.



The excess energy produced is sent back to the grid.



The utility credits the ratepayer for the excess energy generated applied to future bills. Ratepayers must still pay base rate charges.

HB 328 Targets Those Without Net Metering Access



Renters, condo associations, and homeowners without access to good sun or wind would now be able to benefit.



Customers can stay subscribed to the program if they move within the same utility service area.



Both residential and commercial ratepayers can subscribe to community energy projects.

HB 328 Expands Options for Net Metering



ALLOWS RATEPAYERS TO POOL
RESOURCES ON A SINGLE PROJECT AND
SPLIT THE NET METERING BENEFITS



MAKES NET METERING AVAILABLE FOR
APARTMENT AND CONDO BUILDINGS SO
EACH RATEPAYER WON'T NEED THEIR
OWN GENERATOR



RATEPAYERS CAN CROWDSOURCE
SMALL-SCALE RENEWABLE ENERGY
PROJECTS BY SUBSCRIBING TO
COMMUNITY ENERGY PROJECTS



UTILITIES CAN OPERATE THEIR OWN
PROJECTS THAT RATEPAYERS CAN
CHOOSE TO SUBSCRIBE TO

Regulatory Commission of Alaska Oversight

HB 328 applies only to utilities that are economically regulated by the RCA.

Utilities will be required to submit community energy plans to the RCA for review and approval.

The RCA may modify or waive any requirements of HB 328 to meet the needs of specific utilities.

How Community Energy Works



Third Party submits application to a utility, or the utility initiates their project.



Utility accepts project if parameters met.



Utility forwards project to Regulatory Commission of Alaska (RCA).



Project is approved by RCA.



When subscribers are signed up, the project is developed.



When project is finished and comes online, credits to subscribers begin.



Credits are visible on same monthly utility bill.

Benefits



Lower energy bills for Alaskans



More Federal and private investment



Creates renewable energy jobs



Offsets natural gas usage in Cook Inlet



Improves grid resiliency



Condo associations and apartments can participate

Lowers Energy Bills



Subscribers save 10-20% on their energy bills after payback period.



Payback periodic averages 3-5 years.



Specific savings are project dependent.

More Jobs and Investment

\$7 Billion dollars in federal money is available for community energy projects nationwide.

Alaska ranks last in the nation in solar jobs, taking advantage of our potential would create 100s of jobs.

There are now more jobs worldwide in renewable energy than fossil fuels according to BP annual report.

Community Solar is the currently the fastest growing sector in renewable energy.

Offsets Natural Gas



Railbelt utilities are facing a natural gas shortage.



Costly proposals to import natural gas to Alaska are now on the table.



An 8 percent increase in renewable energy on the Railbelt could be enough to address Cook Inlet Supply issues before 2030.

Community Energy Improves Grid Resiliency



Reliability in grid is top goal for utilities and customers.



Several instances of fires, snowstorms and windstorms have left sections of the Railbelt without power for extended periods of time.



Smaller renewable energy projects with battery systems up and down the Railbelt will improve reliability in communities.



Questions?