

ALASKA STATE LEGISLATURE
HOUSE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE

March 1, 2007

8:10 a.m.

MEMBERS PRESENT

Representative Anna Fairclough, Co-Chair
Representative Gabrielle LeDoux, Co-Chair
Representative Mark Neuman
Representative Sharon Cissna

MEMBERS ABSENT

Representative Nancy Dahlstrom
Representative Kurt Olson
Representative Woodie Salmon

COMMITTEE CALENDAR

HOUSE BILL NO. 56

"An Act establishing the Hydrogen Energy Partnership in the Department of Commerce, Community, and Economic Development; requiring the commissioner of commerce, community, and economic development to seek public and private funding for the partnership; providing for the contingent repeal of an effective date; and providing for an effective date."

- MOVED CSHB 56(CRA) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 56

SHORT TITLE: HYDROGEN ENERGY RESEARCH PROGRAM

SPONSOR(S): REPRESENTATIVE(S) CRAWFORD, DOLL

01/16/07	(H)	PREFILE RELEASED 1/5/07
01/16/07	(H)	READ THE FIRST TIME - REFERRALS
01/16/07	(H)	CRA, RES, FIN
02/15/07	(H)	CRA AT 8:00 AM CAPITOL 124
02/15/07	(H)	Heard & Held
02/15/07	(H)	MINUTE(CRA)
03/01/07	(H)	CRA AT 8:00 AM BARNES 124

WITNESS REGISTER

REPRESENTATIVE HARRY CRAWFORD

Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Spoke as the sponsor of HB 56.

MARY SADDLER, Legislative Liaison
Office of the Commissioner
Department of Commerce, Community, & Economic Development
Juneau, Alaska

POSITION STATEMENT: During hearing of HB 56, answered questions.

ACTION NARRATIVE

CO-CHAIR GABRIELLE LEDOUX called the House Community and Regional Affairs Standing Committee meeting to order at [8:10:27 AM](#). Representatives LeDoux, Fairclough, Neuman, and Cissna were present at the call to order.

HB 56-HYDROGEN ENERGY RESEARCH PROGRAM

[8:10:51 AM](#)

CO-CHAIR LEDOUX announced that the only order of business would be HOUSE BILL NO. 56, "An Act establishing the Hydrogen Energy Partnership in the Department of Commerce, Community, and Economic Development; requiring the commissioner of commerce, community, and economic development to seek public and private funding for the partnership; providing for the contingent repeal of an effective date; and providing for an effective date."

[8:11:09 AM](#)

REPRESENTATIVE NEUMAN moved to adopt CSHB 56, Version 25-LS0291\C, Kane, 2/23/07, as the working document. There being no objection, Version C was before the committee.

[8:11:47 AM](#)

REPRESENTATIVE HARRY CRAWFORD, Alaska State Legislature, explained that only a couple of the changes embodied in Version C were substantive. One substantive change was to have the funds go to the Alaska Energy Authority (AEA) directly rather than through the Department of Commerce, Community, & Economic Development.

[8:12:53 AM](#)

MARY SADDLER, Legislative Liaison, Office of the Commissioner, Department of Commerce, Community, & Economic Development, explained that originally the legislation called for the work to be performed within DCCED, and therefore the funds would have to be passed to AEA through a fiscal note and a reimbursable services agreement. Therefore, Version C removes one administrative step while still following the intent and purpose of the law and getting the funds to those best suited to perform the work.

[8:13:41 AM](#)

REPRESENTATIVE CRAWFORD continued by pointing out that on page 2, line 31, the board membership was changed by replacing the language "a political subdivision of the state" with "an Alaska regional development organization". Any other changes in Version C were modifications to make the language more scientifically correct. Representative Crawford then showed a one-minute video from Toyota that illustrated wind power use at a small island in Norway.

[8:17:42 AM](#)

CO-CHAIR FAIRCLOUGH inquired as to the capital investment on the project in Norway.

REPRESENTATIVE CRAWFORD replied that he didn't know, but added that it's a custom-made project. He opined that as technology comes along with these alternative energy sources, the prices will decrease.

CO-CHAIR FAIRCLOUGH said she was thinking about a community such as Bethel where there is so much wind and wondered what the capital cost of such a project would be versus the cost of power cost equalization on an annual basis.

REPRESENTATIVE CRAWFORD opined, "That would be a reason for having the hydrogen partnership."

[8:18:49 AM](#)

REPRESENTATIVE CISSNA related that she spoke with someone regarding whether the wind system in Kotzebue who said that due to careful planning prior to implementation, about one-third of [the community's] power is generated by wind and there are virtually no large problems at all. Although wind energy will

never be the total answer, it saves the community a great deal, she said.

[8:20:55 AM](#)

REPRESENTATIVE NEUMAN asked if any large companies are interested in putting money into a hydrogen energy partnership.

REPRESENTATIVE CRAWFORD opined that the video illustrates that large companies are interested. In further response to Representative Neuman, Representative Crawford said that this legislation is necessary to attract these companies to Alaska.

[8:22:44 AM](#)

CO-CHAIR FAIRCLOUGH moved to report CSHB 56, Version 25-LS0291\C, Kane, 2/23/07, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 56(CRA) was reported from the House Community and Regional Affairs Standing Committee.

[8:23:17 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Community and Regional Affairs Standing Committee meeting was adjourned at 8:23 a.m.