

**ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON ARCTIC POLICY,
ECONOMIC DEVELOPMENT, AND TOURISM**

April 6, 2021
11:03 a.m.

MEMBERS PRESENT

Representative Grier Hopkins, Chair
Representative Sara Hannan
Representative Liz Snyder
Representative Josiah Patkotak
Representative Harriet Drummond
Representative Mike Prax
Representative Tom McKay

MEMBERS ABSENT

No members absent

COMMITTEE CALENDAR

PRESENTATION: THE NEW FRONTIER OF THE LAST FRONTIER - ECONOMIC DEVELOPMENT IN MODERN ALASKA

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

MARK BILLINGSLEY, Director
Alaska Center for Innovation, Commercialization and
Entrepreneurship ("Center ICE") and
Office of Intellectual Property and Commercialization
University of Alaska Fairbanks (UAF)
Fairbanks, Alaska

POSITION STATEMENT: Gave a PowerPoint presentation, entitled "The Impact and Opportunity of Alaska R&D" during the overall presentation, entitled "The New Frontier of the Last Frontier - Economic Development in Modern Alaska."

CINDY MITTLESTADT, Manager
Bristol Bay Development Fund
Bristol Bay Native Corporation

Bristol Bay, Alaska

POSITION STATEMENT: Gave a PowerPoint, entitled "Strengthening Bristol Bay" during the Presentation, entitled "The new Frontier of the Last Frontier - Economic Development in Modern Alaska."

ROMINA BENTZ, Senior Program Manager
Small Business Administration
Bristol Bay Native Corporation
Bristol Bay, Alaska

POSITION STATEMENT: co-presented a PowerPoint, entitled "Strengthening Bristol Bay" during the Presentation, entitled "The new Frontier of the Last Frontier - Economic Development in Modern Alaska."

POLLY WATSON, Analyst
Small Business Administration
Bristol Bay Native Corporation
City & State

POSITION STATEMENT: Co-presented a PowerPoint during, entitled "Strengthening Bristol Bay" during the Presentation, entitled "The new Frontier of the Last Frontier - Economic Development in Modern Alaska."

ISAAC VANDERBURG, CEO
Launch Alaska
No address provided

POSITION STATEMENT: Gave a PowerPoint regarding Launch Alaska during the overall presentation, entitled "the New Frontier of the Last Frontier - Economic Development in Modern Alaska."

ACTION NARRATIVE

[11:03:27 AM](#)

CHAIR GRIER HOPKINS called the House Special Committee On Arctic Policy, Economic Development, and Tourism meeting to order at 11:03 a.m. Representatives Hannan, Patkotak, Drummond, and Chair Hopkins were present at the call to order. Representatives Snyder (via teleconference), Prax, and McKay arrived as the meeting was in progress.

PRESENTATION: The new Frontier of the Last Frontier - Economic Development in Modern Alaska

[11:04:15 AM](#)

CHAIR HOPKINS announced that the only order of business would be

a presentation, entitled "The new Frontier of the Last Frontier - Economic Development in Modern Alaska."

[11:05:59 AM](#)

MARK BILLINGSLEY, Director, Alaska Center for Innovation, Commercialization and Entrepreneurship ("Center ICE") and Office of Intellectual Property and Commercialization, University of Alaska Fairbanks (UAF), Gave a PowerPoint presentation, entitled "The Impact and Opportunity of Alaska R&D" [hard copy included in the committee packet] during the overall presentation, entitled "The New Frontier of the Last Frontier - Economic Development in Modern Alaska." He defined R&D as research and development. He directed attention to slide 2, which showed his presentation topics would include background information, the current status of technological ("tech") transfer in Alaska, and opportunity in the state. He noted that he is one of few patent attorneys in Alaska.

[11:08:11 AM](#)

MR. BILLINGSLEY directed attention to a slide naming the University of Alaska Fairbanks (UAF) as a leader in Arctic research, and he acknowledged that research is also being done in private industry. He then moved on to the next slide, "From Research to Reality," which shows the process of "Tech Transfer" from the beginning through to a patent. There is an illustration showing the steps, which are also written along an upward trajectory on the slide as: Identify Technologies, Research the Market, Search for Prior Art, IP Protection, Marketing/Sales, and Licensing. He described his process as existing between "the research machine and real world implementation." He added, "So, my job is to capture that value and make sure the public actually benefits from the university's research." He further explained that his office "sets things up" so industry partners "have the opportunity to use the university's invention" and "maximize the economic and social impacts of the research."

[11:11:31 AM](#)

REPRESENTATIVE HANNAN asked for clarification regarding the term "search for prior art."

MR. BILLINGSLEY answered that it is a legal terms in patent law describing "anything that's been published that already describes the invention."

CHAIR HOPKINS asked about the process of identifying new technology.

MR. BILLINGSLEY answered that the balance between his office doing outreach and people coming to his office is 50/50. He said a challenge is to constantly educate people about what his office does.

[11:13:38 AM](#)

MR. BILLINGSLEY returned to the PowerPoint, to a slide, entitled "PFAS destruction solutions for environmental remediation, industrial filtration, and solid waste management," and he related that someone had an idea that took a long time and the feedback of over 100 potential customers to make a reality. The slide indicates the company is Aquagga.

[11:14:48 AM](#)

REPRESENTATIVE HANNAN related that she has been working on the issue of perfluoroalkyl substances (PFAS) and expressed keen interest in solutions to PFAS.

MR. BILLINGSLEY said he would put Representative Hannan in touch with this Alaska-grown company. He said there is potential for this to be a long-term solution, and he remarked on the new jobs and revenue that would be brought into Alaska.

MR. BILLINGSLEY moved on to the next slide, entitled "Erasing Death and Disability from Brain and Spinal Cord Injury." He said this is another example of the long time it takes to build up technology- and research-based startups. He offered his understanding that there had never been a drug developed in Alaska, but BeCool Pharmaceuticals, begun by a UAF researcher, has come close. He remarked on the length of time it takes to get a drug approved by the U.S. Federal Drug Administration (FDA).

CHAIR HOPKINS asked, "Is this the research that has been spurred by the ground squirrel hibernation?"

MR. BILLINGSLEY answered that is correct. He indicated this research could help in the transportation of someone with a spinal cord or brain injury to a hospital before paralysis "set in." He said the federal government is interested in BeCool Pharmaceuticals. He said Alaska needs to be doing all it can to

build the ecosystem that supports companies like this, and that requires researchers, industry partners, entrepreneurs, and investors.

[11:19:20 AM](#)

MR. BILLINGSLEY moved to the slide, entitled "Vision." The slide shows the names of institutions that have supported great startup companies. He remarked that although UAF is not one of them, it has a strong research and development operation. The other institutions provide models for UAF. He said innovation "rarely thrives in isolation," and universities "rarely explode with innovation and entrepreneurialism" unless they have the support of a communities with shared values.

MR. BILLINGSLEY directed attention to the next, which lists what Alaska Center ICE is doing to "reach this vision," as follows [original punctuation provided]:

- Encourage Entrepreneurialism, and Teach the Skills
- Seed Funding for Research with Commercial Potential
- Supporting Industry Involvement
- Seed Funding for Startups

[11:22:46 AM](#)

MR. BILLINGSLEY addressed the slide that addresses "Where we're going." He said he would like to see a venture capital firm in Alaska investing in Alaska companies and multiple startup companies that each create 100 or more jobs. He advised legislators of the need for them to not only share, but also lead, that vision.

MR. BILLINGSLEY directed attention to the final slide, entitled "What Else Can Be Done?" The list provided read as follows [original punctuation provided]:

- General Awareness and Support!
- Make this part of your vision / the plan for Alaska
- Policies
- SBIR Matching
- Build a Pre-Seed Fund
- Entrepreneurs-in-Residence
- Who: Legislature, SOA, Municipalities, ARDORs, UA

MR. BILLINGSLEY said there are multiple options he could share regarding best practices and policy options. He talked about federal grants and matching grants from states.

[11:26:35 AM](#)

REPRESENTATIVE PRAX asked whether the goal is for Center ICE to become self-funding.

MR. BILLINGSLEY responded that that is a policy decision, and that is how it is done at some universities.

[11:27:50 AM](#)

CHAIR HOPKINS asked whether Mr. Billingsley's office has been involved in the recent advances in polymer fracking on the North Slope, in partnership with Hilcorp, Inc., and UAF research.

MR. BILLINGSLEY answered yes. He said that "the petroleum department" has nondisclosure agreements with some of the companies operating on the North Slope "in that context." He said nondisclosure agreements go through his office, and he expressed his hope that inventions result, and that his office can work with those companies on the North Slope.

MR. BILLINGSLEY returned to the slide and talked about entrepreneurs at the university. He concluded, stating that "we're all stakeholders" with "a role to play."

[11:30:56 AM](#)

CINDY MITTLESTADT, Manager, Bristol Bay Development Fund, Bristol Bay Native Corporation, gave a presentation, entitled "Strengthening Bristol Bay" [hard copy included in the committee packet]. She began by offering a land acknowledgement to Native peoples of Bristol Bay, which corresponded with showing a slide, which read as follows [original punctuation provided]:

LAND ACKNOWLEDGEMENT

"Land is the gift of our ancestors and the guarantee of our right to continue our subsistence lifestyle. Land is the heart of our culture. Without land, we are nothing."

- Harvey Samuelsen, 1926-2004

"Culture is a reflection of all the ways of knowing, doing, and being in the world. Our culture encompasses all-how we interact with the world, our stories, wisdom, beliefs, and connection to the land and our ancestors."

- Atkiq Snyder, BBNC Culture Camp Project Director

MS. MITTLESTADT turned to the next slide and informed the committee that she would be assisted by two co-presenters, Romina Bentz and Polly Watson. She then directed attention to another slide, entitled "Investing in Bristol Bay," which read as follows [original punctuation provided]:

Bristol Bay Development Fund (BBDF) is a catalyst for in-region business start-up, survival, success and growth through effective deployment of financial and nonfinancial capital.

MS. MITTLESTADT said the fund offers financial capital in the form of micro equity, which ranges from \$1,000 to \$10,000. Its maximum investment is \$500,000. The fund is able to invest in businesses located in Bristol Bay, as well as those outside, so long as those outside add significant benefit to the residents of Bristol Bay. She named three focus areas of her own design: to offer a broader range of tiered products; to expand the investment approach; and to enhance marketing efforts.

[11:33:30 AM](#)

MS. MITTLESTADT moved on to the next slide, entitled "Non-Financial Capital, and said she included a Covid Task Force in the report. She said BBNC conducted a survey of shareholders, of which 2,700. The results: 55 percent said they were interested in starting a business; 22 percent said they were "highly interested" in starting a business; 49 percent identified that writing a business plan was a barrier; 42 identified a need for financial planning; 41 percent identified a need for financial support and connection; and 40 percent identified a need for finding the right business structure. She noted all this is in addition to the number one need, which is capital. She said the portfolio of financial support mirrors the efforts of companies present to today is doing to break barriers. She talked about "live plan," which offers more than 200 business plan templates; a business plan competition, called "Path to Prosperity"; and social media outlets.

MS. MITTLESTADT showed a slide, entitled "BUSINESS "BOOT CAMP" AND BUSINESS PLAN COMPETITION," which read as follows [original punctuation provided, with some formatting changes]:

Business "Boot Camp"

- ♣ In-region (hosted) event for 10-12 selected applicants
- ♣ Multi-day, intensive cohort immersion learning
- ♣ Enlist Alaska Start Up community, practitioners, mentors, consultants at various stages of the competition
- ♣ Curriculum comprised of TBL metrics, accounting/finance, HR, brand identity, marketing and messaging, value proposition, personal strengths and action planning, small business panels
- ♣ Nurture business readiness and capacity to accept capital

Business Plan Competition

- ♣ Competitive event that applicants will vie for grant monies to use for technical assistance or consulting services
- ♣ Top two winning business plan receive \$20,000 and third receives \$10,000
- ♣ Prize money for top business plan winners + travel and registration scholarships to "Innovation Summit" in Juneau in CY21

Business Advising

- ♣ Competition winners use proceeds for technical assistance, third party services (marketing, accounting, legal, website design, or relevant start-up costs), or equipment acquisition
- ♣ Minimum quarterly support calls for competition prize winners
- ♣ Warm introductions and publicity
- ♣ Support/socialize/network finalists who are advancing business plan objectives

MS. MITTLESTADT said approximately two years ago, Bristol Bay Development Fund partnered with Spruce Root, a community lending entity in Juneau, Alaska, to blueprint "Path to Prosperity," a

business plan competition. The slide shows the three distinct phases.

[11:38:20 AM](#)

MS. MITTLESTADT turned to the next slide, entitled "ELIGIBILITY," which read as follows [original punctuation provided]:

- ✓ Must be for-profit
- ✓ Bristol Bay-based businesses
- ✓ Tribal entities
- ✓ Start-ups
- ✓ Inventors
- ✓ Existing businesses considering a growth initiative (e.g. new product or service expansion)
- ✓ Social Enterprise
- ✓ Businesses located outside the region that demonstrate clear, tangible benefits to residents of the Bristol Bay

[11:39:02 AM](#)

CHAIR HOPKINS asked about the source of the fund seed money and whether it is sustainable.

MS. MITTLESTADT answered that it is an allocation from BBNC.

MS. MITTLESTADT continued to the next few slides addressing "Path to Prosperity" (P2P). She said a metric is used to capture a company's social or ecological benefit. One of the slides regarding P2P read as follows [original punctuation provided]:

Collective Program Impact:

- 2 cycles of program delivery
- 63 Applications
- 15 communities
- 22 Finalists
- 11 Live Plan Sponsored Subscriptions
- 6 Awardees
- \$100,000 financial awards to startup or growth companies supporting the economic vitality in the region

[11:41:12 AM](#)

MS. MITTLESTADT, in response to Representative Hannan, said the awards began in 2019, and she explained the lengthy process. In response to a follow-up question, she said that in 2019, 10 out of 10 bootcamp participants submitted business plans; in 2020, 5 out of 10 participants submitted business plans; but she could not say with certainty whether the COVID-19 pandemic influenced that outcome. She proffered anecdotally that there has been an uptick in interest in startups.

[11:44:26 AM](#)

MS. MITTLESTADT concluded her portion of the PowerPoint by played a video.

[11:46:28 AM](#)

ROMINA BENTZ, Senior Program Manager, Small Business Administration, Bristol Bay Native Corporation, said she is responsible for BBNC's government contracting compliance. Picking up where Ms. Mittlestadt had left off, she said in 2014, BBNC's Board of Directors directed management to find innovative ways to invest in Bristol Bay. She said BBNC launched its In-Region Government Contracting Initiative, an in-house mentor/protégé program that offers village corporations in the Bristol Bay region with federal contracting mentorship, training, and joint venture opportunities. She listed the goals of the program, shown on the slide, entitled "BBNC's In-Region Government Contracting Program Goals," which read as follows [original punctuation provided]:

Goals:

- ♣ Utilize BBNC's subsidiary capacity in experience, relationships, networks, geographical positioning, and business sense.
- ♣ Mentorship that's mutually profitable to BBNC, tribes, and village corporations.
- ♣ Develop and provide training programs for IGC participant boards and management.
- ♣ Build knowledge baseline and encourage business best practices.

MS. BENTZ said BBNC wants village corporations to have a solid governance foundation as they enter into government contracting. She then related the information on the next slide, entitled "CHALLENGES TO SUCCESS," which read as follows:

- ♣ Geographically isolated
- ♣ Lack of Best Business Practices and for profit models
- ♣ Not enough skilled managers or staff and lack of resources to hire them
- ♣ Little to no business background, English second language, limited internet, high insurance costs, and limited business concepts and practices
- ♣ Villages with certified 8(a) companies lack capacity - most importantly contract performance funds - the Float

MS. BENTZ deferred to her colleague, Polly Warson, to address the next two slides.

[11:48:55 AM](#)

POLLY WATSON, Analyst, Small Business Administration, Bristol Bay Native Corporation, stated that since the inception of the initiative, BBNC has had the participation of approximately nine village corporations and tribes. [Shown on a slide, entitled "PREVIOUS AND CURRENT PARTICIPANTS," which read as follows, original punctuation provided]:

- ♣ Alaska Peninsula Corporation
- ♣ Aleknagik Natives Limited
- ♣ Chignik Lagoon Native Corporation
- ♣ Choggiung Limited
- ♣ Far West Inc.
- ♣ Levelock Natives Limited
- ♣ Oceanside Corporation
- ♣ Pedro Bay Corporation
- ♣ Togiak Natives Limited

MS. WATSON relayed that the program is typically a year in length; when a participant is close to graduating, an assessment will be done; based on the assessment, a mutual agreement will be made whether to extend the participation agreement. She noted that in 2018, BBNC sold its majority interest in one of the construction companies, Bristol Industries, to Choggiung Limited, a Dillingham village corporation. She said BBNC continues to look for unique development opportunities in Bristol Bay. She stated, "This historic partnership demonstrates the potential value the In-region Government

Contracting Initiative can bring to the Bristol Bay [Native] Corporation."

MS. WATSON covered a slide, entitled "Going Forward," which read as follows [original punctuation provided]:

- BBNC will continue to provide mentorship to IGC participants
- Individual board trainings for village corporations and tribes
- Monthly virtual trainings for all current and previous participants and business leaders

MS. WATSON called the program fluid because she said BBNC continues to refine it.

[11:51:10 AM](#)

CHAIR HOPKINS what about anticipated changes as the project is developed.

MS. BENTZ said it varies depending on the participant; some are more sophisticated than others. She said "we" partner with Transcend Strategic Consulting to determine where the program needs to be directed according to the participants.

MS. MITTLESTADT returned to the PowerPoint presentation, to slide 15, "On the Horizon," which read as follows [original punctuation provided]:

- ♣ Tribal Energy Development Capacity Grant Program: award of \$99,000 to define organizational options that would allow smaller Bristol Bay utilities to share essential resources and personnel and thereby improve each utility's reliability and reduce local power costs.
- ♣ Conduct evaluation of Path to Prosperity
- ♣ Support all winners and prior finalists to advance business readiness
- ♣ Support tribal entities to advance Tribal Spectrum Broadband (2.5ghz) Implementation Projects

MS. MITTLESTADT talked about a recent award to BBNC, a tribal energy development capacity grant of \$99,000 to be used to

define organizational option that would allow smaller Bristol Bay utilities to share resources and personnel to increase reliability and reduce power costs. A second project will support tribal entities in advancing tribal spectrum broadband implementation projects.

MS. MITTLESTADT brought attention to the final slide, 16, entitled "Request for Support," which read as follows [original punctuation provided]:

Concept of a statewide network of Fund Managers and Practitioners to develop an outreach and deployment model for ongoing and future economic disruptions or emergencies.

This might include:

- ♣ Consult and/or contract with regional fund operators for outreach, and deployment of American Rescue Plan Act resources

- ♣ Support (seed) the design of statewide economic continuity network that: Evaluates, identifies, and invests in a unified, cloud-based platform for all entities to monitor deployment, aid in ARA [American Rescue Act] deployment, perform outreach, and support or enhance a community navigator program.

MS. MITTLESTADT said that concluded her remarks.

[11:56:05 AM](#)

ISAAC VANDERBURG, CEO, Launch Alaska, gave a PowerPoint relating to Launch Alaska during the overall presentation, entitled "The new Frontier of the Last Frontier - Economic Development in Modern Alaska." He drew attention to a slide showing the Launch Alaska team members. He covered the information on the next slide, which read as follows [original punctuation provided]:

Launch Alaska is a non-profit that supports the development of projects by compressing the time, proximity and focus needed to forge productive relationships, identify opportunities and deploy solutions with tangible results.

MR. VANDERBURG said Launch Alaska partners young companies with Alaska "asset owners," such as utilities and municipalities. He

likened this to "pointing the firehose of innovation at some of Alaska's most intractable problems." He said Launch Alaska's mission is to "accelerate the resource revolution by deploying game-changing technologies." To clarify, he moved to the next slide, "The Challenges," which lists the following talking points: climate changes; local economic headwinds; second highest cost of energy in the U.S.; and "Alaska has untapped potential to lead the resource revolution." He said climate change is affecting disrupting many things, including the seafood industry, electric infrastructure that is "starting to bend and sway on the North Slope," and ice roads. He noted that Alaska has a high consumption rate of energy, ranking second-highest in the U.S. He explained the headwinds as being caused by the price of oil, as well as the challenges to tourism resulting from the pandemic. Even so, he said, Alaska has untapped potential "to lead the resource revolution."

[11:59:22 AM](#)

MR. VANDERBURG, in response to Representative Hannan, said in terms of high energy consumption ranking, Alaska goes "toe to toe" with Hawai'i and Connecticut. He turned to the next slide, "Opportunity," which read as follows [original punctuation provided]:

Alaska as deployment ground for energy,
transportation, food and water solutions

Declining cost curves on renewables, storage

Global transition to microsystems and the
electrification of everything

MR. VANDERBURG explained microsystems as microgrid systems or local food distributions systems or local water utilities - smaller systems that are not as vulnerable. He said the world is moving "island" or "distributed" solutions; he noted that over 250 communities in Alaska already have expertise in developing island systems for distribution of food and water. As shown on the following four slides, the focus is on food, water, transportation, and energy. Each slide shows the portfolio companies with which Launch Alaska has worked over the past three years; the largest share of companies have been in the realm of energy. He described an eight-month process by which an initial pool of 40-50 companies are thinned down to seven or eight that become part of Launch Alaska's portfolio.

12:02:54 PM

MR. VANDERBURG played a video. After that he showed the next slide, "Tech Deployment Track," which illustrates the aforementioned process of choosing companies. He talked about the need for proof that a technology works and "traction in a real-world setting." He said Launch Alaska manages some small investment funds and partners with a venture capital (VC) fund. The next slide showed a group of panelists that include a mix of researchers, investors, and private and public entities. The ensuing slide showed new panelists. He explained that the Launch Alaska logo showed on photos of those individuals involved in external review committee; they are technical experts that vet the applicants to verify the claims companies are making are feasible.

12:09:16 PM

MR. VANDERBURG continued to the next slide, which read as follows [original punctuation provided, with some formatting changes]:

FACILITATE

Through a close collaborative process, Launch Alaska works with our partners to identify opportunities for innovation.

Mission-aligned stakeholder facilitation at no- or low-cost to your organization.

PLAN

Strategic plans are carefully developed to ensure alignment with organizational goals and optimal outcomes.

Launch Alaska identifies and applies for funding to support the defined scope of the planning process.

DEPLOY

Launch Alaska works with our network of experts to package technical design with financing & contracts.

Launch Alaska recommends a financial structure that will maximize project benefits.

IMPACT

Launch Alaska verifies project performance against intended outcomes and reports results.

Impact and ESG reporting included for the first five years of your project.

MR. VANDERBURG emphasized the importance of measuring the impact. He continued to the next slide, which states that Launch Alaska's objective is to facilitate \$1 billion in projects by 2030. He admitted this seems like a lofty goal, but said the next slide shows that a lot of progress is already being made. The slide relates to Blue Planet Energy, which is backed up by Ageto, and the information on the slide read as follows [original punctuation provided]:

- the first solar+storage power purchase agreement (PPA)
- the first solar PPA in a remote community
- and the first solar and first energy storage installed in an AVEC community.

MR. VANDERBURG talked about companies with promising innovations, shown on the next slide: Dynamhex MDA, working with the Municipality of Anchorage with its climate action plan; Biomass Controls a company listed on the slide as "Teck" working with Biomass Controls on a combined power solution; and Shorelock working with the City of Homer using a glue that prevents coastal erosion.

[12:14:09 PM](#)

MR. VANDERBURG moved on to another slide, "Port of Alaska," and said 80 percent of goods to Alaska come through the port, and the Port of Alaska has asked for Launch Alaska's help in becoming an island or microgrid to guard against interruptions to power from natural disasters and to stabilize power costs, as shown in the list of objectives, which read as follows [original punctuation provided]:

- Stabilize & reduce power costs
- Increase system reliability
- Optimize operations
- Ensure business continuity

- Reduce environmental impact

CHAIR HOPKINS asked whether these efforts are included in the designs coming forward for the new Port of [Alaska].

MR. VANDERBURG replied that there are several projects related to the port that are happening simultaneously. He said this one is focused on creating storage backup, a solar array, and adding a couple of circuits between the Port of Alaska and the civilian grid. There are other, larger port renovation projects that are separate from this, he explained. He named other companies shown on an ensuing slide, "Innovation Scope."

[12:17:16 PM](#)

MR. VANDERBURG directed attention to another slide, "Kotzebue Electric Association," which lists the following objectives [original punctuation provided]:

- Develop long-term strategies for electrification
- Assess the technical and economic benefits of a clean energy strategy
- Map the transition to 100% clean energy generation
- Identify a financing and capital structure roadmap to achieve 100% clean energy

MR. VANDERBURG said the next slide, "Innovation Scope," shows the companies involved. In response to Representative Drummond, he explained the term "diesel off" as a push to reduce the use of diesel as a response to climate change.

MR. VANDERBURG continued with slide 24 Impact and spoke of doing this in a reliable and environmentally responsible way. He mentioned Senate Bill 123, which formed an electricity reliability organization on the Alaska Railbelt, and he noted that "the rule-making process of that is moving forward with the RCA [Regulatory Commission of Alaska]." He encouraged members of the legislature to ensure that rule-making process is not delayed. He said Launch Alaska currently has 21 companies in its portfolio, and in the next week will have 10 more. All the companies spend a lot of time in Alaska; five of them are from Alaska. He pointed out that it matters that Alaska embraces its role in as a leader in energy transmission, and having a single point of negotiation with all the Railbelt utilities to allow for resiliency, single interconnection standards, and region-wide cybersecurity is a big signal to companies about whether

Alaska is open to doing business with some of the most exciting technology firms.

[12:24:17 PM](#)

REPRESENTATIVE HANNAN asked for confirmation that Mr. Vanderburg, when mentioning Senate Bill 123, was referring to a bill passed in the last legislature, but not as a Senate bill.

CHAIR HOPKINS confirmed that the legislation mentioned [passed] and is currently what is "in front of the RCA right now."

REPRESENTATIVE HANNAN asked if there was some indication that the rule-making process is not on track to being implemented by July.

CHAIR HOPKINS proffered that currently there is some concern that it might be delayed because of discussions between the utilities and the RCA about the exact structure of the board and who will be on the Electric Reliability Operative (ERO), so there has been some discussion about possible delay, although he said he thinks that may not happen. He said if nobody applies under the regulations that should be done by July 1, then starting October 2021, the RCA will create its own ERO and governance board in order to move forward quickly. Chair Hopkins asked Mr. Vanderburg whether he or any of the companies interested in seeing the ERO move forward have sent in comments to the RCA.

MR. VANDERBURG responded that Launch Alaska and two of its companies would be submitting comments today in response to the recent request by the utilities to delay the rule-making process. The comments being sent will urge the RCA to deny the request. He said all of Launch Alaska's companies are aware of the rule-making process as a whole and are planning on submitting comments two weeks from now.

CHAIR HOPKINS thanked Mr. Vanderburg for the efforts being made.

[12:27:15 PM](#)

MR. VANDERBURG brought attention to a "Thank You" slide, which in addition to Senate Bill 123, mentions "Green Bank" and renewable portfolio standards (RPS). He urged support of the Green Bank. He mentioned Launch Alaska's role in connection with a solar array developer and an investor and the need for incentive for utilities to build out renewable generation. He

encouraged the legislature to support a renewable portfolio standard for the state, which he predicted would encourage public and private investors. He offered his understanding that 40 other states have done so thus far.

MR. VANDERBURG turned to the final three slides, which list mission partners, infrastructure partners, and community partners. He said Launch Alaska works hard to ensure only a small fraction of its budget comes from public dollars. He thanked the committee for hearing his part of the presentation.

[12:30:59 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Special Committee On Arctic Policy, Economic Development, and Tourism meeting was adjourned at 12:31 p.m.