

**ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON ENERGY**

January 27, 2022
10:19 a.m.

MEMBERS PRESENT

Representative Calvin Schrage, Chair
Representative Matt Claman
Representative Tiffany Zulkosky
Representative Zack Fields
Representative George Rauscher
Representative James Kaufman

MEMBERS ABSENT

Representative Chris Tuck

COMMITTEE CALENDAR

HOUSE BILL NO. 227

"An Act relating to municipal energy and resilience improvement assessment programs; and providing for an effective date."

- MOVED HB 227 OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HB 227

SHORT TITLE: MUNI ENERGY IMPROVEMNT ASSESSMENT PROGRAM

SPONSOR(S): REPRESENTATIVE(S) SCHRAGE

01/18/22	(H)	PREFILE RELEASED 1/7/22
01/18/22	(H)	READ THE FIRST TIME - REFERRALS
01/18/22	(H)	ENE, CRA
01/20/22	(H)	ENE AT 10:15 AM ADAMS 519
01/20/22	(H)	Heard & Held
01/20/22	(H)	MINUTE(ENE)
01/27/22	(H)	ENE AT 10:15 AM ADAMS 519

WITNESS REGISTER

RYAN MAE LUCAS, Owner/Broker
Regal North Commercial
Anchorage, Alaska

POSITION STATEMENT: Testified in support of the C-PACE amendments proposed under HB 227.

TOM NEUKRANZ, Agent
Gold Specific Capital
Tiburon, California

POSITION STATEMENT: Testified in support of an amendment proposed under HB 227 to include new construction.

TOM BENKERT
KI Energy, LLC
Wasilla, Alaska

POSITION STATEMENT: Testified in support of an amendment proposed under HB 227.

MARK BEGICH
Anchorage, Alaska

POSITION STATEMENT: Testified in support of the amendments proposed under HB 227.

JANE LIU
Global Pacific Capital, LLC
San Mateo, California

POSITION STATEMENT: Testified during the hearing on HB 227.

SHAINA KILCOYNE, Energy Manager
Solid Waste Services
Municipality of Anchorage
Anchorage, Alaska

POSITION STATEMENT: Responded to a request during the hearing on HB 227.

ACTION NARRATIVE

[10:19:36 AM](#)

CHAIR CALVIN SCHRAGE called the House Special Committee on Energy meeting to order at 10:19 a.m. Representatives Claman, Zulkosky, Fields, Rauscher, Kaufman, and Schrage were present at the call to order.

HB 227-MUNI ENERGY IMPROVEMNT ASSESSMENT PROGRAM

[10:20:08 AM](#)

CHAIR SCHRAGE announced that the only order of business would be HOUSE BILL NO. 227, "An Act relating to municipal energy and resilience improvement assessment programs; and providing for an effective date."

[10:20:27 AM](#)

CHAIR SCHRAGE opened public testimony on HB 227.

[10:20:48 AM](#)

RYAN MAE LUCAS, Owner/Broker, Regal North Commercial, testified in support of the commercial property assessed clean energy (C-PACE) amendments proposed under HB 227. She highlighted the new construction aspect of the bill and noted that some of the buildings in Anchorage are 30-plus years old, and sometimes it does not make economic sense to retrofit these older structures. She encouraged the practical changes that would eliminate "the bottleneck" and make it possible "to close and execute."

[10:22:44 AM](#)

TOM NEUKRANZ, Agent, Gold Specific Capital, expressed enthusiastic support of the amendment proposed under HB 227 to include new construction. He added that he supports the ability to use C-PACE in new construction.

[10:25:10 AM](#)

TOM BENKERT, KI Energy, LLC, spoke about the benefit to customers in obtaining financing on reasonable terms. He said he has wished for the amendments to statute [proposed under HB 227] for about three years and is pleased HB 227 is under consideration. He pointed out projects that would benefit from the changes such as the extension of useful life, which reflects new measures for resiliency. Further, he said the expansion of the use of funds would allow for more flexibility in financing. He said Alaska does not have tools that incentivize lenders to support desired projects, and HB 227 would improve the options available. He shared his willingness to answer any questions regarding C-PACE. He stated his support of the amendment proposed under HB 227.

[10:28:53 AM](#)

MARK BEGICH testified that he owns and operates several companies, one of which is a redevelopment company that turns deteriorated properties in Anchorage into premier properties, and C-PACE is critical in making properties more efficient, which results in money saved; it works in conjunction with private capital raised. He said the proposed bill would help

make the projects more of a reality by adding language regarding new construction financing, including market value, and by keeping money in the state that would increase local hire. He said he thinks HB 227 would benefit the private sector in increasing economic development.

[10:31:41 AM](#)

JANE LIU, Global Pacific Capital, LLC, noted that in addition to multi-family projects, large industrial projects can benefit from C-PACE, and those larger projects are on the rise in Alaska; therefore, she surmised that it would be a sector that could take advantage of the C-PACE financing [addressed under HB 227].

[10:32:47 AM](#)

CHAIR SCHRAGE closed public testimony on HB 227. He noted that the committee had not received any amendments for the proposed legislation.

[10:33:32 AM](#)

SHAINA KILCOYNE, Energy Manager, Solid Waste Services, Municipality of Anchorage, affirmed a request from Representative Rauscher to call him to answer further questions sometime following the close of the meeting.

[10:33:55 AM](#)

REPRESENTATIVE ZULKOSKY moved to report HB 227 out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, HB 227 was reported out of the House Special Committee on Energy.

[10:34:21 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Energy meeting was adjourned at 10:34 a.m.