

H B

318

FILE CONTENTS

FILE NAME HB 318

Ref. 5/15/7

#	Date In	Doc. Type	Date	Subject	DESCRIPTION	From	Distrib.
(1)	5-16-7	Bill	5-15-7	HB 318		Doc	✓
A	12-14-87	Memo	12-14-87	to Sp. Fr: Ellis re: HB 318-319 Am		Ellis	4
(2)	1-13-88	B WKST	1/13/88	Bill Worksheet		DCIT	4
(3)	1-13-88	PKT	1/13/88	AK Home Craftsmen Program	21 pgs	DCIT	4
(4)	1-14-88	P.P.	1/18/88	Position Paper DCRA		Rosman	3
(5)	1-20-88	F.N.	1/19/88	DCRA F.N.		DCRA	3
(6)	1-20-88	let.	1/12/88	to ? from Lewis re: HB 318		Snow	3
(7)	1-20-88	let.	10-20-88	to: D'Amato from: Conroy. U.S. Senate		Markley	3
(8)	1-20-88	Budget	10-25-88	Budget	2 pgs		✓
(9)	1-20-88	bookcase	-	Munkhla W. with the Eskimo Valhjalmur Stefansson 1913			✓
(10)	2-6-8	let.	1/22/8	to Sp. fr. DCRA Michael Herzog		DCRA	✓
(11)	2-6-8	com	1/15/8	com to sp.			3 pgs
B	1/20/8	WR	1/20/8	WR			✓
C	1/20/8	Min.		Min			✓
D	2/6/8	Memo	1/21/8	to sp. - fr. Ellis			✓
(9a)	3/7/8	Resol. Ltrs	vary.	Corresp. - supports.	a-K		
(10)	3/8/8	AML Res	3/8/8	AML memo / Resol.	88-36		
(11)	3/9/8	let.		Spencer Stmt. Pkt			
A	3/9/8	WR	B/9				
(12)	3/9/8	Min		Spencer Stmt.			
(11)	3/9/8	CS	3/10/8	Work Draft CS.			
(13a-f)	3/21/8	conesp.	vary	Conesp.			
(14)	3/22	cones		Cones + Wanda's Resol.			
(15)	3/23	memo	3/21	bits to David			
(16)	3/23	Info.	3/23	Relationships Terminal & ACI+BP			
(17)	3/23	let.	3/16	let to Sp. Fr. Ward			
(12)		CS FN		DCRA			
		Min.					

STATE OF ALASKA THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY LEGISLATIVE REFERENCE LIBRARY

May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

House	C+RA	1-20-88	3:00 p.m.
"	"	3-9-88	3:00 p.m.
"	"	3-23-88	3:00 p.m.
"	"	3-28-88	3:00 p.m.

BILL PREPARATION/ACTION*

Bill # HB 318 Date Referred: 5/15/87 Out: / /

Title: Energy Efficient Home Equity Fund

Ellis

Referrals: CRA FIN

REQUESTS: *****

Dept.	-----POSITION PAPER-----			-----FISCAL NOTE-----		
	Dt Req.	Person	Rcvd	Dt Req.	Person	Rcvd
Labor	1/11/88 11 AM	Eileen Plets	none	1/11/88 11 AM	Edman Plets	none
Rev						
ERA	1/11/88 1125a	Jim Plasman	1/20	1/11/88 1125a	Jim Plasman	1/20
CED	1/11/88 1134	Linda Wild	-	1/11/88 1134	Linda Wild	-

CONTACTS: *****

Name	Organization Address	Phone	Date Contacted
Don Markle		279-5582	1/13 11/20 mtg
<i>Ellis</i> - Debra	3/8, 1/20 1st; 3/25 [3/28] move on Monday;		NEEDS SLIDE PROJ/SCREEN 3/9 mtg today.
Don Markle	279-5582 3/18 [3/23] mtg;		

REMARKS: Plasman mtg 1/13 - 1/20 mtg
Markle - mtg 1/13 - 1/20 mtg -

ANALYSIS: _____ Completed: _____

MEETINGS: *****

Date	Action
1/20/88	1st Pub. Hing - hold per Sponsor Req.
3/9/88	T/C adopted CS, did not finish, rescheduled
3/23/88	T/C
3/28	passed out CS

*See other side for additional information.

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*****
*
* DELIVER TO: LHSCCRA
*
* ORIGINAL
* SENT:          03/23/88   TIME: 16:06
* FROM:          LIOCINE
* SUBJECT:       HCRA;FS;HB318,319;3-23
* PRINT DATE:   03/24/88   TIME: 14:40
*
*****

```

*** FINAL TELECONFERENCE STATISTICS ***

```

DATE:      ___MARCH 23, 1988_____
SITE:      ___ANCHORAGE_____
SPONSOR:   ___HOUSE COMMUNITY AND REGIONAL AFFAIRS_____
SUBJECT:   ___HB 318 AND HB 319 - ENERGY EFFICIENCY_____
           ___"HOME CRAFTSMAN PROGRAM"_____
LOCAL MODERATOR:  ___INEZ_____

```

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TESTIFIED:
NAME\REPRESENTING      ADDRESS      PHONE #
1.) JEFF BOHMANBOX 101093, ANCH 99510      278-3661

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F

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TESTIFIED:  ___01_____      START TIME:  3:00PM___
OBSERVED:   ___00_____      END TIME:    3:00PM___
TOTAL:      ___01_____

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 *
 * DELIVER TO: LHSCMMF *
 * *
 * *
 * ORIGINAL *
 * SENT: 03/23/88 TIME: 16:42 *
 * FROM: LTCCFBX *
 * SUBJECT: HCRA, FS, HB318/319-3-23-88 *
 * PRINT DATE: 03/24/88 TIME: 08:26 *
 * *

DATE: ___MARCH 23, 1988_____
 SITE: ___FAIRBANKS_____
 SPONSOR: ___HOUSE COMMUNITY AND REGIONAL AFFAIRS_____
 SUBJECT: ___HB 318 & HE 319 - HOME CRAFTSMAN PROGRAM_____
 MODERATOR: ___FRAN_____

TESTIFY

NAME\REPRESENTING	ADDRESS	PHONE: †
1. DON MARKLE,	334 E. SECOND, ANCHORAGE 99501	
2. PHIL LOUDON,	109 WATERLOO LANE, FBX 99712	

OBSERVE:

NAME\REPRESENTING	ADDRESS	PHONE †
1. RICH SEIFERT,	NO ADDRESS LISTED	

TESTIFY: 2	TIME START: 3:00 P.M.
OBSERVE: 1	TIME END: 4:10 P.M.
TOTAL: 3	

 *
 * DELIVER TO: LHSCMMF *
 * *
 * ORIGINAL *
 * SENT: 03/23/88 TIME: 16:28 *
 * FROM: LIOCDLG *
 * SUBJECT: HCRA;FS;HB318;HB319;3-23 *
 * PRINT DATE: 03/24/88 TIME: 08:25 *
 * *

DATE: MARCH 23, 1988 3:00 P.M.
 SITE: DILLINGHAM LIO
 SPONSOR: HOUSE C AND RA
 SUBJECT: HB 318 AND HB 319:ENERGY EFFICIENCY
 HOME CRAFTSMAN PROGRAM
 MODERATOR: ANNA MAY SORENSEN

FINAL STATS

OBSERVED:
 NAME-REPRESENTING ADDRESS PHONE#
 1. TOM LAMPHERE, BRISTOL BAY HOUSING AUTHORITY, BOX
 50; DILLINGHAM, AK. 99576 842-5956

TESTIFIED: 0
 UNABLE: 0
 OBSERVED: 1
 TOTAL: 1

START-END TIME: 3:00 - 4:00 P.M.

*
* DELIVER TO: LHSCMMF *
*
* ORIGINAL *
* SENT: 03/23/88 TIME: 16:24 *
* FROM: LIOCSIT *
* SUBJECT: HCRA;FS;HB318;3-23 *
* PRINT DATE: 03/24/88 TIME: 08:25 *
*

MARCH 23, 1988
H C&RA
HB 318
SITKA
MODERATOR-ELAINE OR KATHY

FINAL STATS

TO TESTIFY
1. JAY D. HOLMES, SITKA CONTRACTORS' ASSOC., 233 LAKEVIEW DR., SITKA

TO OBSERVE
1. MIKE WILD, BOX 1673, SITKA 99835, 747-5354

1 TESTIFIED
0 UNABLE
1 OBSERVED
2 TOTAL

3:00 - 4:00 PM START/END TIME

 *
 * DELIVER TO: LHSCMMF *
 * *
 * ORIGINAL *
 * SENT: 03/23/88 TIME: 16:04 *
 * FROM: LIOCBAR *
 * SUBJECT: H.CRA;FS;HB318;3-23-88 *
 * PRINT DATE: 03/24/88 TIME: 08:24 *
 * *

3-24-88
 BARROW
 H. COMMUNITY AND REGIONAL AFFAIRS
 HB 318 AND 319
 MEG

FINAL STATS

TESTIFY:		
NAME/REPRESENTING	ADDRESS	PHONE #
1.NO ONE		

OBSERVE:		
NAME/REPRESENTING	ADDRESS	PHONE #
1.WADE R. HANSEN	P.O. BOX 889, BARROW 99723	852-5337

0 - TESTIFIED
 0 - UNABLE TO TESTIFY
 1 - OBSERVED
 1 - TOTAL
 START/END TIMES: 3-4 P.M.

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*****
*
* DELIVER TO: LHSCMMF
*
* ORIGINAL
* SENT:          03/23/88  TIME: 16:37
* FROM:          LIOCKOD
* SUBJECT:       H.C&RA;FS;HB318&319;3-23-88
* PRINT DATE:   03/24/88  TIME: 08:23
*
*****

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DATE:          WEDNESDAY, MARCH 23, 1988
SITE:          KODIAK L.I.O.
SPONSOR:       HOUSE COMMUNITY AND REGIONAL AFFAIRS
SUBJECT:       HB 318 AND HB 319 - ENERGY PROGRAM
MODERATOR:     MARY JO SIMMONS

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FINAL STATS

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TESTIFIED:
NAME/REPRESENTING      ADDRESS                      PHONE #      BILL #
1. JOHN SULLIVAN/CITY ENGINEER, BOX 1397 KODIAK 99615, 486-3224

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OBSERVED:
NAME/REPRESENTING      ADDRESS                      PHONE #      BILL #
1. DARLENE WILLIAMSON, KODIAK ISLAND HOUSING AUTHORITY
  2815 WOODY WAY KODIAK 99615, 486-8111

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TESTIFIED: 1
UNABLE:    0
OBSERVED:  1
TOTAL:     2

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START TIME: 3:40 PM
END TIME:   4:00 PM

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*****
*
* DELIVER TO: LHSCMMF
*
* ORIGINAL
* SENT: 03/23/88 TIME: 16:18
* FROM: LTCCSOL
* SUBJECT: FS;HCRA;3-23;HB418-419
* PRINT DATE: 03/24/88 TIME: 08:23
*
*****

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3-23-88
 HOUSE CRA
 HB318-319
 SOLDOTNA
 VESTA

FINAL STATS

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*****\
TO TESTIFY
NAME/REPRESENTING          ADDRESS          PHONE #
1. DUANE ANDERSON          4407 N. DOGWOOD, KENAI    283-9495

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*****\
TO OBSERVE
NAME/REPRESENTING          ADDRESS          PHONE #
1. JAY CARLON/OWNER-BLDR   BOX 1941, SOL 99669       262-7267

```

1 TESTIFIED
 0 UNABLE
 1 OBSERVED
 2 TOTAL

3:00P/4:05P START/END TIME

*
* DELIVER TO: LHSCMMF *
*
* ORIGINAL *
* SENT: 03/23/88 TIME: 16:45 *
* FROM: LIOCKTN *
* SUBJECT: HCRA;HB318-319;FS;3-23-88 *
* PRINT DATE: 03/24/88 TIME: 08:26 *
*

DATE: MARCH 23, 1988
SPONSOR: HOUSE COMMUNITY AND REGIONAL AFFAIRS
SUBJECT: HOME CRAFTSMAN PROGRAM;HB318-319
SITE: KETCHIKAN
MODERATOR: RAE RHODES

FINAL STATS

TESTIFY: 0
UNABLE: 0
OBSERVE: 0
TOTAL: 0

EOM

* * * * *

* DELIVER TO: LHSCMMF * * * * *

* * * * *

* ORIGINAL * * * * *

* SENT: 03/23/88 TIME: 16:22 * * * * *

* FROM: LIOCBEC * * * * *

* SUBJECT: HCRA;FS;HB318/319;3-23 * * * * *

* PRINT DATE: 03/24/88 TIME: 08:25 * * * * *

* * * * *

NOME HAD NO PARTICIPANTS FOR TODAY'S HOUSE COMMUNITY AND REGIONAL AFFAIRS TELECONFERENCE ON HB'S 318 AND 319. PLEASE CONSIDER THIS THE FINAL STATS. THANK YOU.

BECKA BAKER-NOME

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*****
*
* DELIVER TO: LHSCMMF
*
*
* ORIGINAL
* SENT: 03/23/88 TIME: 16:55
* FROM: LIOCMAT
* SUBJECT: HC&RA, HB318-319, 3-23-88
* PRINT DATE: 03/24/88 TIME: 08:24
*
*****
```

```
DATE: 3-23-88
SITE: M-S LIO
SPONSOR: HOUSE C&RA
SUBJECT: HB318-319 - ENERGY EFFICIENCY -HOME CRAFTSMAN
MODERATOR: NONE
```

FINAL STATS

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TESTIFIED: 0
UNABLE: 0
OBSERVED: 0
TOTAL: 0
```

START

*
* DELIVER TO: LHSCCRA
*
*
* ORIGINAL
* SENT: 03/23/88 TIME: 16:38
* FROM: LIOCBET
* SUBJECT: HCRA;FS;HB318+HB319;3-23-88
* PRINT DATE: 03/24/88 TIME: 14:41
*

DATE: MARCH 23, 1988
SITE: BETHEL
SPONSOR: HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
SUBJECT: HB318 +HB319 - ENERGY EFFICIENCY, HOME CRAFTSMAN
PROGRAM
MODERATOR: WALLY RICHARDSON

** FINAL STATS **

NOONE ATTENDED, I DID NOT CALL-IN.

TESTIFIED; -0-
UNABLE; -0-
OBSERVED; -0-
TOTAL; -0-

NO START/END TIME.

BEST REGARDS MARTHA!

LEGISLATIVE

SPONSOR: 11 CARR

TC DATE/DAY: WED. MAR 23

Pub. Hear Work Ses. Inv. Hear

TIME: 3-4:30

LEGISLATIVE REFERENCE: HB 318 + HB 319 JUNEAU ROOM: CT. 603

SUBJECT: (Energy Efficiency) BRIDGE: _____

"Home Realization Program" # OF PORTS: 15 requested

CONTACT: Markus PH: 4833 DATE TAKEN/BY: by 3/11

TELECONFERENCE SITES:

LIO'S

LTC'S

VTS'S

- Anchorage
- Barrow *
- Bethel
- Delta Junction *
- Dillingham *
- Fairbanks
- Glennallen *
- Juneau
- Ketchikan
- Kodiak
- Kotzebue
- Mat-Su
- Nome
- Petersburg *
- Sitka
- Soldotna
- Valdez *

Homer
Wrangell

See List on
Reverse Side

ALL LIO'S

OTHER SITES WELCOME WITH PRIOR NOTIFICATION

OFFNETS: _____

CHAIRING SITE: JOU

CHAIRPERSON: Rep Springer

[] CONFORMS TO LEGISLATIVE COUNCIL POLICY 4/85

Matthew Frohman

3/11/88

SIGNATURE OF SPONSOR/CONTACT PERSON

DATE

SPECIAL INSTRUCTIONS

* SESSION ONLY

HOUSE COMMITTEE REPORT

(5)

Date referred: 5/15/87

FURTHER REFERRALS: Finance

DATE: MAR 28 1988

The Community and Regional Affairs Committee has considered HB 318

"An Act establishing the Alaska energy efficient home equity fund."

RECOMMENDS:

- replace with CS HB 318 (CRA) the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published _____
- zero with analysis

SIGNING DO PASS:

Zawacki Jim Zawacki

Springer Heinrich Springer

SIGNING OTHER RECOMMENDATIONS:

Herrmann Adelheid Herrmann - No Rec

Collins John Collins - No Rec

Springer

Heinrich Springer
Chairman's signature

File Contents

HB 318 - Energy Efficient Home Equity Fund SB 308-Senate counterpart

<u>No.</u>	<u>Description</u>
1.	Bill-HB 318
1.1.	CS (Work draft)
1.2.	CS Fiscal Note - DCRA
2.	Bill Review (Worksheet)
3.	Alaska Home Craftsman Program packet (21 pages)
4.	Position Paper from DCRA
5.	Fiscal Note from DCRA
6.	Article/letter from Stephen Snow-SE housing
7.	Letter - To Springer, From DCRA
8.	POM
9a-k.	Correspondence (Resolutions, Letters)
10.	AML Resolution, Letter, 3/8/88
11.	Sponsor Packet
12.	Sponsor Statement
13a-f.	Correspondence
14.	Correspondence
15.	Memo from Ellis on Housing Assistance
16.	Info. - thermal stds vs. ACHP
17.	Letter to Springer from West

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An act, Alaska energy efficient home equity fund."
Sponsor: "Ellis, Koponen, Menard, etc."
Requestor: _____

Agency Affected: Community & Regional Affairs
BRU: Housing Assistance
Components: Housing Loans

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES		27.7	28.3	29.1	29.9	30.6
TRAVEL		2.0	2.0	2.0	2.0	2.0
CONTRACTUAL		2.4	2.4	2.4	2.4	2.4
SUPPLIES		.7	.7	.7	.7	.7
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		32.8	33.4	34.2	35.0	35.7

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND		32.8	33.4	34.2	35.0	35.7
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Jim Plasman, Deputy Director Phone: 465-4750
Division: Municipal & Regional Assistance Date: 3/22/88
Approved by Commissioner: Walter Rutledge, Acting Dep. Comm. Date: 3/22/88
Agency: Community & Regional Affairs

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)

Position Title Accounting Clerk III		No. of Positions 1	Range/Step 8A	Barg. Unit GGU
Time Status Full time	Staff Months 12	Location Anchorage		Election District
		Justification		
Type of Expenditure		Amount		
1	2	3		
Salary	19.6			
Benefits	8.1			
Premium Pay				
Other				
Total Personal Services		27.7		
Travel		2.0		
Contractual		2.4		
Commodities		.7		
Equipment				
Other				
Total Cost		32.8		
Funding Source for Total Cost				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004			
GF Program Receipts	1005			
Other				

**Request For
New Position**

Agency Community & Regional Affairs
 BRU Housing Assistance
 Component Housing Loans

Page 1 of 1
 Revised Date

FY 89

1.1 HB 318

Adopted by CRA Com.
3/9/88

5-1190L ✓
Bradley
3/10/88

Original sponsors: Ellis, Koponen,
Menard, et al.

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 318 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to grants for energy efficient
7 homes."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. FINDINGS AND POLICY. (a) The legislature finds that

10 (1) high quality energy efficient building technology developed
11 by the Alaska Craftsman Home Program would substantially reduce home energy
12 consumption, improve the health and safety of the occupants, improve indoor
13 air quality, reduce the contributions of dwellings to outdoor pollution,
14 increase home durability, reduce home maintenance needs, and increase the
15 economic stability of the home owner;

16 (2) state money now being spent to subsidize energy bills, to
17 weatherize and repair poorly constructed homes, and to improve the health
18 of people affected by poor indoor air quality would be reduced or eliminat-
19 ed as existing homes are replaced by homes that are built to meet Alaska
20 Craftsman Home Program standards;

21 (3) state money now used to finance and repair homes would be
22 invested more wisely in homes that are built to meet the Alaska Craftsman
23 Home Program standards;

24 (4) local economic benefits are achieved when money being spent
25 on energy, home repair, and health are reduced because of building to meet
26 the improved building standards of the Alaska Craftsman Home Program;

27 (5) the principal responsibility for development of housing
28 rests with the private sector;

29 (6) research and development of energy efficient housing will

1 create new jobs, provide technology that can be exported, develop new
2 business opportunities, and increase the stability of the state's economy.

3 (b) It is the policy of the state to encourage the building of homes
4 that meet the energy efficient standards of the Alaska Craftsman Home
5 Program and to assist in the education, planning, and development of this
6 standard of building in cooperation with the building industry.

7 * Sec. 2. AS 18.55.998(a) is amended to read:

8 (a) There is created in the Department of Community and Regional
9 Affairs a supplemental housing development grant fund. Subject to the
10 availability of appropriations for the purpose, the department shall
11 make grants to regional housing authorities established under AS 18.-
12 55.996 for the cost of on-site sewer and water facilities, road con-
13 struction to project sites, energy efficient design features in homes,
14 and extension of electrical distribution facilities to individual
15 residences.

16 * Sec. 3. AS 44.47 is amended by adding a new section to read:

17 Sec. 44.47.378. ALASKA ENERGY EFFICIENT HOME GRANT FUND. (a)
18 There is established in the department the Alaska energy efficient
19 home grant fund consisting of money appropriated to it by the legisla-
20 ture. The commissioner shall administer the Alaska energy efficient
21 home grant fund under the provisions of this section.

22 (b) The commissioner may grant funds from the Alaska energy
23 efficient home grant fund to agencies of the state or federal govern-
24 ment, individuals, or businesses that retrofit existing single family
25 dwellings or build new single family dwellings that meet criteria
26 adopted by the commissioner.

27 (c) The commissioner shall adopt guidelines and procedures for
28 the fund after consultation with the board of directors of the Alaska
29 Craftsman Home Program.

RECEIVED MAR 24 1988

Duplicate

RECEIVED MAR 1 1988

KODIAK ISLAND BOROUGH
RESOLUTION NO. 87-71-R

A RESOLUTION OF THE KODIAK ISLAND BOROUGH ASSEMBLY SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy construction, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, Alaska state lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 that support the Alaska Craftsman Home Program. And that these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the Kodiak Island Borough; and

WHEREAS, the citizens of the Kodiak Island Borough will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program.

NOW, THEREFORE, BE IT RESOLVED by the Kodiak Island Borough Assembly that it is the policy of the Kodiak Island Borough to encourage the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program;

AND BE IT FURTHER RESOLVED that the Kodiak Island Borough supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar state policy and state support for the Alaska Craftsman Home Program.

PASSED AND APPROVED this 5 day of November, 1987.

KODIAK ISLAND BOROUGH

By *Jim H. Selby*
Borough Mayor

By *Paul W. [Signature]*
Presiding Officer

ATTEST:

By *Louise [Signature]*
Borough Clerk

LEGISLATIVE

SPONSOR: H C+RA

TC DATE/DAY: WED 3/9

Pub. Hear Work Ses. Inv. Hear

TIME: 3:00 - 4:30

LEGISLATIVE REFERENCE: HB 318, HB 319

JUNEAU ROOM: C7.603

SUBJECT: HOME CRAFTSMEN

BRIDGE: ELIOT

PROGRAM (EVENING EFFICIENCY) # OF PORTS: 15

CONTACT: MARINA PH: 4932

DATE TAKEN/BY: _____

TELECONFERENCE SITES:

LIO'S

LTC'S

VTS'S

- Anchorage
- Barrow *
- Bethel
- Delta Junction *
- Dillingham *
- Fairbanks
- Glennallen *
- Juneau
- Ketchikan
- Kodiak
- Kotzebue - Steve Botta
- Mat-Su
- Nome
- Petersburg *
- Sitka
- Soldotna
- Valdez *

Homer
Wrangell

See List on
Reverse Side

ALL LIO'S

OTHER SITES WELCOME WITH PRIOR NOTIFICATION

OFFNETS: _____

CHAIRING SITE: JOU

CHAIRPERSON: Rep. Sprague

[] CONFORMS TO LEGISLATIVE COUNCIL POLICY 4/85

Marina Handberg
SIGNATURE OF SPONSOR/CONTACT PERSON

2-29-88
DATE

SPECIAL INSTRUCTIONS

* SESSION ONLY

*
* DELIVER TO: LHSCMMF *
*
* ORIGINAL *
* SENT: 03/10/88 TIME 10:21 *
* FROM: LIOCBET *
* SUBJECT: HC&RAFF;FS;HB'S 318&319;3-9-88 *
* PRINT DATE: 03/10/88 TIME: 16:27 *
*

DATE: 3-9-88
SITE: BETHEL
SPONSOR: HOUSE COMM. REGIONAL AF.
SUBJECT: HB 318-ENERGY EFFIECIENCY, HB 319-HOME CRAFTSMAN
PROGRAM
MODERATOR: LOUISE CHARLES

FINAL STATS

THERE WERE NO PARTICIPANTS, WE DID NOT CALL IN.

NO START END TIME

*
* DELIVER TO: LHSCMMF *
* *
* ORIGINAL *
* SENT: 03/09/88 TIME: 16:48 *
* FROM: LIOCMAT *
* SUBJECT: HC&RA, HB318-319;3-9-88 *
* PRINT DATE: 03/10/88 TIME: 16:23 *
* *

DATE: 3-09-88
SITE: M-S LIO
SPONSOR: HOUSE C&RA
SUBJECT: HB 318 - HB 319 - ENERGY EFFICIENT HOMES
MODERATOR: MARY

FINAL STATS

TO TESTIFY:

1. RICHARD DEBUSMAN, 830 LANARK ST, WASILLA 99687, 376-5538
2. HARVEY BOWERS, 305 S BARTLETT CIRCLE, WASILLA 99687, 376-2294

TESTIFIED: 2
UNABLE: 0
OBSERVED: 0
TOTAL: 2

START 3:00 PM - 4:00PM

* ORIGINAL

* SENT: 03/09/88 TIME: 16:40
* FROM: LIOCKOD
* SUBJECT: HC&RA;FS;HB318-319;3-9-88
* PRINT DATE: 03/10/88 TIME: 16:23

DATE: WEDNESDAY, MARCH 9, 1988
SITE: KODIAK L.I.O.
SPONSOR: HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
SUBJECT: HB 318 AND 319 - HOME CRAFTSMAN PROGRAM
MODERATOR: MARY JO SIMMONS

FINAL STATS

HERE TO TESTIFY:

NAME/REPRESENTING	ADDRESS	PHONE #	BILL #
1. JAMES HELFINSTINE,	KODIAK 99615,	486-5782	
2. JOHN SULLIVAN /CITY,	BOX 1397, KODIAK 99615,	486-3224	

OBSERVED:

NAME/REPRESENTING	ADDRESS	PHONE #	BILL #
1. SCOTT ARNDT, PO BOX 489,	KODIAK 99615,	486-3745	

TESTIFIED: 0
UNABLE: 2
OBSERVED: 1
TOTAL: 3

START TIME: 2:55 PM
END TIME: 4:32 PM

 *
 * DELIVER TO: LHSCMMF *
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 * *
 * ORIGINAL *
 * SENT: 03/09/88 TIME: 16:31 *
 * FROM: LIOCNO *
 * SUBJECT: HCRA;FS;HB318-319;3-9-88 *
 * PRINT DATE: 03/10/88 TIME: 16:23 *
 * *

3-9-88
 NOME
 HOUSE COMMUNITY AND REGIONAL AFFAIRS
 LPH HB 318 AND 319
 ROXANNE BARRON

FINAL STATS

TESTIFIED:

NAME/REPRESENTING	ADDRESS	PHONE#	BILL#
1. PHIL KALUZA	BOX 843	443-2717	HB 318 AND 319

OBSERVED

NAME/REPRESENTING	ADDRESS	PHONE#	BILL#

TESTIFIED: 1
 UNABLE: 0
 OBSERVED: 0
 TOTAL: 1

3:00 P.M./4:30 P.M.

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* DELIVER TO: LHSCMMF

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* DELIVER TO: LHSCMMF *
* *
* *
* ORIGINAL *
* SENT: 03/09/88 TIME: 16:13 *
* FROM: LIOCDLG *
* SUBJECT: HCRA;FS;HB318,319;3-9-88 *
* PRINT DATE: 03/10/88 TIME: 16:25 *
* *

DATE: MARCH 9, 1988, 3 PM
SITE: DILLINGHAM LIO
SPONSOR: HOUSE C RA
SUBJECT: HB318, 319
MODERATOR: DOROTHY M. LARSON

FINAL STATS

THERE WAS NO ONE IN DILLINGHAM TODAY. WE HAD BLIZZARD CONDITIONS AND MANY THINGS WERE CANCELLED. WE HAD ONE PERSON WHO PLANNED TO COME, BUT DID NOT ARRIVE.

TESTIFIED: 0
UNABLE: 0
OBSERVED: 0
TOTAL: 0

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* DELIVER TO: LHSCMMF
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*
* ORIGINAL
* SENT:          03/09/88  TIME: 17:15
* FROM:          LTCCFBX
* SUBJECT:       HCRA,FS,HB318/319-3-9-88
* PRINT DATE:   03/10/88  TIME: 16:26
*
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FINAL STATS

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DATE:          MARCH 9, 1988_____
SITE:          FAIRBANKS_____
SPONSOR:       HOUSE COMMUNITY & REGIONAL AFFAIRS_____
SUBJECT:       HB 318/319 - ENERGY EFFICIENCY - HOME CRAFTSMAN PROGRAM__
MODERATOR:     BARB_____

```

TESTIFY:

NAME\REPRESENTING	ADDRESS	PHONE:#
1.) RICH SEIFERT,	1196 VIOLET DR., FBX 99712	479-7201

UNABLE TO TESTIFY

2.) RON SMITH,	BOX 73481, FBX 99707	474-8154
3.) PHIL LOUDON,	BOX 2701, FBX 99707	457-7844
4.) MIKE MUSICK,	BOX 161, ESTER 99725	
5.) CHARLES DEER,	322 FAIRBANKS ST., FBX 99709	479-5874
6.) MARTON WUBBOLD,	BOX 60773, FBX 99706	457-7603

OBSERVE:

NAME\REPRESENTING	ADDRESS	PHONE #
1.) AXEL CARLSON,	1541 SCENIC LOOP, FBX 99709	479-6434
2.) TERRY DUSZYNSKI,	SEN. FANNING'S OFFICE	

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TESTIFY:      1          START TIME:   3:00
OBSERVE:      7          END TIME:    4:32
TOTAL:        8

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 * DELIVER TO: LHSCMM *
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 * ORIGINAL *
 * SENT: 03/09/88 TIME: 17:05 *
 * FROM: LIOSIT *
 * SUBJECT: HCRA;PS;CRAFTSMAN;3-9-88 *
 * PRINT DATE: 03/10/88 TIME: 16:26 *
 *

MARCH 9, 1988
 HOUSE COMMUNITY & REGIONAL AFFAIRS
 HB 318-319 HOME CRAFTSMAN PROGRAM
 SITKA
 MODERATOR: ELAINE/THERESA

FINAL STATS

 PERSONS BELOW WOULD LIKE TO PARTICIPATE IN FUTURE TC ON THESE BILLS.

 TO OBSERVE

NAME/REPRESENTING	ADDRESS	PHONE #	BILL #
1. BOB GOSS/CITY & BOROUGH BUILDING INSPECTOR, 747-3294	304 LAKE, (HB318-319)		SITKA, AK.
2. HAROLD STOCKER, STOCKER CONSTRUCTION, INC., (HB 318-319)	BOX 2457, (HB 318-319)		SITKA
3. JAY D. HOLMES, SITKA CONSTRUCTION CO. & SITKA CONTRACTORS ASSOC., 233 LAKEVIEW, SITKA	(HB 318-319)		

-0-TESTIFIED
 -0-UNABLE
 -3- OBSERVING
 3 TOTAL

3-4:30 P.M.START/END TIME

 *
 * DELIVER TO: LHSCMMF
 *
 *
 * ORIGINAL
 * SENT: 03/09/88 TIME: 16:57
 * FROM: LIOCKTN
 * SUBJECT: HC&RA;HB318-319;FS;3-9
 * PRINT DATE: 03/10/88 TIME: 16:26
 *

DATE: 3-9-88
 SPONSOR: HOUSE COMMUNITY AND REGIONAL AFFAIRS
 SUBJECT: HOME CRAFTSMAN PROGRAM, HB318-319
 SITE: KETCHIKAN
 MODERATOR: RAE RHODES

FINAL STATS

TO OBSERVE:
 NAME/REPRESENTING ADDRESS PHONE NO.
 1. TRISH HOOVER 540 WATER #101 KETCHIKAN, AK 99901 225-9421
 2. MARY ANN CUSHING/ FIRST BANK
 P.O. BOX 7920 KETCHIKAN, AK 99901 225-6101
 3. JOHN A. ROBERTSON 1913 CUB COURT KETCHIKAN, AK 99901 225-9732

TESTIFY: 0
 UNABLE: 0
 OBSERVE: 3
 TOTAL: 3

START TIME: 3:05PM
 END TIME: 4:36PM

EOM

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 * DELIVER TO: LHSCMMF *
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 * *
 * ORIGINAL *
 * SENT: 03/09/88 TIME: 16:24 *
 * FROM: LIOCBAR *
 * SUBJECT: HC&RA;FS;HB318;3-9-88 *
 * PRINT DATE: 03/10/88 TIME: 16:25 *
 * *

3-9-88
 BARROW
 H. COMMUNITY AND REGIONAL AFFAIRS
 HB 318 AND 319
 MEG

FINAL STATS

TESTIFY:	ADDRESS	PHONE #
NAME/REPRESENTING		
1.		

OBSERVE:	ADDRESS	PHONE #
NAME/REPRESENTING		
1.WADE R. NANSEN	P.O. BOX 889, BARROW 99723	852-5337

0 - TESTIFIED
 0 - UNABLE TO TESTIFY
 1 - OBSERVED
 1 - TOTAL
 START/END TIMES: 3:15 - 4:30

*
* DELIVER TO: LHSCMMF *
* *
* *
* ORIGINAL *
* SENT: 03/10/88 TIME: 12:46 *
* FROM: LTCCSOL *
* SUBJECT: FS;H C&RA;HOME CRAFTSMAN;3-9 *
* PRINT DATE: 03/10/88 TIME: 16:24 *
* *

3-9-88
H C&RA
HOME CRAFTSMAN
SOLDOTNA
VESTA



FINAL STATS

*****\
TO TESTIFY
NAME/REPRESENTING ADDRESS PHONE #
1. RANDY NICKLAS HCO1-BOX 3336,STER 99672 262-9017
2.

*****\
TO OBSERVE
NAME/REPRESENTING ADDRESS PHONE #
1. DUANE ANDERSON 4407 N. DOGWOOD, 99611 283-9495

0 TESTIFIED
1 UNABLE
1 OBSERVED
2 TOTAL

2:52/4:25PM START/END TIME

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*
* DELIVER TO: LHSCCRA
*
* ORIGINAL
* SENT: 03/09/88 TIME: 16:47
* FROM: LIDCANC
* SUBJECT: HC&RA;FS;HB318,319;3-9
* PRINT DATE: 03/14/88 TIME: 10:14
*
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*** FINAL TELECONFERENCE STATISTICS ***

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DATE:    __MARCH 9, 1988__
SITE:    __ANCHORAGE__
SPONSOR: __HOUSE COMMUNITY AND REGIONAL AFFAIRS__
SUBJECT: __HB 318      319 - HOME CRAFTSMAN
PROGRAM: _____
LOCAL MODERATOR:  __INEZ__

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TESTIFIED:

NAME\REPRESENTING	ADDRESS	PHONE #
1.) GLORCE MATZ, ENERGY POLICY TASK FORCE		561-7577
2.) DON MARKLE, COOPERATIVE EXTENSION		

UNABLE TO TESTIFY:

NAME\REPRESENTING	ADDRESS	PHONE #
1.) PAULA ANDERSON, ALASKA VILLAGE ELECTRIC ASSOC		561-1818
2.) STEVE BODEN, DEPT OF COMM AND REGIONAL AFFAIRS		
3.) ROBERT MAXWELL, SIH INC, 650 21ST AVE, FAIRBANKS		452-5323
4.) ROBERT GROVE, SIH INC, 650 21ST AVE, FAIRBANKS		452-5323
5.) ALAN MITCHELL 3511 TANGLEWOOD #A, ANCH		243-5757
6.) JEFF BOHMAN BOX 101093 ANCH 99510		278-3661
7.) BARBARA COLLINS 6720 TESHLAR DRIVE, ANCH 99507		349-3494
8.) CONRAD ZIPPERIAN 731 E 9TH, ANCH		279-2511

OBSERVED:

NAME\REPRESENTING	ADDRESS	PHONE #
1.) ROBERT L. BREAN, DEPT COMM AND REGIONAL AFFAIRS		563-1955
2.) TODD HOENER, TCC, 320 2ND AVE, FAIRBANKS		452-8251

```

TESTIFIED:    __02__
UNABLE TO TESTIFY: 08__
OBSERVED:    __02__
TOTAL:       __12__

START TIME:   __3:00PM__
END TIME:     __4:30PM__

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TELECONFERENCE PARTICIPATION

SPONSOR _____

DATE/TIME _____

SUBJECT _____

LIO'S

(moderator)

TESTIFY	OBSERVE	TESTIFY	OBSERVE
ANCHORAGE ()		PETERSBURG * ()	
BARROW <i>HHH IIII</i> () observe 1		SITKA <i>Elaine</i> () observe III	
BETHEL ()		SOLDOTNA () observe 1 testify 1	
DELTA JUNCTION * ()		VALDEZ * ()	
DILLINGHAM * ()		LTC'S	
FAIRBANKS <i>BARB</i> ()		HOMER	
		WRANGELL	
GLENNALLEN * ()		OFFNETS	
JUNEAU ()		OFF1	
KETCHIKAN ()		OFF2	
KODIAK ()	<i>obs. 11</i>	OFF3	
KOTZEBUE ()	<i>testify 11</i>	OFF4	
MAT-SU <i>WASILLA</i> ()		OFF5	
HOMER ()	<i>11</i>	OFF6	
HOMER ()	<i>testify 1 Phil Kaldene</i>		

VTS'S ON BACK

* SESSION ONLY

WORK DRAFT

WORK DRAFT

WORK DRAFT

5-1191L
Utermohle
3/4/88

Original sponsors: Ellis, Koponen,
Menard, et al.

Funding Information

General Fund	\$1,621,000	= 1,721,000
Other Funds	\$1,721,000	

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 319 ()

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE.- SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making special appropriations for the Alaska
7 energy efficient home program; and providing for an
8 effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. The sum of \$261,000 is appropriated from the general fund
11 to the University of Alaska, cooperative extension service, for preparation
12 and implementation of the Alaska energy efficient home program and for
13 instrumentation and data base development for the program.

14 * Sec. 2. The sum of \$35,000 is appropriated from the general fund to
15 the University of Alaska, cooperative extension service, for research
16 activities of the Alaska energy efficient home program that have been
17 approved by the board of directors of the Alaska Craftsman Home Program.

18 * Sec. 3. The sum of \$330,000 is appropriated from the general fund to
19 the Department of Community and Regional Affairs to develop and distribute
20 educational information for the general public regarding the Alaska energy
21 efficient home program.

22 * Sec. 4. The sum of \$760,000 is appropriated from the general fund to
23 the Alaska energy efficient home grant fund in the Department of Community
24 and Regional Affairs for grants to pay the incremental cost of constructing
25 190 rural housing and urban development project homes to the standards of
26 the Alaska Craftsman Home Program.

27 * Sec. 5. The sum of \$85,000 is appropriated from the general fund to
28 the University of Alaska, cooperative extension service, for travel and
29 on-site supervision of the construction of the first home built in each of

tech. amendment

Martha, This figure needs to be phoned in because it's not on the Legal Services Draft

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the housing projects funded under sec. 4 of this Act.

* Sec. 6. The sum of \$250,000 is appropriated from the general fund to the Alaska energy efficient home grant fund in the Department of Community and Regional Affairs for grants to construct ^{at least} one model home in each of the 15 regions established by the Department of Community and Regional Affairs for the development of residential energy conservation standards for new buildings.

* Sec. 7. The appropriations made by this Act lapse into the general fund June 30, 1990.

* Sec. 8. This Act takes effect on the effective date of an Act passed by the Fifteenth Alaska State Legislature that establishes the Alaska energy efficient home grant fund.

1024 WEST SIXTH AVENUE
ANCHORAGE, ALASKA 99501
(907) 274-4031

WHILE IN SESSION
P.O. BOX V
JUNEAU, ALASKA 99811
(907) 465-3704

ALASKA STATE HOUSE

OFFICE OF MAJORITY WHIP



HB 318

fj / CRA

CO-CHAIR
HEALTH, EDUCATION & SOCIAL SERVICES

LABOR & COMMERCE
SUBCOMMITTEE ON FOREIGN TRADE

JAN 22 1988

REPRESENTATIVE JOHNNY ELLIS

M E M O R A N D U M

TO: The Honorable Heinrich Springer, Chair
House Community and Regional Affairs Committee

FROM: Rep. Johnny Ellis *JE*

RE: January 20th Hearing on HB 318 and HB 319

DATE: January 21, 1988

Just a brief note of thanks for holding a hearing on the two Alaska Craftsman Home Building Program bills. I appreciated the opportunity to describe the merits of the program to the committee members.

My office is in the process of honing down the program costs to reduce the fiscal note and maintain an effective program. I would hate to see the worthwhile program languish due to the current, possibly short-term fiscal problems the state is facing.

We will keep the Community and Regional Affairs Committee informed of our progress on the bill through your committee staff, David Harrison.

3111 "C" Street, Suite 455
Anchorage, Alaska 99503

ALASKA STATE HOUSE

OFFICE OF MAJORITY WHIP

(A) HB 318 C.R.A

CO-CHAIR
HEALTH, EDUCATION & SOCIAL SERVICES

LABOR & COMMERCE
SUBCOMMITTEE ON FOREIGN TRADE

WHILE IN SESSION
P.O. BOX V
JUNEAU, ALASKA 99811
(907) 465-3704



REPRESENTATIVE JOHNNY ELLIS

M E M O R A N D U M

TO: The Honorable Henry Springer, Chair
Community and Regional Affairs Committee

FROM: Rep. Johnny Ellis *JE*

RE: Hearings on HB 318 and HB 319

DATE: November 5, 1987

I respectfully request that the C&RA Committee schedule hearings on HB 318 and HB 319, establishing a revolving loan fund for the Home Craftsman Program in Alaska.

HB 318 explains the rationale for creating such a fund and sets up the structure of the fund. HB 319 is the appropriation bill which would make the fund operational.

During this time of least cost energy planning, there is an important role that conservation can play in the state's energy policy. The Home Craftsman Program is a model for super-insulation at the initial construction stage as well as during retrofitting of homes. Statewide implementation of the program will save homeowners money in the short-run and the state in the long-run.

Participation in the program will help reduce heating costs which individual homeowners must pay. The state will benefit by reduced need for subsidized weatherization and public assistance.

I would appreciate a hearing on the bills early in the session, if possible.

Thank you for considering my request.



Official Business

COMMITTEE:

HOUSE COMMUNITY & REGIONAL AFFAIRS

DATE: Wednesday, January 20, 1988

SIGN-IN

Subject of meeting: (B) HB 318

- *HB 318 Energy Efficient Home Equity Fund
- *HB 319 Approp: Ak Energy Efficient Home Program

NAME (PLS PRINT)	YOUR TITLE & ADDRESS	PHONE	REPRESENTING	DO YOU WANT TO TESTIFY?
Jim PLASMAN	POB BH Juvenon		DCRA	No
Russ Talvi	Sen. Fahrenkamp's Off			No
Becky Penrose	Senate Advisory Council			No
Conrad Zipperian	Rural CAP Anch. Alaska Box 200908	279-2511	Rural CAP	No
Rep. Menard				
Rep. Ellis.				



COOPERATIVE EXTENSION SERVICE, UNIVERSITY OF ALASKA, USDA & SEA
GRANT COOPERATING

ONLY THE BEGINNING

The Alaska Craftsman Home Program will offer more than workshops this year. In a four-phase program ACHP is planning a hotline, computer-planning, and development of new educational programs specifically for home buyers and realtors. Legislative interest includes a pilot program in rural Alaska, and incentives to homeowners and builders. ACHP plans further research for new design and product development.

Studies show that energy costs in areas of Alaska could rise 500% by the year 2000. Cost-efficient programs for energy-efficient homes are needed now.

The University of Alaska's Cooperative Extension Service programs are available to all, without regard to race, color, age, sex, creed, national origin or handicap and in accordance with all applicable state and federal laws.

Issued in furtherance of Cooperative Extension work, acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture, James W. Matthews, Director, Cooperative Extension Service, University of Alaska.

I want information about the Alaska Craftsman Home Program workshop in my area this year.

Name _____

Address _____

State/Zip _____

- I am: Homeowner
 Home builder
 Architect
 Realtor

Mail to:

ALASKA CRAFTSMAN
HOME PROGRAM
2221 E. Northern Lights Blvd.
Anchorage, AK 99508

Attn: Don Markle

ALASKA CRAFTSMAN HOME
PROGRAM KNOWS

There's
a better
way to heat
your home...*

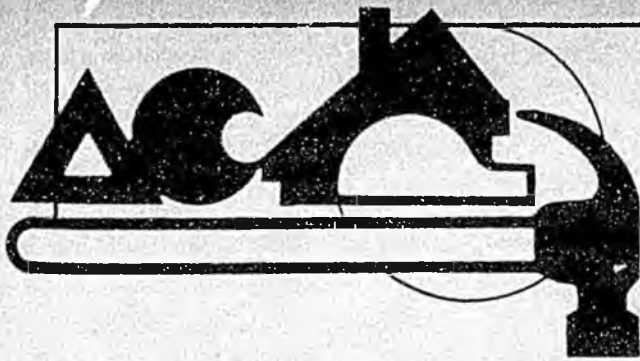


*Phil Loudon heats his Fairbanks home for \$150.00 annually.



ALASKA CRAFTSMAN
HOME PROGRAM

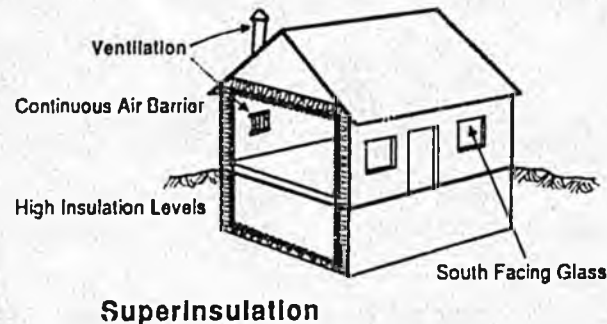




ALASKA CRAFTSMAN HOME PROGRAM

Superinsulation is an adaptable, thorough energy-conserving approach to designing and building that allows all the comforts of home without the high costs of heating.

To work properly, superinsulation must be understood and applied to all steps of home construction. The Alaska Craftsman Home Program (ACHP) is the educational network that allows the Alaska building industry to stay abreast of superinsulation advancements worldwide as well as here in Alaska.



ACHP is designed to provide technical information to the Alaska building industry, and be a forum for the industry to work with the Alaska financial institutions and the University of Alaska research community.

ACHP has set voluntary performance standards for superinsulation building in Alaska. A standard that works with any popular architectural design and requires only standard materials, tools, and construction methods.

For the builder and the homeowner this means:

- Reduced energy bills, from 50% to 80% which can save the homeowner up to \$100,000 over the house life.
- A more durable home with increased comfort and decreased noise.
- Improved indoor air quality, reducing radon as well as other deadly pollutants.

WE'RE AVAILABLE TO HELP

ACHP has trained 24 Alaskans to conduct two-day workshops on how to build properly for our harsh Alaskan climate. These workshops will explain the detailed superinsulation technology in the Alaska Craftsman Home Building Manual.

Workshops will provide information on:

- Superinsulation of walls, attics, and foundations.
- Ventilation for health and safety.
- Energy-efficient doors and windows.
- Design, including passive solar energy options.
- Condensation and infiltration control.
- Methods and materials for Alaska.

**Superinsulated Homes
have outperformed standard
housing nationwide.**

ENERGY RATED HOMES
ALASKA



BILL WORKSHEET

Bill #: HB 318

Title: "An Act establishing the Alaska energy efficient home equity fund."

Sponsors: Ellis, Koponen, Menard, Ulmer, Davidson, Larson and Davis

Intent: Enabling Legislation (Companion Funding bill is HB 319)

1. To save money through building of homes based upon Alaska Craftsman Home Program (ACHP) standards:
 - Energy efficient savings-hopefully
 - Encourage building of energy efficient homes
 - Assist in education, planning and development of ACHP standards with building industry

2. Sec. 2. AS 44.47.378, New Section:
 - Establish a revolving loan fund to carry out previous provisions of this bill.
 - Commissioner may issue equity sharing funds from the Alaska energy efficient home equity fund to individuals or businesses that retrofit or build single family dwellings.
 - Repayment of loans included.
 - First 250 homes to receive equity funds for demonstration purposes could be exempt from repayment.
 - Procedures for fund in consultation with board of directors of AHCP.

3. AS 44.47.370 refers to:
 1. Adopt regulations by Director.
 2. Make, execute agreements, contracts, other instruments as needed.
 3. Purchase, etc.
 4. Procure, etc.
 5. Acquire, etc.
 6. Do all acts necessary to carry out duties as needed per AS 44.47.360 through 44.47.560.
 7. Originate and service direct loans, etc.

Jan. 13, 1988 8:30 A.M.

Met with Debra, Sec. to Rep. Ellis to assist in providing information on items concerning HB 318. Material is attached explaining the need for Alaska Energy Efficient Home Equity Fund Program. DCH.

Don Markle of University Cooperative Extension should be contacted about date of HB 318 & HB 319 HCRA Meeting. DCH

Jim Plasman contact for DCRA. DCH

Research, demonstration and development around the world has changed the way homes are being built in Northern climates. So many technical changes have taken place that an educational network is needed to keep the building industry in Alaska informed of the advancements. With such a network the Alaska building industry can stay abreast of advancements in other parts of the world as well as other parts of the state. The Alaska Craftsman Home Program is that educational network.

The Alaska Craftsman Home Program provides a voluntary education service which today can inform homebuilders of the methods to reduce the thermal requirements of a residence. The energy savings that can be achieved is only one benefit of an education network allowing research and field application experience to be systematically exchanged within the Alaska housing industry. The program is designed to provide:

- . technical information for the industry
- . a forum for the industry to help determine objectives for the State Finance and University Research Community.

GOAL:

The immediate goal of the Alaska Craftsman Home Program is to:

- . build thermal efficiency into the shelter industry in Alaska through education.

The long range goal of the program is to:

- . assist the Alaska shelter industry in providing the best, most appropriate and affordable shelter available.

In order to achieve these goals and to make the Alaska Craftsman Home Program work there will be a coordinated and visible effort on the part of the Alaska State Government, the University of Alaska and building industry trade associations in Alaska. The program will be a voluntary program that will establish an educational network for the shelter industry in Alaska.

DESCRIPTION:

PHASE 1

The Cooperative Extension Service and State Division of Community Development jointly initiated the program in 1986. A pilot series of building seminars were held March of 1986 in Juneau, Anchorage, and Fairbanks. One hundred three shelter industry people were introduced to the "superinsulation" building techniques through the Super Energy Efficient Home Workshop Series taught by internationally acclaimed experts. The reviews from the industry were very favorable. The program achieved its first goal, that being to secure the backing of the shelter industry in Alaska for a high quality builder education program on energy efficient building techniques.

PHASE 2

The second phase of the Alaska Craftsman Home Program began with the development of the first edition of the Alaska Craftsman Home Building Manual. The manual was developed by the Cooperative Extension Service with funding provided by the



U.S. Department of Energy, State Department of Community and Regional Affairs
Office of Energy Programs and Chugach Electric Association.

November of 1986 a select group of Alaskans associated with the shelter industry met with the Cooperative Extension Service and the manual contractor to complete the content of the Alaska Craftsman Home Building Manual. The first edition of the manual was completed March of 1987. This manual is the written guide for the Alaskan homebuilder concerning the energy efficient building technology.

The Cooperative Extension Service began to solicit and find 24 people from around the State to take part in the educational effort November of 1986. These people have since become the backbone of the Alaska Craftsman Building Program and are the industry educators for Alaska. These 24 people represent all regions of the State and are divided into 12 training teams. They came to the program with a vast amount of expertise on building homes in Alaska.

The 12 training teams have been given the knowledge, audiovisuals, materials, manuals, inspiration and a mandate to teach two day workshops on the Alaska Craftsman Building Program superinsulation building technology in their respective regions.

PHASE 3

Phase three activities will continue the educational effort through field workshops introducing the Alaska Craftsman techniques to the builders and interested people throughout Alaska. These workshops will be taught independently by the 12 Alaska training teams.

At the end of one year the training teams will come together again to critique the program. Materials, experiences and techniques will be reviewed. If necessary, the materials and program will be modified to the needs of the training teams and the clientele they serve. Techniques and experiences on retrofitting to Alaska Craftsman standards will be added to the program at this meeting and there is a possibility of rewriting the manual if warranted.

Marketing:

A marketing campaign will be developed and initiated during the phase three activities. The marketing effort will lead to the development of a specific clientele for the Alaska Craftsman Home. Successful promotion and sale of the Alaska Craftsman home will depend on communicating the benefits inherent to them. The marketing campaign will focus on six primary benefits:

- . significantly reduced energy bills
- . increased comfort
- . reduced noise from outside sources
- . improved indoor air quality
- . more durable
- . improved re-sale value

PHASE 4

The future of the program is now being developed. The goal is to establish an educational network that feeds new technology and research information to the builders in the Alaska and practical application experience and field needs to the research and product development community.

ALASKA CRAFTSMAN HOME PROGRAM IS A SOLUTION TO THE PROBLEM.

GOVERNMENT:

Poor quality, low income housing.
Heating fuel subsidies.
Unemployment.
Poor quality re-possessed homes.

INDUSTRY:

Foreign competition.
Stagnant real estate and construction sectors.
liability.
Lack of Information.

ENVIRONMENT:

Indoor air quality.
Outdoor air quality.
Acid rain.
Greenhouse affect.

CONSUMER:

Quality of life - comfort.
Longevity and maintainance of homes.
Future economic security.
Noise pollution.
Health issues.
Monthly cash flow.

MANKIND:

Using fossil fuels for heating rather than better uses: such as medicine.
World tensions over increased demand and reduced supply of fossil fuels.
Someone taking the lead in developing a sustainable future.
Preservation of subsistence way of life.
Decreased personal freedom because of fuel dependence.
Security for the elderly.

ALASKA CRAFTSMAN HOME PROGRAM

An Investment In Our Future

During these troubled economic times, no segment of the private sector of Alaska's economy has been devastated more than the housing and real estate industry. In January there were only four new home starts in Anchorage, the state's largest home market compared to twenty five last year. This atrophy in such a large industry accounts for thousands of unemployed Alaskans, many of whom have left the State for lack of even the hope of work.

Can the State of Alaska do anything about the demise of one of our leading industries? The answer is yes. This document is an approach to not only save a battered industry, but to make that industry so innovative that it will be emulated around the world. This approach if dutifully applied will make Alaskan homes and technology an exportable commodity. Rejuvenating our housing industry can put thousands of people back to work and expand our economy. Aiding our housing industry will improve our standard of living.

The present depression has purged Alaska's building industry. Those few who have survived building and improving homes are good and dedicated builders. Recently these survivors have begun to share ideas and experiences through an education network called the Alaska Craftsman Home Program (see attached). Workshops are now being conducted around the State through the Alaska Craftsman Home Program. Building science and energy conservation technology make up the curriculum. Builders, architects, engineers, journeymen tradespeople and laymen all exchange ideas to improve our Alaskan homes.

Participants in the Alaska Craftsman Home Program believe that the future of the shelter industry is in low energy "superinsulated" housing.

The Alaska Craftsman Home Program sets a voluntary low energy design and performance criteria for participants who wish to adhere to it. An Alaska Craftsman Home has five primary elements.

- The first element of the Alaska Craftsman home is meeting a thermal efficiency requirement for the building envelope that reduces energy consumption. These thermal criteria vary for different regions of the State and are based on the Energy Rated Home Program being initiated at financial institutions statewide. The standards are flexible and are delineated by the five star plus rating in the Energy Rated Home Program.
- A second requirement is providing for minimal natural air leakage. A blower door or tracer gas test is required to assure that the standard is met.
- The third element of the Alaska Craftsman Home is a controlled ventilation system to assure adequate air quality.
- The fourth element is to assure that builder supplied lighting and appliances are efficient.
- The fifth element is that safety is maintained.

How does a low energy home affect our shelter industry and people?

\$30.00, \$ 147.00, \$ 200.00, \$ 150.00, \$375.00, \$.64 are the actual measured annual costs for heating and cooling six superinsulated homes in the northern United States and Canada . Imagine the advantage to builders if they could eliminate moisture damage, improve indoor air quality and add remarkably to comfort in addition to the energy savings by..... building to Alaska Craftsman standards. The achievements are possible and are being done around the world. Tens of thousands of superinsulated homes have been built. In Rochester, New York; Butte, Montana; Nome, Fairbanks, and Kodiak, Alaska the construction of one superinsulated home has set off a chain of events and a new way of building and marketing homes.

This document is a master plan on how to make Alaska Craftsman Homes the voluntary standard construction technique in Alaska and an exportable technology.

What is Superinsulation? It is not some kind of insulation. It's not even a way to install insulation. Nor is it a fad, regional style or a fringe movement.

Superinsulation is a thorough, top-to-bottom, energy conserving approach to designing and building that allows all the comforts of home without the high costs of heating the structure. Superinsulation is superbly adaptable. Any favorite, popular current design can be superinsulated at little or no extra initial cost to you. And superinsulation does not demand that the builder "regear." Standard materials, familiar tools, and comprehensible methods all suit superinsulation well.

The body of knowledge that allows you to build these highly affordable homes exists and is not difficult to learn. But, you can't pick up superinsulation from the builder next door. Nor can you get it in bits and pieces or by trial and error; the competition is too strong. To work properly, superinsulation must be understood and applied as a whole.

There are several elements to a superinsulated home. Among them are high insulation levels, air-tight construction, a ventilation system and optimal use of solar energy and use of glass. The Alaska Craftsman Home can be achieved any number of ways using many techniques. What the homes will have in common is a low energy budget relative to homes now being constructed in the shelter industry.

The Alaska Craftsman Home Program is the most innovative forum for the sharing of superinsulation technology in the United States. The program is voluntary and industry driven. The two day workshops now offered and the Alaska Craftsman Building Manual give builders the tools they need to determine and achieve optimal building designs for the regions in which they work.

To manage this educational effort a joint stewardship of government, the university and shelter industry associations has been established. An ad hoc Board of Directors composed of the Cooperative Extension Service, Alaska State Homebuilders Association, Energy Rated Homes Program, and the State Office of Energy Programs has been formed. This group sets the policy of the Alaska Craftsman Home Program. A protocol agreement is being signed between the organizations to establish the board of directors. This board will guide the program through the initial three years of formation. Policy decisions will be made by the Board of Directors and carried out by the staffs of the various organizations as appropriate. The primary address and staff contact for the organization is the Anchorage office of the Cooperative Extension Service.

The Alaska Craftsman Home Program addresses energy planning from a new angle called the demand side.

From the perspective of State energy planning, a barrel of oil saved is as good as finding a new barrel of oil. Finding a way to eliminate a recurring need for oil, gas or electricity without reducing comfort, or the standard of living of the user is as high a priority as finding new reserves of oil, gas or developing new methods of producing electricity. After all, energy producers are supplying a commodity that keeps people warm, provides light, moves people about and does work for them. If the tasks that require energy can be satisfactorily accomplished using less fuel and electricity it benefits the consumer who pays for the commodity. Reducing consumption is what demand side planning is all about, and is obviously as valid as looking for new energy resources.

A benefit of efficient use of energy resources is that more people can benefit from using the resource. If the demand is reduced sufficiently, the cost of the commodity can come down based on the economic law of supply and demand as well. Either and/or both accomplishments would improve the quality of life of the citizens of this State.

The law of supply and demand also has a supply side facet. It is important to note that energy producers are spending more resources and time finding less and less conventional forms of energy. Conventional fossil fuel resources are finite and the long term need for warmth, transportation, light, and work are not. In the long term conventional fossil fuel energy resources are running low. The United States oil industry has not discovered a giant oil field since Prudhoe Bay in 1968. Consumers have used over half of those reserves since production began in the mid 1970's. It is interesting to note that the United States is now importing more oil than at the time of the 1973 Arab Oil embargo. The conventional wisdom is that as consumers reduce the supply of fossil fuels the cost will increase.

When the present oil glut is over where will the producers find the fuel sources needed to keep us warm, moves us about and light our way? In remote and risky frontiers is where. Easy inexpensive fossil fuel discoveries are a thing of the past. New oil will quite simply cost more to find.

In light of the fact that the future of conventional energy resources is uncertain at best, the conservation or demand side options become more attractive. Reducing energy consumption of an automobile, a motor, a light bulb or a house reduces the energy requirement for the life of that product. An energy conserving home typically saves between 200 and 2,000 gallons of oil a year for the life of the home depending on the quality of the house it is being compared with.

Implementing the plan contained in this document will allow the Alaska Craftsman Home Program to achieve energy savings as significant as discovering an oil field. If because of this program 2,500 homes save an average of 500 gallons of oil a year, then implementing this program would be equivalent to discovering 75,000,000 gallons of refined heating oil. This would be a conservative estimate to be sure. If all builders start building Alaska Craftsman Homes as a standard practice the savings would be even more exciting.

Alaskans have always known that energy is essential to our survival. We have recently spent billions of dollars addressing our electrical generation needs. Electricity requirements are only a small part of Alaska's energy needs however.

In fact only about 13% of the energy consumed in Alaska is used to produce electricity. We have spent billions addressing this important part of the energy equation yet have not addressed with vigor the more significant energy requirements of space heating.

The space heating requirements of the State comprise 35% of the State's energy needs. Alaskans have spent millions of state and federal dollars correcting the mistakes in our shelter industry through weatherization and energy audit projects. We have spent millions more paying the fuel bills of the needy who live in the worst examples of poor housing with high energy bills.

The government spends millions more constructing housing to inadequate insulation levels so that the weatherization and subsidy needs will not go away anytime soon. Government housing projects have even qualified for weatherization within two years of being built.

The millions in government money spent is only a small percent of what people who do not get assistance spend heating and repairing homes that are inadequately insulated.

The State of Alaska has spent less than \$100,000 of the billions of dollars the State has spent on energy demonstrating energy efficient building techniques. It is hard to believe that the State has virtually ignored superinsulation with the proven paybacks to our people and economy. Alaska has spent \$100,000 to improve the security of our future for space heating (35% of the energy budget) while spending billions on electrical energy needs (13% of the state energy budget). The single building demonstration began in Fairbanks in 1980 and was never even instrumented for lack of funding.

It is encouraging to note that federal money has recently been used very successfully to educate people on the benefits of the breakthrough technology of superinsulation. The interest by our citizens is very high. There is in fact a social movement regarding the Alaska Craftsman Home Program. When the Cooperative Extension Service advertised for trainers for the program, 68 people from around the State applied for the volunteer positions. Sixty eight Alaskans were willing to give two weeks of time for training and review, teach at least two workshops that will last two days each, plus do all the preparation for the workshops.....for no monetary compensation. When the training team in Fairbanks advertised for the first two day workshop by an Alaska Craftsman Training Team, so many people wanted to take the workshop that three workshops had to be scheduled, a fourth workshop is now planned. Since the program was initiated March 1, 1987 one hundred twenty Alaskans have taken the Alaska Craftsman Home Program Training. The evaluations indicate that the workshops are huge successes.

✓ Enough superinsulated homes have now been built in all regions of the State to prove that out performs standard housing everywhere. These homes were built by private citizens. Paybacks for the added costs associated with superinsulation start at less than two years in areas with high energy costs.

The economic benefit of a superinsulated home is the primary motivation in the grassroots support of the technology. A superinsulated building saves the home owner from 50% to 80% of the heating bill for the life of the house. If it cost \$2,500 dollars to heat a home now, the simple savings is approximately \$1,625 a year and between \$75,000 and \$120,000 over the 50 year life of the home. Dramatic savings to the citizen and the economy of this State, especially if the fuel supplied is from outside of Alaska. The savings could be even greater if the price of

fuel escalates faster than inflation over the life of the house, which is the prediction of most economists.

Some areas of the state will not see dramatic savings now. The dollar savings for building an Alaska Craftsman Home will be significantly less in Anchorage and Barrow. Low gas prices in these areas make it relatively cheap to heat a house even if it is energy inefficient. Building an energy efficient house in Anchorage or Barrow will still save energy however. If the present low energy prices in these two cities were to change, the impact would be much more affordable in a superinsulated house because of the lower fuel requirement of the structure. There is expected to be significant increases in energy costs in both Anchorage and Barrow. Projecting over the 50 to 100 year life of a home energy prices can expect to more closely reflect world market values. It is interesting to note that Anchorage experienced a 44% gas increase and 149% electrical increase since 1980. There is a long term social problem associated with building homes that require a great deal of energy to heat because fuel will not always be inexpensive, even in Anchorage.

We can not expect small independent contractors to bear the capital cost of solving this long term social threat in a depressed and competitive housing market like Anchorage. A builder has to show a short term payback to sell any new concept in a home. In areas like Anchorage, the contractor may not be able to convince people of the possibility of substantial increases in energy costs.

According to studies on superinsulated housing it costs 3% to 10% more to build one if the builder is presently building with 2" by 6" construction techniques. Many builders around the Alaska and Canada have shown that much of the additional costs can be defrayed once the builder becomes proficient and learns ways to improve productivity.

Superinsulation is a new technology with new techniques. The first time an Alaska Craftsman Home is attempted it will cost extra because the builder will be learning new techniques.

The State should help defray the costs to the builder on his first attempt to spur broad acceptance of the technology. The State of Alaska should give the builder a grant up to \$5,000 to build or retrofit a home to the Alaska Craftsman Superinsulation level. In return the builder would sell the idea of superinsulation by having an open house demonstrating the concept, and allow monitoring to prove the savings are real.

This is exactly the type of program that Canada has initiated in the R-2000 program. Canada has invested \$50,000,000 to encourage the people of that country to build homes to R-2000 technical levels. They have already begun to export the technology, even here to Alaska through the Alaska Craftsman Home Program. Canadians have already received return by cutting heating requirements, and by having people from around the world come to see and learn of the methods they are using.

It is interesting to note that Canada implemented the program as a national defense program. One of the persuasive arguments for the implementation of the program was that Canadian reliance on Middle Eastern oil in the next century, when there will be increase competition for a dwindling oil supply, would be a national security risk. Reducing demand reduces dependence and the national risk. The National Security Advisory of the United States recently called attention to the implications of importing nearly 50% of our own petroleum needs. This is a compelling reason

for our country and state to consider carefully the Canadian reasoning for initiating the R-2000 program.

We can help our nation and ourselves by showing how to use our limited fossil fuels wisely in the housing industry. Alaska, being so small in population, can quickly rise to the forefront of energy conservation building technology by embracing the concept.

The Alaska Craftsman Home Program receives clear direction from the private sector aided by government and higher education. As such, innovation can come very rapidly and on a voluntary basis. Change can occur much quicker in Alaska than in the bureaucracies of the socialist states that have been pioneering the low energy housing technology on a national level (Canada and Sweden). The results of initiating this proposal will astound all of us and will propel Alaska to a world leadership role in housing within the next three years.

The program consists of four prime elements.

- 1.) Education
- 2.) Incentives
- 3.) Promotion
- 4.) Research

EDUCATION:

The first element has already been initiated with the Alaska Craftsman Home Program. A manual, audiovisuals, an achievable standard, a series of workshops have been developed and implemented to allow Alaskans to build to what present technology will allow us. The process needs additional money to fill voids, add new information generated by the program itself and to have a truly international review. Items that need to be completed:

1. Rewrite existing manual and updating audio visuals from current first year draft. This will include bringing field teams and program technical review committee together for review with international experts. This international review will include a blue ribbon technical committee to critique every aspect of the program. Development of short courses and publications for related trades will be included in this program element. Large printing of new manual and recall of existing manuals will also be included.

Cost: \$250,000

Initiate immediately and be completed by March 1988. This element to be coordinated by Cooperative Extension Service

2. Development of Alaskan specific energy budget computer program from existing international public domain program to establish new more accurate planning and measure of performance for Alaska Craftsman Home.

Cost: \$95,000

Initiate immediately and complete by March 1988. This element to be Coordinated by Cooperative Extension Service.

3. Support of existing education network and management. A major travel element will be needed to move 12 training teams around the State. This will include communication links and facilities for the workshop scheduled for building techniques, ventilation needs, etc. The training teams will require hands on demonstration materials.

Cost: \$250,000/year

Initiate immediately and commit to three years. Coordinated by Cooperative Extension Service using the industry associations.

4. Support a statewide Toll free building hot line and computer billboard. This will provide a service to find out where the failures are occurring and help supply an educational delivery system directly linked to trainers to address the problems. This element will feed back dividends to the consumer, the builders, and the research community.

Cost \$120,000/year

Initiate fall 1987 — last three years. Coordinated by the Cooperative Extension Service, using the industry associations.

INCENTIVES

The State should commit to making 2,500~~X~~ homes newly built or retrofit to Alaska Craftsman standards. That commitment would require a \$5,000 investment in each house in return for a two-week open house and the ability to monitor the home. The cost would pay for additional material so the Alaska Craftsman Home can compete in cost per square foot until relative worth is established through education. The money would offset the costs of critical element in homes that are being retrofitted. One million dollars of the program would be earmarked for a pilot project for low income rural housing being built to Alaska Craftsman Standards. Grant payment would be issued upon achievement of program criteria.

*SEE
Legislation*

- 1.) Incentives for new and retrofit homes
- 2.) Management of grant fund

Cost: ~~\$15,000,000~~
~~\$1,500,000~~

4.5 million

Initiate incentive program March of 1988. It is anticipated that the program would last approximately three years at this level.

Incentive program to be initiated by the Department of Commerce and/or Alaska housing financing programs such as AHFC and HAD.

PROMOTION

There should be two efforts in the promotion of the Alaska Craftsman Home Program. The first effort would be to educate and thereby convince Alaskans of the advantages of the Alaska Craftsman home. The second promotional effort is to export the technology and Alaskan products developed through the program.

1.) The Alaskan marketing effort will lead to the development of a specific clientele for the Alaska Craftsman Home. Successful promotion and sale of the Alaska Craftsman Home will depend on communicating the benefits inherent to them. Included in the marketing effort would be the promotion of the housing hot line. The marketing campaign for the Alaska Craftsman Home will focus on six primary benefits:

- . significantly reduced energy bills
- . increased comfort
- . reduced noise from outside sources
- . improved indoor air quality
- . more durable
- . Improved resale value

COST \$450,000

Initiate immediately and release the campaign in March of 1988 and continue the program for 3 years. Program to be developed in Department of Community and Regional Affairs.

2.) The export of the technology will be developed in two parts
A.) An International conference in Anchorage showcasing the program and technology. This will serve as an international debut, and sales program for the Alaska Craftsman program and the technology developed.

COST \$350,000

Initiate groundwork immediately, fund in 1988 and hold the conference the summer of 1990.

Program to be initiated through Cooperative Extension Service and Department of Commerce.

B.) Delegations sent abroad to sell our techniques, including preparation of appropriate audio visuals.

COST \$450,000

Initiate 1989 by the Department of Commerce.

RESEARCH

The engine behind the change will be research. Alaska must document the achievements and find solutions to problems that will be identified through research. This will require instrumentation and new product development. Research will also define the direction in which the housing industry will proceed.

1. Instrumentation and data base development

COST \$1,500,000

Initiate now so data base can be implemented with incentive program. This element will include the monitoring of the initial round of Alaska Craftsman Homes. This monitoring of the improved Alaska Craftsman Homes compared with control groups will help establish research objectives and help sell the program here in Alaska.

Coordinated through Cooperative Extension Service

2. Demonstration House for Research

COST \$ 400,000

Initiated with Department of Transportation Public Facilities University Research Station and University Engineering program in Fairbanks. The facility would consist of a fully instrumented, building shell so appliances, insulations, products and techniques can be applied and monitored to independently confirm claims and test new ideas. The research facility would be available for use by small Alaskan firms to test their products under supervision of the facility manager. This facility would be the beginning of a research park. The test unit would be portable so it could be transported around the state. Testing of such products as air-to-air heat exchangers in Alaskan environments would be a high priority.

Initiate Immediately.

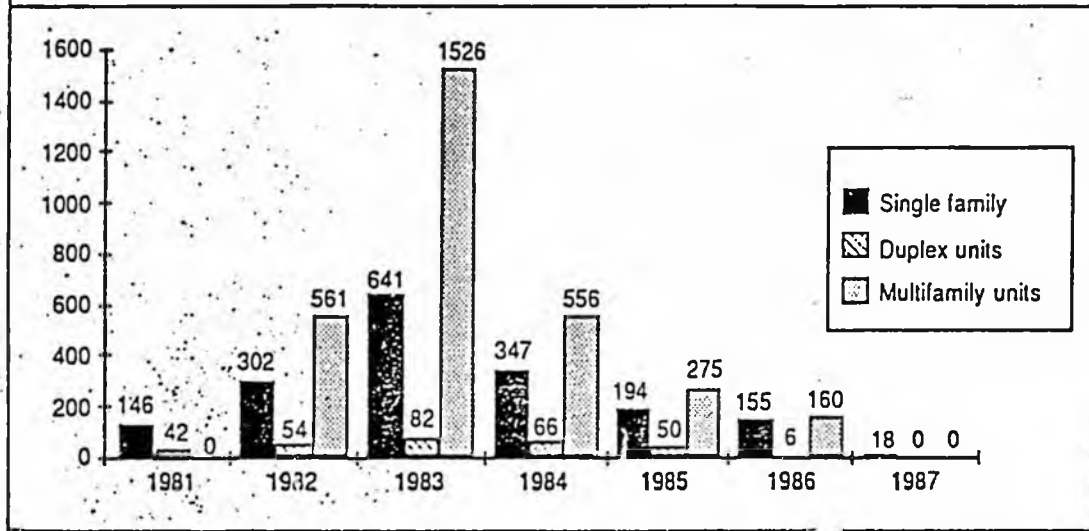
3. New development and research fund

COST \$2,000,000

University of Alaska fund. Alaska Craftsman Home Program technical committee would set research objectives and would decide projects to be funded from public solicitation, based on annual report of field problems.

Fund 1988 and continue for indefinite period.

1st Quarter Building Permit Applications



Source: Municipality of Anchorage

Anchorage Daily News/Bill White

Local building slump continues

Anchorage's building slump continued into March, with local builders applying for permits to construct just seven homes and two commercial buildings, according to the municipality.

The seven housing permit applications — all for single-family homes — brings the tally for the first three months to 18 homes valued at \$2.3 million total.

Builders have applied for no permits this year to put up duplexes or other multifamily units.

By comparison, last year the city received

applications to build 221 housing units in the first quarter. For the same period of 1983, developers applied for permits to build 2,249 housing units.

On the commercial side, developers have requested four permits for construction valued at \$3.1 million through March of this year. That compares with eight permits for \$31 million worth of construction in the same period of last year, and 50 permits for \$40 million in construction in 1983.

Almost all applications result in permits and construction, city officials have said.

Energy Design update

The Monthly Newsletter on Energy-Efficient Housing, A Cahners Publication

Vol. 3, No. 11

J.D. Ned Hisson, Editor

November 1984

NEWS

PROMISING RESEARCH UNDERWAY FOR HOMEBUILDERS IN HUMID CLIMATES

During the past year, EDU has been watching for new developments related to energy-efficient housing in warm, humid climates. That information is important not only to builders on the Gulf Coast, but also to those in St. Louis, Kansas City, and Minneapolis. Where does the vapor barrier go? What about exterior foam sheathing? How do you accomplish energy-efficient dehumidification? Unfortunately, we've turned up more questions than answers. But research in warm-weather housing technology has definitely picked up and practical recommendations may be on the way.

One very promising study on moisture damage in walls in warm climates is now underway at Lamar University, Beaumont, Texas. Headed by Dr. Harry T. Mei, the objectives of the project are to answer the following questions:

1. Is the potential for condensation in walls in a warm, humid climate a serious problem?
2. What conditions of structure type and weather may lead to moisture damage during warm weather?
3. How can damaging conditions be detected?
4. How can damaging conditions be prevented or corrected?

To perform the study, Mei has built an experimental test structure with nine different wall types, each with a different configuration of insulation, vapor barrier, and foam sheathing. The structure will be completely monitored for temperature, humidity, and moisture condensation.

For more information, contact Dr. Harry T. Mei, Box 10023, Lamar University, Beaumont, TX 77710; (409)838-8774.

THE JAPANESE ARE COMING?

With the increased growth of manufactured housing, it should come as no surprise (particularly to those who follow the automobile industry) that Japanese housing manufacturers are approaching the American market. As with cars, the Japanese seem to be bringing with them some innovative manufacturing technology. For example,

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according to a recent report in "Automation in Housing & Manufactured Home Dealer," Misawa, one of the largest home producers in the world, has cut construction costs 50% through technical innovation, improved distribution, and mass production.

Misawa claims to have improved its plant productivity by a factor of 7.5. The labor time required to construct a house was decreased from the normal 200,000 minutes (yes minutes) down to 60,000 minutes. They have also developed a remarkable new ceramic wall system which reduces labor time to about 10,000 minutes per house. According to the AIH/WHI article, Misawa has spent over \$35 million in development costs for the new wall system.

Coincidentally, according to a research survey performed by Lee Schipper of Lawrence Berkeley Laboratory, the Japanese have the lowest household energy consumption of any of the industrialized nations. Although this is partly due to smaller housing, cooler indoor temperatures, and mild climate, it also reflects a relatively high level of energy efficiency in their housing. Another study, published by the Air Infiltration Centre, shows Japanese housing to be among the tightest in the world.

Is the writing on the wall? Are we about to see a major influx of manufactured houses from Japan, or Japanese factories in the U.S.? Jim Sackett is currently touring house factories in Japan. Upon his return, we will report on his findings and speculations. For those who are seriously interested, consider attending the 1985 Tokyo World's Fair. Guess what the theme is going to be -- housing technology.

EPA CONCERNED ABOUT FORMALDEHYDE IN BUILDING MATERIALS

The Environmental Protection Agency (EPA) has determined that there may be a "...reasonable basis to conclude that certain exposures to formaldehyde present (or will present) a significant risk of widespread harm to human beings from cancer." According to a report in the ASHRAE Journal, one of the two "exposures" cited is "the residing in conventional and manufactured homes containing construction materials in which certain formaldehyde resins are used."

Before the end of 1984, the EPA expects to make a decision on whether to regulate formaldehyde products in the marketplace. Industry reaction to the EPA proposal is well reflected in a September 19 Wall Street Journal editorial which stated that some of the proposals are "so strict that the permitted emissions of formaldehyde from wood products and insulation in homes would be equivalent to the natural release of the chemical from one apple." The WSJ editorial also claims that the cost of some of the proposed measures could be \$3 billion to the wood products industry and \$253 billion to the housing industry.

FTC REVIEWS BENEFITS OF HOME INSULATION RULE

The Federal Trade Commission (FTC) is seeking comments on whether its home insulation rule has significant benefits or costs for small businesses and whether the commission should amend the rule.

The rule, which took effect in 1980, is designed to provide consumers with insulation information by requiring disclosure of R-value and related information. Under the rule, industry members must follow specified requirements in the manufacture, distribution, promotion, installation, and sale of home insulation products.

The Regulatory Flexibility Act of 1982 requires the FTC to review the R-value Rule. The commission will consider comments concerning the rule's effects on small businesses.

Comments are also sought on the rule's negative or positive impact; whether the rule should be continued; what burdens the rule places on small firms; what changes should be made; and whether the rule conflicts with other federal, state, and local government rules.

Vol. 4, No. 10

J. D. Ned Nisson, Editor

October 1985

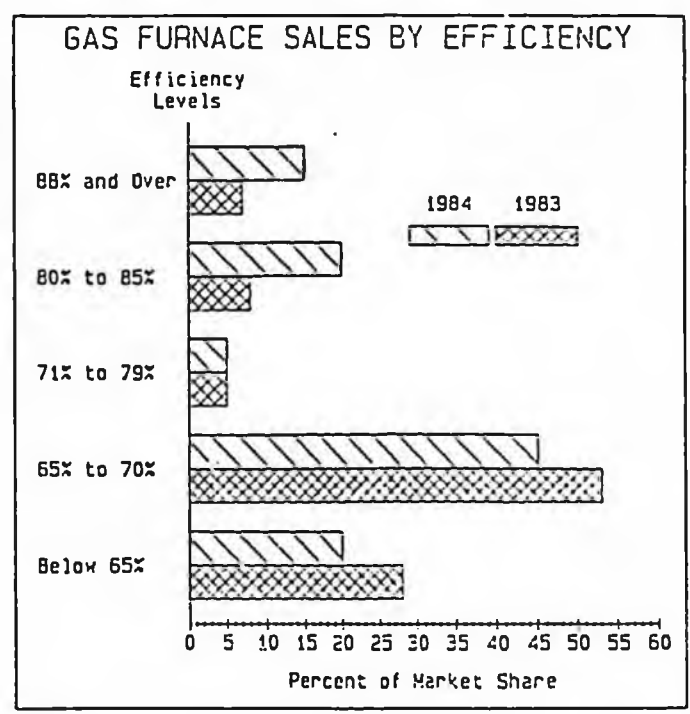
NEWS

THE JAPANESE ARE COMING — ARE THEY HERE YET?

When we mentioned in the November 1984 EDU that Japanese housing manufacturers were eyeing the U.S. market, we didn't expect the overwhelming reaction -- first a flood of inquiries from EDU subscribers; then more mail from readers of New Shelter magazine which referenced the EDU piece. That high interest (or perhaps apprehension) should get even more boost from two articles that appeared in the August 4 Denver Post and September 9 Rocky Mountain Business Journal, both of which reported alleged negotiations by Nissan Corporation to purchase several thousand acres of the Greenland Ranch in Douglas County, Colorado for a house manufacturing facility.

GAS FURNACE EFFICIENCIES RISE SIGNIFICANTLY FROM 1983 TO 1984

The use of high-efficiency gas furnaces increased significantly from 1983 to 1984 according to figures released by the Gas Appliance Manufacturers Association and reported in Air Conditioning, Heating and Refrigeration News. Units at the top efficiency levels (80% and above) doubled their share of shipments from 1983 to 1984, rising from 15% to 30% of total sales.



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FUTURE

Alaska will become a recognized world leader in housing technology and construction as a result of commitment to this program. The continued investment will be the support of the educational system and research. Incentive programs will end after the initial appropriation is expended. The research will gradually be taken up by private enterprise as we establish Alaska as the Silicon Valley of Housing.

The State investment is rather small in comparison to the private sector investment in this housing program. The private sector will be putting up 95% of the investment in this partnership by building the new houses and 60% on retrofits. This program is a very good leverage of State funds.

The money appropriated will provide an additional 100,000 days of work for Alaskans in the building industry, many of whom are now unemployed. Additional mandays of work will be initiated in the engineering and research field. If the program serves to stimulate the building industry as expected, the employment increase would go up by an order of magnitude as the State leverages private funds. Stimulating the building industry will divert cash now being invested outside of Alaska in such things as the stock market back into our economy.

The benefits to this program would be:

- To pump life into a large but presently crippled Alaskan home building industry.
- Increase employment and reduce State unemployment benefits being paid.
- To establish Alaska as a world technology and education leader in homebuilding which is one of the world's largest industries.
- To have homes that last longer and have higher resale value.
- To save Alaskans massive amounts of cash presently being exported for fuel purchases.
- To provide a higher standard of living for Alaskans.
- To save the cash for the citizens who live in our homes over the entire life of the home.
- To improve the health of our people who spend so much time indoors by encouraging homes to be built with improved indoor air quality.
- Save the money spent improving poor health because of poor indoor air quality.
- Reduction of home heating contributions to outdoor airborne and environmental pollution.
- A reduction in Alaska's contribution to the global problem of the greenhouse effect.
- Make available the fuel that would be used to heat homes for other higher and better uses such as transportation, medicines, clothing, and food production.
- Provide Alaskans with security against increased competition for reduced amounts of fuel worldwide in the coming decades. Keep in mind that during decades of shortages predicted the houses built today will still be in use.
- The increased education level of people who understand the science of how the home works will give Alaskans a decided advantage in other pursuits.

- The joint effort between education, government and industry using a voluntary program with incentives can be a model for future cooperation in other industries.
- Reduce the capital burden of achieving all the social benefits of superinsulated housing with the small independent contractors that provide so much innovation to the industry.
- Establish a research facility that will enable the small businesses that develop most of the innovations in a free market with access to the best technology available to test ideas. This will encourage innovations and improvements.
- Make available more Alaskan oil and natural gas as exportable products.

We have a proven educational system and reasons so compelling that this program should have been launched years ago. Let us begin today by committing to this program immediately.

If we do not come together to help our building industry Alaska can be assured that the Japanese or lower 48 modular builders will be supplying Alaskan housing in the future. The advances in modular housing have been dramatic. With the Alaska shelter industry devastated it will be extremely hard competition for Alaskans when the housing market turns around.

A change from local assembly to import housing will mean a loss of jobs and outflow of money from Alaska. The loss of enough skilled labor and cash would eventually turn Alaska's economy into a third world economy.

However with a concerted effort, Alaska could enter the modular housing market for the expressed purpose of providing energy efficient housing for the Pacific nations. The market exists and the seeds of the industry are already here in Alaska. The Alaska Craftsman Home Program can and will help to achieve the potential of this exciting economic development.

The potential of the energy efficient construction option is so great that the State of Alaska should aid the acceptance of the technology. The State is in the process of deciding how to spend the railbelt energy fund. This proposal asks that a small percentage of that fund be dedicated to improving the quality and energy efficiency of Alaska's shelter industry.

After the billions Alaska has spent on energy over last few years on projects that have questionable return on investment, the three-year \$23 million dollar governmental investment to becoming a world leader in shelter technology seems rather small.

To: The Governor and Legislature

Please consider the merits of the Alaska Craftsman Home Program Proposal to encourage high quality energy efficient housing. The proposal was submitted by the Alaska State Homebuilders Association and provides incentives and an educational system that will make Alaskan homes the best homes possible for our environment.

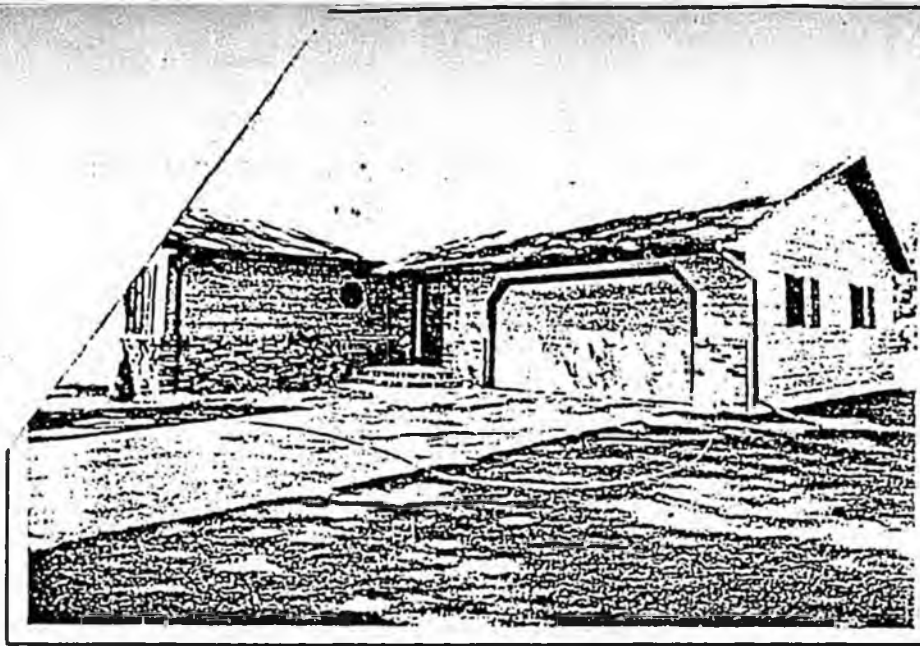
The proposal will stimulate Alaska's housing industry. The proposal will leverage State funds with considerably more private funds to put Alaskans back to work. Private money now invested outside in the stock market and like investments will be brought back to Alaska and invested locally to improve our economy.

The Alaska Craftsman Home Program Proposal is a good economic development program for local communities. Money spent on housing stays at home, not like most capital projects that end up employing outside contractors and suppliers to build massive projects in Alaska. Materials and labor for home building is locally supplied. Energy efficient houses also makes money available in the community that would otherwise be spent on energy. Heating fuel is mostly supplied by outside interests so money spent on energy leaves the community. If energy is locally developed, it is much more valuable as an export commodity or transportation fuel than as heating fuel.

Low energy consumption in our homes will also be an economic hedge against high energy costs in the future as the United States runs low on fossil fuels.

Everyone wins with the Alaska Craftsman Home Proposal, the homeowner will have a healthier and longer lasting home, the builder will be working again and learning new techniques, the state economy and the environment will benefit. We will even help out our nation by reducing reliance on imported fossil fuels. Please consider this proposal as a high priority, for all our sakes.

Sincerely,



Location: Scotland, SD

Builder: Slaba Construction and Plumbing

Size: 2600 sq. ft.

Average Heating Costs: \$170/year

This energy saver by Citation Homes was constructed with a double side wall of 2x4's and 2x6's with a 2 inch space between the walls.

A 3½ inch fiberglass batt fills the 2x4 wall, and 5½ inch fiberglass batt fills the 2x6 wall.

The attic is insulated to R-50 under a high heeled roof truss, and the house has a 6 mil poly vapor barrier in the walls and ceiling. The exterior walls of the house are wrapped in Tyvek to prevent air infiltration. Built-in insulated window shades close to prevent night heat loss through the windows. A front double entry reduces heat loss as well.

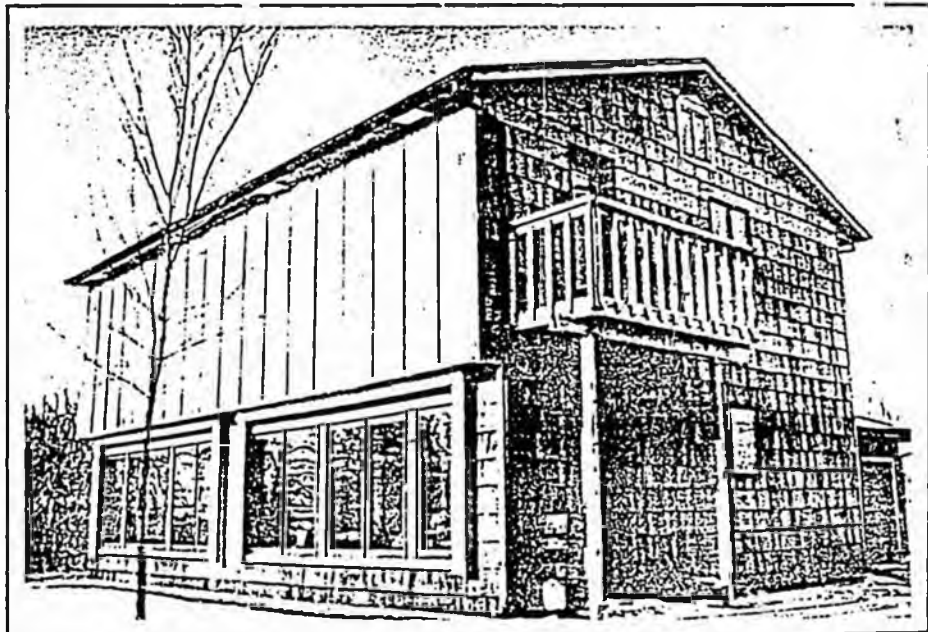
The house has a forced air propane heating system that is 96 percent efficient, and an air-to-air heat exchanger to provide fresh air in the house while recovering the heat in the exhausted air.

This double wall house features two 2x4 walls with one R-13 fiberglass batt in each wall. High lift trusses provide insulation depth over exterior walls to accommodate 16 inches of attic insulation for an R-value of 58 in the ceiling.

The house has a total 6 mil poly vapor barrier to eliminate air infiltration, and exterior insulation to insulate the basement.

South-facing glass coupled with a quarry tile floor provides an effective passive solar heating system. A unique electrically operated exterior window insulation eliminates night heat loss through the glass.

An air-to-air heat exchanger provides humidity control and a clean, healthy environment for this house.



Location: Hartford, SD

Builder: Beck and Hofer Construction

Size: 1872 sq. ft.

Average Heating Costs: \$175/year

Constructed with a double wall of 2x4's with a 6 mil poly vapor barrier on the inside of the inner wall, this house is insulated with two layers of R-13 fiberglass batts in the walls.

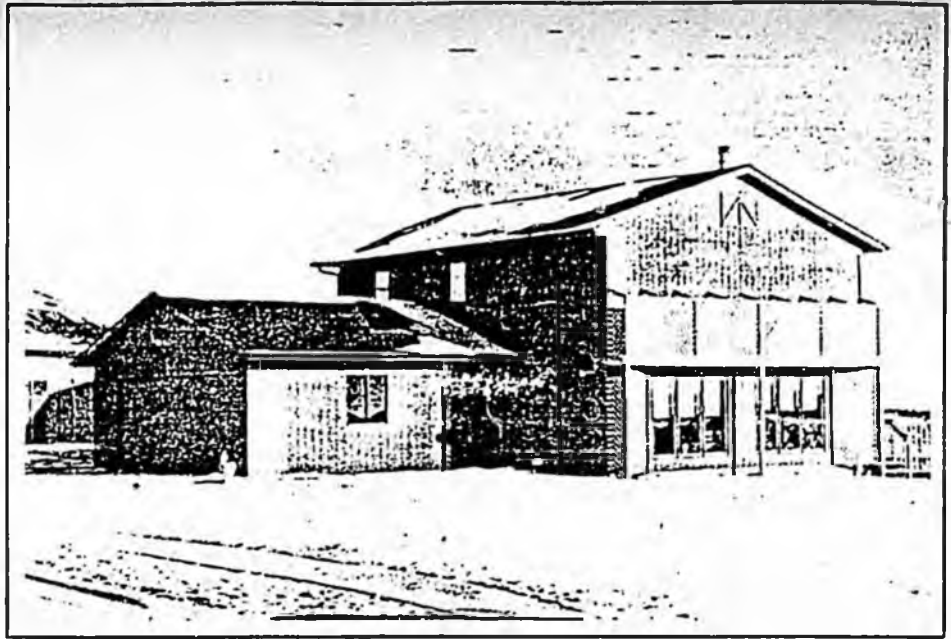
The ceiling is insulated to R-58 with cellulose insulation; and also has a vapor barrier installed.

The exterior walls are wrapped in Tyvek to prevent air infiltration. The basement walls have 1½ inches of blue Styrofoam insulation on the outside.

All the windows are Weathershield double glazed with a Sun Gain membrane inside the glazings on the south-facing windows; and the large south-facing windows coupled with a quarry tile floor is an effective passive solar system.

The house has a Heil natural gas furnace that is used in conjunction with an Eric Jr. air-tight woodburning stove. A Heatek air-to-

air heat exchanger with the fresh air intake buried in the ground provides mechanical ventilation with a good heat recovery rate.



Location: Sioux Falls, SD

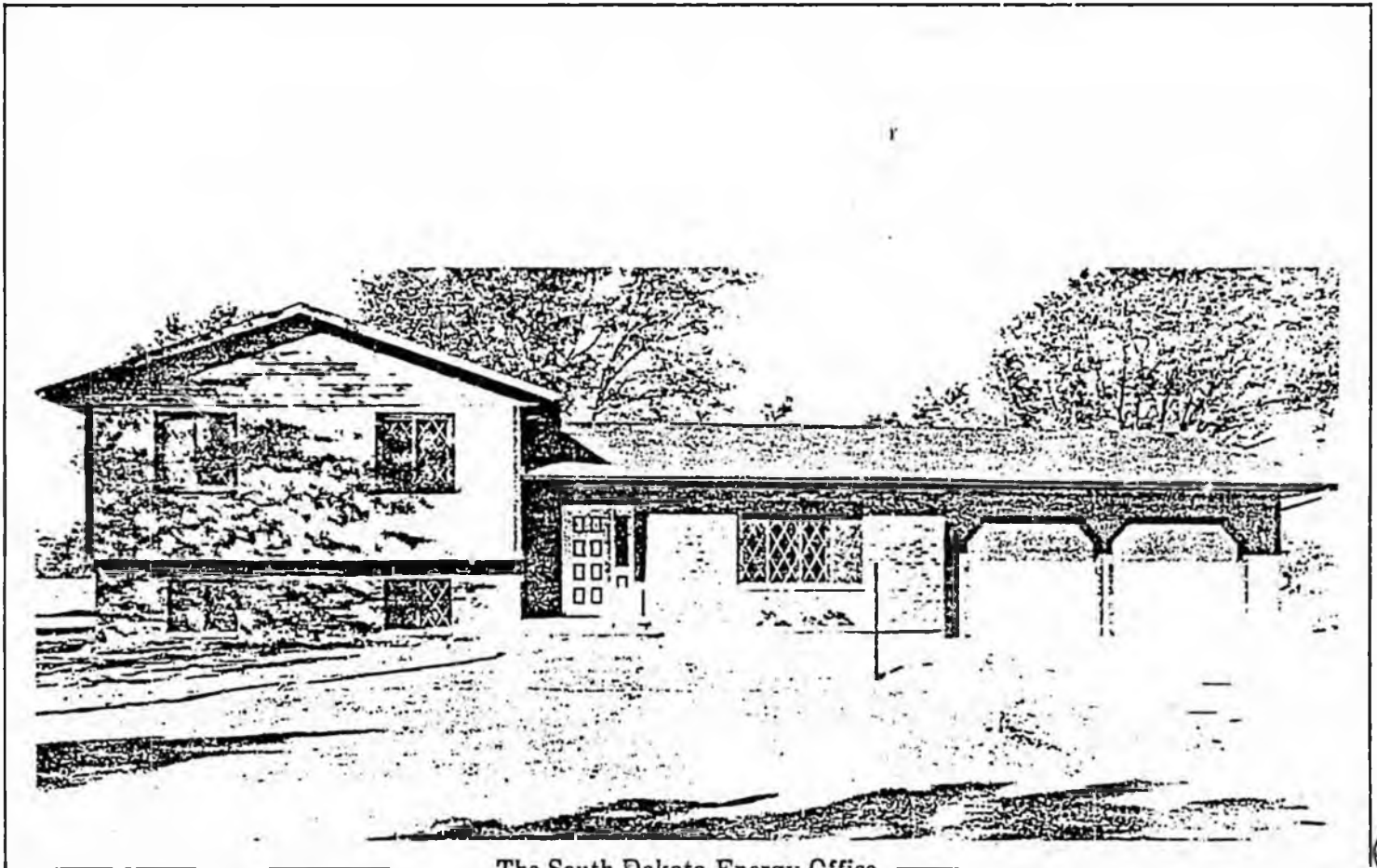
Builder: Beck and Hofer Construction

Size: 2016 sq. ft.

Average Heating Costs: \$140/year

Prepared by Carol L. Sratka, Director, South Dakota Energy Extension Service with support of U.S. Department of Energy (DOE) Grant No. DE-FG 48-84RB06058.

For more information or free technical assistance on energy efficient houses in South Dakota please contact:
South Dakota Energy Office, 217½ W. Missouri, Pierre, SD 57501, Phone (605) 773-3603.



The South Dakota Energy Office

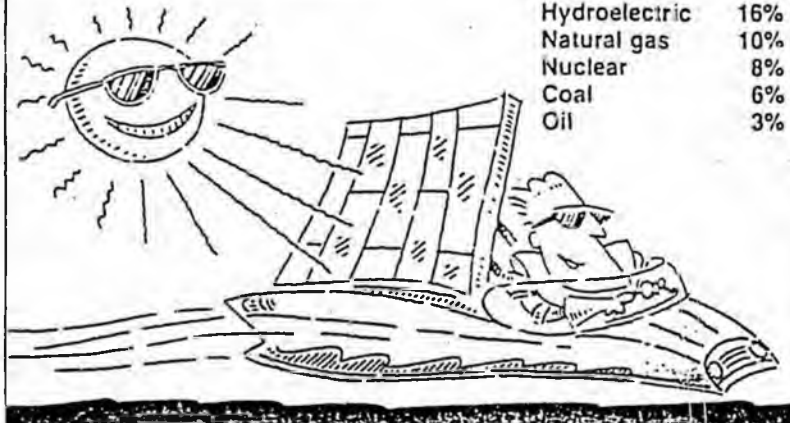


CAMBRIDGE REPORTS Public Opinion Highlights

Future Energy Sources

Q. Which of these sources of energy would you personally like to see used most in 25 years?

Solar	50%
Hydroelectric	16%
Natural gas	10%
Nuclear	8%
Coal	6%
Oil	3%



Source: Survey of the U.S. adult population by Cambridge Reports, Cambridge, MA
 © 1986 Cambridge Reports, Inc. Distributed by King Features Syndicate

1024 WEST SIXTH AVENUE
ANCHORAGE, ALASKA 99501
(907) 274-4031

WHILE IN SESSION
P.O. BOX V
JUNEAU, ALASKA 99811
(907) 465-3704

(A) *for Kamra*

ALASKA STATE HOUSE

OFFICE OF MAJORITY WHIP



CO-CHAIR
HEALTH, EDUCATION & SOCIAL SERVICES

LABOR & COMMERCE
SUBCOMMITTEE ON FOREIGN TRADE

DEC 14 1987

REPRESENTATIVE JOHNNY ELLIS

M E M O R A N D U M

TO: The Honorable Henry Springer, Chair
Community and Regional Affairs Committee

FROM: Rep. Johnny Ellis *JE*

RE: Hearings on HB 318 and HB 319

DATE: November 5, 1987

I respectfully request that the C&RA Committee schedule hearings on HB 318 and HB 319, establishing a revolving loan fund for the Home Craftsman Program in Alaska.

HB 318 explains the rationale for creating such a fund and sets up the structure of the fund. HB 319 is the appropriation bill which would make the fund operational.

During this time of least cost energy planning, there is an important role that conservation can play in the state's energy policy. The Home Craftsman Program is a model for super-insulation at the initial construction stage as well as during retrofitting of homes. Statewide implementation of the program will save homeowners money in the short-run and the state in the long-run.

Participation in the program will help reduce heating costs which individual homeowners must pay. The state will benefit by reduced need for subsidized weatherization and public assistance.

I would appreciate a hearing on the bills early in the session, if possible.

Thank you for considering my request.

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

④ HB 318

STEVE COWPER, GOVERNOR

- P.O. BOX B
JUNEAU, ALASKA 99811-2100
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 563-1073

January 18, 1988

POSITION PAPER

RE: House Bill 318: "An Act Establishing the Alaska Energy-Efficient Home Equity Fund".

SPONSOR: Representative Ellis

Program Effects of Bill

House Bill 318 would create in the Department of Community and Regional Affairs an Alaska Energy-Efficient Home Equity Fund which would be a revolving loan fund to finance the incremental costs to builders to construct superinsulated homes.

Comments

The Department strongly supports the concept of superinsulation. Superinsulated homes can reduce the heating costs of a home by 50 to 80 percent, while costing only an additional 5 to 10 percent to construct. Superinsulation is a technology that is practical, economical, and available now. The Department has sought to foster quality construction through the Alaska Craftsman Home Training Program. With \$200,000 from its share of the Exxon oil overcharge settlement, the Department has supported the Cooperative Extension Service's voluntary program of educating builders on this method of construction.

The Department, however, does not have a position on this legislation. While it supports the construction of superinsulated homes, it has questions regarding state subsidizing the construction of new homes in the light of the current housing glut and with the current state revenue situation.



David G. Hoffman, Commissioner

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: HB 318
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act Establishing the Alaska Energy-Efficient Home Equity Fund"
Sponsor: _____
Requestor: House C&RA

Agency Affected: Community & Regional Affairs
BRU: Housing Assistance
Components: Housing Loan Administration

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES		61.5	61.5	61.5	61.5	
TRAVEL		2.0	2.0	2.0	2.0	
CONTRACTUAL		4.8	4.8	4.8	4.8	
SUPPLIES		1.4	1.4	1.4	1.4	
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		69.7	69.7	69.7	69.7	

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND		69.7	69.7	69.7	69.7	
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME		2	2	2	2	
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

The Department estimates that two full-time positions, a loan closer (Range 12) and an accounting clerk 3 (Range 8) will be necessary to administer the program along with associated contractual & supply costs.

Prepared by: Jim Plasman, Deputy Director Phone: 465-4750
Division: Municipal & Regional Assistance Date: 1-19-88

Approved by Commissioner: [Signature] Date: _____
Agency: Community & Regional Affairs

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

REVISED PROGRAM
REQUEST FOR NEW POSITION

CATEGORY	
COVER PROGRAM	
AGENCY	Community & Regional Affairs
DIVISION	Housing Assistance
BUDGET REQUEST UNIT	Housing Assistance
BUDGET COMPONENT	Housing Loan
APPROPRIATION	
ALLOCATION	

POSITION TITLE Loan Closer II		JUSTIFICATION: This position would process loans and grants under the Alaska energy-efficient home equity fund.
LOCATION Anchorage		
TYPE (FULL OR PART-TIME) <u>Full Time</u>		
NUMBER REQUESTED <u>1</u>		
RANGE 12A	BARGAINING UNIT GGU	
MONTHLY SALARY 2,826.28	# MONTHS (CY) 12	
DETAIL OF RELATED EXPENSES		
01 PERSONAL SERVICES	33.9	
02 TRAVEL	2.0	
03 CONTRACTUAL	2.4	
04 COMMODITIES	7	
05 EQUIPMENT		
08 OTHER		
TOTAL	39.0	
1002 FEDERAL		
1003 G/F MATCH		
1004 GENERAL FUND	39.0	
1005 I/A RECEIPTS		
1028 PROGRAM RECEIPTS		

REVISED PROGRAM
REQUEST FOR NEW POSITION

CATEGORY	
COVER PROGRAM	
AGENCY	Community & Regional Affairs
DIVISION	Housing Assistance
BUDGET REQUEST UNIT	Housing Assistance
BUDGET COMPONENT	Housing Loan
APPROPRIATION	
ALLOCATION	

POSITION TITLE Accounting Clerk III		JUSTIFICATION: The position will provide the necessary accounting support for the Alaska energy-efficient home equity fund.
LOCATION Anchorage		
TYPE (FULL OR PART-TIME) <u>Full Time</u>		
NUMBER REQUESTED <u>1</u>		
RANGE 8A	BARGAINING UNIT GGU	
MONTHLY SALARY 1,631	# MONTHS (CY) 12	
DETAIL OF RELATED EXPENSES		
01 PERSONAL SERVICES	27.6	
02 TRAVEL	-0-	
03 CONTRACTUAL	2.4	Telephone, copy services, postage
04 COMMODITIES	.7	Miscellaneous administrative
05 EQUIPMENT		
08 OTHER		
TOTAL	30.7	
1002 FEDERAL		
1003 G/F MATCH		
1004 GENERAL FUND	30.7	
1005 I/A RECEIPTS		
1028 PROGRAM RECEIPTS		

chikan Daily News

JAN 20 1987

Ketchikan, Alaska, Thursday, January 14, 1988

40 Cents

Building standards don't fit the weather

New law hampers SE homes

By JUNE ALLEN
Daily News Staff Writer

Sections of a new Alaska law which mandate energy-saving guidelines for new home construction apparently were written with much colder, drier climates in mind and would work economic hardships on anyone planning to build a home in Southeast.

The law's regulations apply to any new residential buildings for which state financial assistance is to be received after Dec. 31, 1987.

Ketchikan realtors, contractors and financial institutions opposing some of the law's provisions say the new energy conservation standards represent over-improvement for this region and drastically change general construction standards of the Ketchikan area.

The new standards could also increase construction costs 10 to 20

percent.

The law, which went into effect Jan. 1, includes regulation of the amount and types of insulation in new home construction and limits window ratios. For example, the regulations require added insulation factors and vapor barriers in wall construction which would be appropriate to sub-Arctic conditions. But in Ketchikan the requirements would create internal air pollution and condensation problems. To solve those problems, air-exchange systems would have to be incorporated into the construction to solve, opponents say.

The regulations also would limit the types and numbers of windows to go into new homes, allowing windows not to exceed 15 percent of exterior wall space. Windows are highly valued attributes in Ketchikan, and homes on the waterfront

and on view lots typically have window areas exceeding 15 percent, realtors say.

Specifically, minimum construction standards require R-30 insulation in floors, R-21 in walls and R-38 in ceilings. The added floor insulation requires increased floor joist sizes to 2x12.

Wall construction to meet vapor barrier and insulation standards requires two 2x4 stud walls with internal vapor barrier. This increases the size of perimeter footing and complicates construction framing, according to opponents.

Ceiling insulation standards require an increase of roof pitch to accommodate insulation. Vaulted ceilings would be essentially eliminated except when using a scissor truss, as there would not be room for insulation, opponents say.

Opponents maintain energy

savings would never justify the cost of upgrading energy performance unless fuel prices increase dramatically. They maintain there apparently is no way added construction costs could ever be recaptured within the economic life of the residence.

A letter signed by Ketchikan appraisers, realtors, representatives of area banks and contractors has been sent to Ketchikan's legislators in Juneau, asking that Ketchikan and possibly all communities south of Juneau be exempted from some of the law as economically unjustified.

Opponents say the new standards were placed in effect without appropriate notice or hearings in the Ketchikan area.

The energy conservation regulations are within a law implemented by the State Department of Community and Regional Affairs.



Budget cuts forest jobs

HB 218

aid
services

an Eagles Auxiliary
200 check to the
Library 2 p.m.

Editor, Ketchikan Daily News,

Your headline news article dated January 14, 1988 concerning minimum insulation standards for new houses contains many inaccurate statements. In fact, I feel it would be in your readers' best interests to rerun the story with facts rather than the information supplied by your sources for this story.

ENERGY STANDARDS TAILORED TO CLIMATE AND ECONOMICS

NEW LAW HELPS SE CONSUMERS

Minimum energy conservation regulations were recently implemented by the State Department of Community and Regional Affairs (C&RA). The law applies only to new residential buildings for which State AHFC of HAD subsidies are to be received after Dec. 31, 1987.

The standards separate Alaska into five specific regions. Requirements in each area reflect the differences in the economics of construction and energy costs as well as the vast climactic variations within our State.

The insulation levels for our mild, wet maritime climate, for example, are already being met by many of the better builders within Southeast. In fact these standards are almost identical to those required for all new homes constructed in Juneau and the colder areas of Washington State. Implementation of these regulations will have very little financial impact on new construction projects. It will, however, put an end to some of the shoddy construction practices seen in our region.

Specifically, R-30 floor insulation, which can easily fit in the common 2x10 floor joist, is required. Some builders currently don't put any insulation there. This results in cold, wet uncomfortable floors that promote mildew and fungus growth in addition to high fuel bills. Closeable foundation vents and protection of water pipes from freezing are also required below the floor.

Complete heat recovery ventilation (HRV) systems are not required. Exhaust fans, however, will be required in the kitchen and bathrooms to expel the moisture produced during cooking and showering directly to the outside. Studies have shown that the average family member produces over 1000 gallons of water inside the home each year. Leaky construction and operable windows do not satisfactorily remove this moisture. Condensation on cold windows is the resulting symptom of this problem commonly seen in coastal climates like Southeast.

R-21 wall construction can be achieved in a standard 2x6 frame wall with insulated sheathing substituted for plywood on the outside. There is no increase in cost or labor. Good quality sheathing can easily yield an R-value of 26. This would allow greater areas of glass to be used. Speaking of glass, studies in Juneau have shown the average glazed wall area to be 12%, well below the 15% maximum contained in the prescriptive section of the standard. Of course glass areas can always be increased if other parts of the structure are well insulated or high R-value windows are selected.

Vapor retarders are also air barriers which reduce the infiltration of cold air into the home. They help reduce drafts and keep moisture out of the structural components where damage might result. They are essential for all new homes in Southeast as well as the Arctic regions of the world. They can be placed directly behind the sheetrock finish if desired.

R-38 ceilings require no adjustment to roof pitch. Regular or scissor truss roofs and vaulted ceilings can easily accommodate this insulation level without additional framing cost or modification to standard practice.

The cost savings to owners of these new homes could well pay for the improved insulation values in a matter of months rather than years at today's fuel costs. The added benefit of a draft free, comfortable and healthy indoor environment is a strong incentive for choosing a well built home.

Current lending practices do not consider the energy costs of operating a home. In most cases they are higher than the taxes and insurance payments combined. Energy costs in Alaska can be a major part of a family's disposable income and may contribute to the high foreclosure rates we are now experiencing.

Appraisers also do not give appropriate value to houses that are better insulated, properly constructed and less expensive to maintain. There is currently no effort to uniformly identify this value, inform the buyer or reward the builder through the appraisal process.

Builders who do not cut corners and do a better job than their competition are now losing money out of their own pockets because of this industry oversight. These regulations will protect the consumer from high utility bills and put all homebuilders on a level playing field in terms of what products they can build and on which they expect the people of this State to hold the mortgage.

There is no clear issue of right or wrong here. These are conditions of politics, science and economics. As such we need to remain flexible. If someone, for whatever reason, does not want to comply with these minimum standards that's O.K. They always have the option of finding another available source of mortgage financing.

The big questions in Alaskan housing issues are (1) How do we dispose of existing housing units already on the market? and (2) How do we put homebuilders back to work under these conditions of an overbuilt market?

There are two programs in Alaska that should help. One is called "energy mortgage valuation"(EMV). It has been developed for the Alaskan shelter industry and is now awaiting implementation by the lending institutions in the State.

EMV is a system whereby a home's energy efficiency is rated on a scale between 0 and 100 and the annual energy cost computed just like a MPG rating on a car. The appraiser completes a simple form which provides this information for all parties to use. This rating helps the consumer to decide if they can afford the home. The banker may then adjust the lending ratios

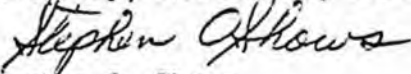
based upon known fixed energy costs and the borrower's ability to repay. The builder then recoups the appropriate added investment for building an efficient home when the loan closes.

Another promising effort underway in the state is the Alaska Craftsman Home Program (ACHP). This educational program is supported by the University of Alaska Co-operative Extension Service, State Homebuilders Association, C&RA and EMV. Twelve Alaskan training teams currently teach builders state of the art techniques developed from research being conducted around the world today such as the Canadian R-2000 program.

In an effort to sell foreclosed properties, banks are spending large sums of money on cosmetic items like repainting and recarpeting. Why not put people to work in our communities insulating these homes properly? An EMV rating would tell the bank exactly what should be done to the house. ACHP builders would know exactly how to best accomplish the retrofit economically. These properties would be far more affordable for future buyers. These programs would provide both desperately needed jobs and improved housing stocks in our communities at the same time. It would also tend to keep some of those dollars we export for fuel oil right here in our own home towns.

This type of approach is contained in Senate Bill 303. This effort directs our sights not just on what is the least justifiable house for Alaskans to build but rather on the optimum type of home for Alaskans to occupy far into the future. Technology, science and the world around us will constantly change. As a people we must look forward to the future and the benefits it will bring if we help ourselves to it. It does not bode well for us to dig in our heels and hold on to the old ways when the future is cloaked in such promise.

Sincerely, January 18, 1988



Stephen O. Shows
19137 Randall Rd.
Juneau, Alaska 99801
(907) 789-2325 home (907) 586-5231 work

Mr. Shows was employed as the construction representative for the USDA FmHA in Southeast Alaska in the late 1970's. He accepted a position with the City and Borough of Juneau (CBJ) building division in 1980. He is currently Chief Building Inspector with the CBJ. This year he serves as the President of the Alaska Southeast Chapter of the International Conference of Building Officials (ICBO).

Energy and housing issues have always held an interest for Mr. Shows. He has written numerous articles on the subjects, is a founder and trainer for the ACHP, sat on the initial steering committee for EMV, and participated in the development of the CBJ and the C&RA minimum thermal standards for housing in Alaska.

cc Steve Cowper, Governor State of Alaska
David Hoffman, Commissioner C&RA
Southeast Alaska Legislators

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

JAN 25 1988

f. / CRA

STEVE COWPER, GOVERNOR

① HB 318 (113319)

949 E. 36th Avenue
Suite 403
Anchorage, AK 99508
(907) 563-1955

January 22, 1988

The Honorable Heinrick Springer
Chair, DCRA, House of Representatives
P. O. Box V
Juneau, AK 99811

Dear Rep. Springer:

An emergency 120-day moratorium has been granted delaying the effective date of the Energy Conservation Standard for New Residential Building's Regulation (19 AAC 69.210). The Department of Community and Regional Affairs intends to extend the moratorium to October 1, 1988. The moratorium is being sought to give the building industry more time to prepare for the implementation of the standard.

Persons interested in commenting on the proposed moratorium are invited to send written statements to:

Steve Baden
Office of Energy Programs
Rural Development Division
Department of Community and Regional Affairs
949 E. 36th Avenue, Suite 403
Anchorage, AK 99508

Comments will be accepted through February 14, 1988.

I have enclosed a copy of the Notice of Emergency Regulations. Copies of the standard can be reviewed at any of the Department's offices, at public libraries, and at local building departments. Copies of the standard can also be purchased for \$4.00 at the above address.

Sincerely,

Michael C. Harper /ms
Michael C. Harper
Director

Enclosure

NOTICE OF ADOPTION OF EMERGENCY AMENDMENT

As required by AS 44.62.250, notice is given that under authority vested by AS 46.11.040, the Department of Community and Regional Affairs amended on this date, as an emergency regulation, 19AAC 69, Article 2 relating to the Energy Conservation Standard For New Residential Buildings.

This amendment took effect January 14, 1988.

This amendment places a temporary 120 day moratorium on the implementation of the standard. This action is not expected to require an increased appropriation.

Copies of this regulation may be obtained by writing to Steve Baden, Chief, Conservation Section, Department of Community and Regional Affairs, 949 E. 36th Avenue, Suite 403, Anchorage, AK 99508.

Notice is also given that the Department of Community and Regional Affairs intends to make this regulation permanent under AS 44.62.260 delaying implementation of the standard to October 1, 1988. Any interested persons may submit written statements relevant to the action proposed. Written statements and arguments should be sent to the address given in the previous paragraph and must be received no later than February 24, 1988.

1-20-88

DATE

Juneau, Alaska

CITY

Signed

David G. Hoffman

Commissioner

HB 318
HB 319

(8) HB 318

of
CRA

PUBLIC OPINION MESSAGE

JAN 18 1988

DEAR: REPRESENTATIVE SPRINGER

NAME: PAUL MCINTOSH

TITLE:

ADDRESS: 2409 5TH AVENUE

CITY: KETCHIKAN, AK.

ZIP: 99901

PHONE: N/R-

BILL NO:

SUBJECT: MIN STANDARDS - NEW RESIDENTIAL CONSTRUCTION

MESSAGE: KETCHIKAN DAILY NEWS CARRIED A STORY ABOUT OPPONENTS OF NEW STANDARDS.

THE OPPONENTS DIDN'T PARTICIPATE IN THE DEVELOPMENT OF REGULATIONS. I URGE

YOU TO NOT GRANT EXEMPTIONS WHICH THEY HAVE REQUESTED. I ALSO RECOMMEND THAT

C&RA MAKE A CONCERTED EFFORT TO EDUCATE REALTORS, APPRAISERS, ARCHITECTS,

BUILDERS, BANKERS IN THIS PROGRAM.

POMID: 08112843

DATE: 01/15/88

TIME: 11:28:43

LIONAME: KETCHIKAN LIO

COPIES: REPRESENTATIVES SENATORS

SUND

TAYLOR

CATO

COLLINS

HERRMANN

ZAWACKI

JONES

HALFORD

KELLY

STURGULEWSKI

SZYMANSKI

ZHAROFF

DCR - *Sp / CRA*

Introduced by: Sewall, Glick
Date: September 1, 1987
Action: Adopted
Vote: Unanimous

(9-a) HB 318

RECEIVED SEP 2 1987

KENAI PENINSULA BOROUGH
RESOLUTION 87-81

IN SUPPORT OF THE ALASKA CRAFTSMAN HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, the citizens of the Kenai Peninsula Borough will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

Section 1. That it is the policy of the Kenai Peninsula Borough to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 1 DAY OF September, 1987.

ATTEST:

Jonathan W. Sewall
Jonathan W. Sewall, Assembly President

Joanne Brundley
Borough Clerk

by Catherine J. R. Kacew, Dep. Clerk



April 24, 1987

The Honorable Steve Cowper, Governor
State of Alaska
P.O. Box A
Juneau, Alaska
99811

FEB 22 1988

Dear Governor,

Recently we have received information regarding the Alaska Craftsman Home Program regarding education and implementation of efforts towards promoting high levels of energy efficiency for Alaskan Homes. Benefits to building super-insulated homes are far reaching encompassing home owners and the building industry, as well as having long range positive effects to community savings which assist in stimulating local economies, especially important to rural communities.

Here on the North Slope with communities paying the highest in the nation for heating fuel it is of the utmost importance to find and implement alternatives to insure our financial security for the years to come. Education for this generation and generations to come is very important. A recent state survey pointed out that the least likely way individual home owners learned about home energy efficiency was through the schools. With this in mind it is very important to establish a foundation on which to develop awareness for all alternatives available and capitalize on those alternatives that work.

The Alaska Craftsman Home Program Incentive Proposal is an idea which time has come, not for just our communities, but for all who call Alaska their "home". Development of the State of Alaska's Residential Thermal Standards brought us a long ways to promote the ideals of resource efficiency. Promotion on the commercial, community, and individual home owner level with it's development committed to education is indeed a worthwhile venture.

As Energy Planner for the North Slope Borough Utilities Dept. I support the Alaska Craftsman Home Program.

Best Regards
[Signature]
Energy Planner
N.S.B Utilities

NORTH SLOPE BOROUGH

Dept. of Public Utilities • P.O. Box 69, Barrow, AK 99723 • Phone (907) 852-2611

put for CRA

9-C HB 318

Sponsored by: Gieseler

CITY OF SEWARD, ALASKA
RESOLUTION NO. 87-079

FEB 29 1988

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, IN SUPPORT OF THE ALASKA CRAFTSMAN HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs and increase the economic stability of the owner; and

WHEREAS, in the First Session of the Fifteenth Alaska Legislature, Senate Bill 308 and House Bill 318 supporting the Alaska Craftsman Home Program were introduced; and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education, thereby contributing to the overall economy of the state and the city of Seward; and

WHEREAS, the citizens of the city of Seward will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, that:

Section 1. It is the policy of the city of Seward to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

Section 2. The City Council supports the concepts as set out in Senate Bill 308 and House Bill 318 as introduced in the First Session of the Fifteenth Alaska Legislature to establish such a state policy and to provide support for the Alaska Craftsman Home Program.

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, this 14 day of September, 19 87.

put A ✓

CRH
FEB 29 1988

9-d HB 318

RECEIVED 12 1 1987

Suggested By: City Council

CITY OF KENAI

RESOLUTION 87-57

A RESOLUTION OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, SUPPORTING THE ALASKA CRAFTSMAN'S HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION CONCEPT.

WHEREAS, in the first session of the Fifteenth Alaska Legislature, SB 308 and HB 318 supporting the Alaska Craftsman's Home Program were introduced, and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education thereby contributing to the overall economy of the state, the Kenai Peninsula Borough and the City of Kenai, Alaska, and

WHEREAS, ~~the Alaska Craftsman's Home Program will be benefitted economically by reducing home energy consumption, they will also be benefitted by improved health and safety of such constructed dwellings, the indoor air quality will be improved and their home maintenance needs will be decreased.~~

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, that said Council supports the concepts as set out in SB 308 and HB 318 as introduced in the first session of the Fifteenth Alaska Legislature to establish a state policy and to provide support for the Alaska Craftsman's Home Program.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 2nd day of September, 1987.

John B. Williams

JOHN B. WILLIAMS, MAYOR

ATTEST:
Janet Whelan

Janet Whelan, City Clerk

FEB 26 1988

PAH
Sp. / CRA
9-e HB 318

Sponsored by: Gieseler

CITY OF SEWARD, ALASKA
RESOLUTION NO. 87-079

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, IN SUPPORT OF THE ALASKA CRAFTSMAN HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs and increase the economic stability of the owner; and

WHEREAS, in the First Session of the Fifteenth Alaska Legislature, Senate Bill 308 and House Bill 318 supporting the Alaska Craftsman Home Program were introduced; and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education, thereby contributing to the overall economy of the state and the city of Seward; and

WHEREAS, the citizens of the city of Seward will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, that:

Section 1. It is the policy of the city of Seward to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

Section 2. The City Council supports the concepts as set out in Senate Bill 308 and House Bill 318 as introduced in the First Session of the Fifteenth Alaska Legislature to establish such a state policy and to provide support for the Alaska Craftsman Home Program.

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, this 14 day of September, 1987.

9-f HB 318
FEB 25 1988

By: Juanita Helms
Introduced: 01/14/88
Adopted: 01/21/88

RESOLUTION NO. 88-008

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES

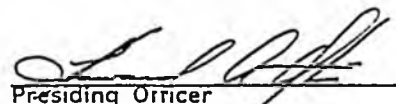
WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and thereby, improve the local economy of the State, and

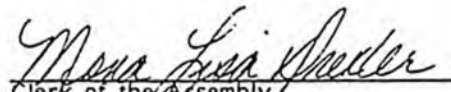
WHEREAS, the citizens of the borough will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program.

NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Fairbanks North Star Borough to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home Program and further that the borough assembly supports legislation to establish similar borough policy and borough support for the Alaska Craftsman Home Program.

PASSED AND APPROVED THIS 21ST DAY OF JANUARY, 1988.


Presiding Officer

ATTEST:


Clerk of the Assembly

9-9

HB 318

f/cra

FEB 16 1988

ASSOCIATION OF ALASKA HOUSING AUTHORITIES

RESOLUTION NO. 87-9

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska State lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 which supports the Alaska Craftsman Home Program, and

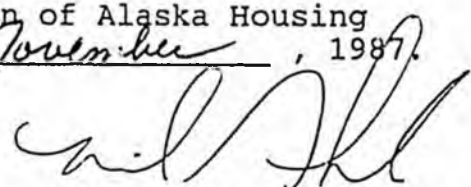
WHEREAS, these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the State, and

WHEREAS, the citizens of the Sate of Alaska will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW THEREFORE BE IT RESOLVED that the Association of Alaska Housing Authorities encourages the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program.

BE IF FURTHER RESOLVED that the Association of Alaska Housing Authorities supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar State policy and State support for the Alaska Craftsman Home Program.

Approved and adopted by the Association of Alaska Housing Authorities this 24 day of November, 1987.


Mike Shuler, President


Flo Dicob, Secretary

for CRA

9-h HB 318

HB 318
E 319



CITY OF ANDERSON

P.O. Box 3100 • Anderson, AK 99744 • Phone (907) 582-2500

FEB 16 1988

In Reply
Refer To:

April 20, 1987

The Honorable Steve Cowper
Governor
State of Alaska
Pouch
Juneau, Alaska 99811

Dear Governor Cowper:

On behalf of the City I am writing in support of the Alaska Craftsman Home Program, (ACHP). ACHP's efforts to promote residential energy efficiency in home building construction has been impressive.

The reduction in housing costs and maximization of thermal efficiency should be a major component in any attempt to develop Alaska's rural economy(s).

Local economic development efforts, currently underway in communities such as the City of Anderson, would be positively enhanced through the state's support of the ACHP.

Your support of programs such as the Alaska Craftsman Home Program, can help to ensure for the successful development of both rural and urban Alaska alike.

Thank you.

Sincerely,

THE CITY OF ANDERSON

[Signature]
Lanston Chinn
City Administrator

1011

cc: Philip G. Loudon ✓

FEB 12 1988

(9-i) HB 318 V/CRA

AMERICAN  LUNG ASSOCIATION of ALASKA

Dedicated to the prevention and control of lung disease

RECEIVED OCT 26 1987

October 22, 1987

Governor Steve Cowper
P.O. Box A
Juneau, Alaska 99811

Dear Governor Cowper:

Indoor air quality is a pressing issue in Alaska. Two pending bills, HB 318 and 319, help address indoor air quality in a very practical manner through the Alaska Craftsman Home Program. Building energy efficient homes that also have healthful air quality is an important and achievable goal.

We urge your support of the Alaska Craftsman Home Program and other measures that promote indoor air quality.

Sincerely,


Deborah Williams
Executive Director

cc. Dan Markle

DW/cc

HB 318

1000
9-j HB 318
RECEIVED 207 2 3 1988
CRA

CITY OF PALMER, ALASKA

RESOLUTION NO. 765

FEB - 8 1988

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska State lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 which supports the Alaska Craftsman Home Program, and

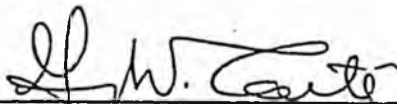
WHEREAS, these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska and City of Palmer will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW, THEREFORE BE IT RESOLVED that the City of Palmer encourages the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program.

BE IT FURTHER RESOLVED that the City of Palmer supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar State policy and State support for the Alaska Craftsman Home Program.

Approved and adopted by the Palmer City Council this 27th day of October, 1987.



GEORGE W. CARTE, MAYOR



S. WELLS WILLIAMS, ACTING CITY CLERK

HB 318

10/6/87

for CRA

9-K HB 318

FEB - 8 1988

RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE

RESOLUTION NO. 88-36

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES.

WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and, thereby, improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program;

NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Alaska Municipal League to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home program and further that the Alaska Municipal League supports legislation to establish similar state policy and state support for the Alaska Craftsman Home Program.

Adopted this 13th day of November 1987.

George W. Carte', President

ATTEST:

Scott A. Burgess, Executive Director

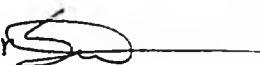
Alaska
MUNICIPAL
League

10 HB 318

TELEPHONE
(907) 586-1325

105 MUNICIPAL WAY, SUITE 301
JUNEAU, ALASKA 99801

TO: Representative Henry Springer, Chair
Members of the House Community and Regional Affairs
Committee

FROM: Scott A. Burgess, Executive Director 

DATE: March 8, 1988

SUBJECT: HB 318/HB 319 - Alaska Craftsman Home Program

The Alaska Municipal League supports the concepts of HB 318 and HB 319.

The Alaska Municipal League has had policies encouraging energy efficiency in private and public construction for a number of years. At the annual meeting in November 1987, the membership adopted Resolution No. 88-36 in support of the energy-efficient standards developed by the Alaska Craftsman Home Program for home construction and in support of state support for the Alaska Craftsman Home Program. HB 318 and HB 319 implement this Resolution.

Again, the AML supports HB 318 and HB 319.

Attachment: AML Resolution No. 88-36

RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE

RESOLUTION NO. 88-36

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES.

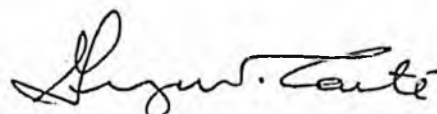
WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and, thereby, improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program;


NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Alaska Municipal League to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home program and further that the Alaska Municipal League supports legislation to establish similar state policy and state support for the Alaska Craftsman Home Program.

Adopted this 13th day of November 1987.



George W. Carte, President

ATTEST:



Scott A. Burgess, Executive Director

T A B L E O F C O N T E N T S

Description	Tab
Committee Substitute for HB 318	A
Committee Substitute for HB 319	B
Explanation of Changes	C
Original Versions of HB 318 and HB 319	D
Commissioner Hoffman letter to Representative Brown	E
Alaska Craftsman Home Building Program Summary	F
Resolutions in Support of HB 318 and HB 319	G

WORK DRAFT

WORK DRAFT

WORK DRAFT

5-1190B
Bradley
3/4/88

Original sponsors: Ellis, Koponen,
Menard, et al.

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 318 ()
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - SECOND SESSION
5 A BILL

6 For an Act entitled: "An Act relating to grants for energy efficient
7 homes."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. FINDINGS AND POLICY. (a) The legislature finds that

10 (1) high quality energy efficient building technology developed
11 by the Alaska Craftsman Home Program would substantially reduce home energy
12 consumption, improve the health and safety of the occupants, improve indoor
13 air quality, reduce the contributions of dwellings to outdoor pollution,
14 increase home durability, reduce home maintenance needs, and increase the
15 economic stability of the home owner;

16 (2) state money now being spent to subsidize energy bills, to
17 weatherize and repair poorly constructed homes, and to improve the health
18 of people affected by poor indoor air quality would be reduced or eliminat-
19 ed as existing homes are replaced by homes that are built to meet Alaska
20 Craftsman Home Program standards;

21 (3) state money now used to finance and repair homes would be
22 invested more wisely in homes that are built to meet the Alaska Craftsman
23 Home Program standards;

24 (4) local economic benefits are achieved when money being spent
25 on energy, home repair, and health are reduced because of building to meet
26 the improved building standards of the Alaska Craftsman Home Program;

27 (5) the principal responsibility for development of housing
28 rests with the private sector;

29 (6) research and development of energy efficient housing will

1 create new jobs, provide technology that can be exported, develop new
2 business opportunities, and increase the stability of the state's economy.

3 (b) It is the policy of the state to encourage the building of homes
4 that meet the energy efficient standards of the Alaska Craftsman Home
5 Program and to assist in the education, planning, and development of this
6 standard of building in cooperation with the building industry.

7 * Sec. 2. AS 18.55.998(a) is amended to read:

8 (a) There is created in the Department of Community and Regional
9 Affairs a supplemental housing development grant fund. Subject to the
10 availability of appropriations for the purpose, the department shall
11 make grants to regional housing authorities established under AS 18.-
12 55.996 for the cost of on-site sewer and water facilities, road con-
13 struction to project sites, energy efficient design features in homes,
14 and extension of electrical distribution facilities to individual
15 residences.

16 * Sec. 3. AS 44.47 is amended by adding a new section to read:

17 Sec. 44.47.378. ALASKA ENERGY EFFICIENT HOME GRANT FUND. (a)
18 There is established in the department the Alaska energy efficient
19 home grant fund consisting of money appropriated to it by the legisla-
20 ture. The commissioner shall administer the Alaska energy efficient
21 home grant fund under the provisions of this section.

22 (b) The commissioner may grant funds from the Alaska energy
23 efficient home grant fund to agencies of the state or federal govern-
24 ment, individuals, or businesses that retrofit existing single family
25 dwellings or build new single family dwellings that meet criteria
26 adopted by the commissioner.

27 (c) The commissioner shall adopt guidelines and procedures for
28 the fund after consultation with the board of directors of the Alaska
29 Craftsman Home Program.

WORK DRAFT

WORK DRAFT

WORK DRAFT

Original sponsors: Ellis, Koponen,
Menard, et al.

5-1191L
Utermohle
3/4/88

Funding Information
General Fund \$1,621,000
Other Funds -0-
\$1,721,000

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 319 ()

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making special appropriations for the Alaska
7 energy efficient home program; and providing for an
8 effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. The sum of \$261,000 is appropriated from the general fund
11 to the University of Alaska, cooperative extension service, for preparation
12 and implementation of the Alaska energy efficient home program and for
13 instrumentation and data base development for the program.

14 * Sec. 2. The sum of \$35,000 is appropriated from the general fund to
15 the University of Alaska, cooperative extension service, for research
16 activities of the Alaska energy efficient home program that have been
17 approved by the board of directors of the Alaska Craftsman Home Program.

18 * Sec. 3. The sum of \$330,000 is appropriated from the general fund to
19 the Department of Community and Regional Affairs to develop and distribute
20 educational information for the general public regarding the Alaska energy
21 efficient home program.

22 * Sec. 4. The sum of \$760,000 is appropriated from the general fund to
23 the Alaska energy efficient home grant fund in the Department of Community
24 and Regional Affairs for grants to pay the incremental cost of constructing
25 190 rural housing and urban development project homes to the standards of
26 the Alaska Craftsman Home Program.

27 * Sec. 5. The sum of \$85,000 is appropriated from the general fund to
28 the University of Alaska, cooperative extension service, for travel and
29 on-site supervision of the construction of the first home built in each of

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the housing projects funded under sec. 4 of this Act.

* Sec. 6. The sum of \$250,000 is appropriated from the general fund to the Alaska energy efficient home grant fund in the Department of Community and Regional Affairs for grants to construct one model home in each of the 15 regions established by the Department of Community and Regional Affairs for the development of residential energy conservation standards for new buildings.

* Sec. 7. The appropriations made by this Act lapse into the general fund June 30, 1990.

* Sec. 8. This Act takes effect on the effective date of an Act passed by the Fifteenth Alaska State Legislature that establishes the Alaska energy efficient home grant fund.

COMMITTEE SUBSTITUTE FOR HB 318

EXPLANATION OF CHANGES

CSHB 318:

New Title. Title has been changed to allow for a new provision in the bill which amends AS 18.55.998(a), relating to an existing grant program. The title now reads:

"An Act relating to grants for energy efficient homes."

Section 1. No changes in the findings section.

Section 2. the original Section 2. has been replaced with a new section amending AS 18.55.998(a) relating to the supplemental housing development grant fund. This fund is used to pay supplemental costs of building HUD homes in Alaska. Use of this fund is currently limited to supplementing the cost of on-site sewer and water facilities, road construction to project sites, and extension of electrical distribution facilities to individual residences. This section of the bill adds "energy efficient design features in homes" to the list of existing uses. (Current statute attached.)

This amendment was suggested by the Department of Community and Regional Affairs. (See Hoffman letter to Brown, Tab 5)

Section 3. This is the original section 2. with one change. Subsection (b) has been changed to include "agencies of the state or federal government."

The purpose of this change is to allow money appropriated to the energy efficient grant fund to be applied toward state or federal housing projects.

COMMITTEE SUBSTITUTE HB 319

EXPLANATION OF CHANGES

CSHB 319:

Section 1. The committee substitute reduces the amount appropriated to the University of Alaska cooperative extension service from \$1,615,000 to \$271,000.

As proposed by the Alaska Home Craftsman program Board of Directors, the break-down of this appropriation amount is as follows:

Preparation of Educational material for
shelter industry: \$21,000

Brochure for Realtors & Appraisers \$8,000
Brochure for Bankers 4,000
18 workshop 9,000

Development of Energy Budget Computer
Program: \$60,000

Support Training Teams: \$70,000

Annual conference with full slate
training \$20,000
Travel and Per Diem expenses 30,000
Workshop fees 40,000

Program Evaluation and Monitoring: \$110,000

\$261,000

Section 2. The committee substitute reduces the amount appropriated to the University of Alaska, Cooperative Extension Service from \$450,000 to \$35,000.

As proposed by the Alaska Home Craftsman program Board of Directors, the break-down of this appropriation amount is as follows:

Trade, High School, and college
curriculum development and im-
plementation: \$20,000

Incremental funding for demonstration
homes: \$15,000

\$ 35,000

Section 3. The committee substitute reduces the amount appropriated to the Department of Community and Regional Affairs from \$450,000 to \$330,000.

As proposed by the Alaska Home Craftsman program Board of Directors, the break-down of this appropriation amount is as follows:

TV and Radio Air Time, Newspaper Inserts	\$270,000
Direct Mailing (2 mailing x 30,000) to shelter industry & public	60,000 ----- \$330,000

Sections 4. 5. and 6. The committee substitute reduces the amount appropriated to the Department of Community and Regional Affairs in Section 4. of the original bill from \$4,500,000 to \$1,095,000.

Section 4. Incremental cost for design and construction of 190 HUD homes to the program standards	\$760,000
Section 5. Cost of on-site supervision of the first home in each area	85,000
Section 6. Cost of construction of 50 model demonstration homes statewide	250,000 -----
	\$1,095,000

TOTAL PROGRAM COST: \$1,721,000

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

- P.O. BOX B
JUNEAU, ALASKA 99811-2100
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 563-1073

February 11, 1988

The Honorable Kay Brown
Alaska State House of Representatives
P. O. Box V
Juneau, AK 99811

FEB 2 1988

Dear ^{KAY} Rep. Brown:

This is in response to your inquiry as to what options are available to address the energy concerns on this year's HUD housing standards that will not be covered by the new residential energy standard because of the nine-month moratorium.

According to Marlin Knight, Alaska's HUD representative, 277 single-family residences will be constructed in rural Alaska with HUD financing. Of that number, 190 will receive some form of State financial assistance. According to Mr. Knight, HUD will not know until May in which communities the projects will be located, but it will be in all of the rural regions. As a guide, the following are the locations of HUD projects this past year:

<u>Housing Authority</u>	<u>Location</u>	<u>No. Units</u>
Tlingit-Haida	Hydaburg	25
Northwest Inupiat	Kotzebue	25
Bering Straits	Unalakleet	15
	White Mountain	15
AVCP	Nunapitchak	15
	Aniak	24
	Tununak	11
	Pitkas Point	9
Bristol Bay	Ekwok	20
Aleutian	Unalaska	15
Metlakatla	Metlakatla	15
	Total	189

Regarding options to address the energy-efficiency of the 190 HUD homes that will be constructed with State financial assistance, the following are options that can be considered:

1. Education - This option would represent the status quo, except that education on energy-efficient conservation is being provided to the housing authorities through the Alaska Craftsman Training Program. While the housing authorities have been receptive to the information provided, their actions are limited by HUD's restriction of \$92,000 per home.

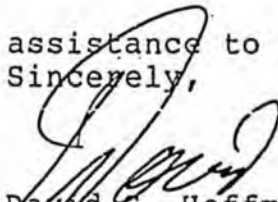
February 11, 1988

2. Amend AS 18.55.997 - The Supplemental Housing Development Grant Program matches HUD funding with State funds. Currently, the law allows the program to fund only the cost of on-site sewer and water facilities, road construction to project sites, and extension of electrical distribution facilities to individual residences. The law could be amended to include energy-efficiency in the allowable activities without necessarily needing an increase of State funding. If additional State funds are not earmarked for energy efficiency, however, this category must compete with the present categories which have been using up the funds.
3. Support the Incremental Costs of Building to the State Standard - According to our calculations, depending on the region in which the homes will be built, it will cost from \$1,279 to \$3,307 to build to the State standard over HUD's minimal standard. This would annually save \$209 to \$470, respectively, in energy costs to the low-income consumers. In FY89, this would have cost the State \$400,000 initially, and save an estimated \$94,000 annually in fuel costs (a 4.2-year payback).
4. Pay the Incremental Cost of Making the Homes Superinsulated - For an additional \$4,000, the homes could be built to reduce this energy consumption by at least 50%. This would cost the State an additional \$760,000 in 1988, but would have saved, conservatively, an estimated \$134,000 in fuel costs in the first year. (A 5.6-year paybook)

I agree with your concern regarding the energy-efficiency of new low-income rural housing. That is why we have made it a priority to work with the housing authorities on providing them technical assistance, and have adopted the residential energy standard.

I hope that the information is of assistance to you.

Sincerely,



David G. Hoffman
Commissioner

cc: Steve Baden
Program Coordinator
Conservation Programs
Department of Community and
Regional Affairs

FROM DON MARKLE, Program
Director

The Alaska Craftsman Home Program is about better built homes and people's health, safety, and comfort. The Consumer Federation of America estimates that poor indoor air pollution costs this country \$100 billion annually. Clearly, with estimates as high as 20,000 radon induced deaths a year nationally, the mitigation methods for indoor air pollution taught in the Alaska Craftsman workshops and embodied in the voluntary standards are sorely needed. Radon is only one of over 100 indoor pollutants found in homes that cost people money and affect health.

Rural Alaskans spend between 16% and 37% of their incomes on energy bills. In many cases the government pays those costs. A superinsulated Alaska Craftsman Home saves the home owner (or government) from 50% to 80% of the heating costs and could eventually reduce Alaska's home heating bill \$80,000,000 annually.

The Alaska Craftsman Home Program is designed to provide technical information for the shelter industry and citizens of Alaska through an information network of people and publications. The program has its roots in the very successful \$50,000,000 Canadian R-2000 program and is closely tied to it. ACHP has trained 24 volunteer Alaskans to conduct workshops on the technology detailed in the new Alaska Craftsman Home Building Manual.

The program is a partnership of The Department of Community and Regional Affairs, University of Alaska Cooperative Extension Service, Energy Rated Homes of Alaska, and Alaska State Homebuilders Association.

The ACHP has set a voluntary performance standard based on the latest technology. Building this way results in significantly reduced energy bills, reduced home maintenance, increased comfort, reduced noise from outside sources, and improved indoor air quality. Plans are evaluated and homes are tested to assure compliance with the standards.

Legislation is pending to appropriate ~~some~~ \$1,721,000 to the program by HB 318, 319 and SB 308. Funding is needed in the areas of program support for administration, training activities, monitoring (22%), public education (19%), and incentives (59%). All activities, including the incentives, are educational in nature and approximately 25 jobs will be created as a result of this appropriation..

The program needs state support to revitalize our housing industry and allow Alaska to compete in the international housing market. Many political, economic development, and environmental groups recognize the potential of this program and support it. A growing listing of those include:

The Alaska Municipal League -	Northwest Arctic Mayors Conference -
The Matanuska Susitna Borough -	The Kenai Peninsula Borough -
The Kodiak Island Borough -	The Municipality of Anchorage -
Fairbanks North Star Borough -	City of Koolik
City of Wasilla -	City of Kenai -
City of Anderson -	City of Soldotna -
Housing Authorities -	Association of
North Slope Borough Utilities -	The Joint Energy Task Force of Utilities -
Alaska Center for the Environment -	The American Lung Association -
Alaska State Homebuilders Association -	Interior Economic Development Council -
Mat-Su Homebuilders Association -	Interior Homebuilders Association -
The Anchorage Daily News -	Building Industry Association of Anchorage -
	The Frontiersman



Alaska Craftsman Home program

Research, demonstration and development around the world has changed the way homes are being built in Northern climates. So many technical changes have taken place that an educational network is needed to keep the building industry in Alaska informed of the advancements. With such a network the Alaska building industry can stay abreast of advancements in other parts of the world as well as other parts of the state. The Alaska Craftsman Home Program is that educational network.

The Alaska Craftsman Home Program provides a voluntary education service which today can inform homebuilders of the methods to reduce the thermal requirements of a residence. The energy savings that can be achieved is only one benefit of an education network: allowing research and field application experience to be systematically exchanged within the Alaska housing industry. The program is designed to provide:

- . technical information for the industry
- . a forum for the industry to help determine objectives for the State Finance and University Research Community.

GOAL:

The immediate goal of the Alaska Craftsman Home Program is to:

- . build thermal efficiency into the shelter industry in Alaska through education.

The long range goal of the program is to:

- . assist the Alaska shelter industry in providing the best, most appropriate and affordable shelter available.

In order to achieve these goals and to make the Alaska Craftsman Home Program work there will be a coordinated and visible effort on the part of the Alaska State Government, the University of Alaska and building industry trade associations in Alaska. The program will be a voluntary program that will establish an educational network for the shelter industry in Alaska.


DESCRIPTION:

PHASE 1

The Cooperative Extension Service and State Division of Community Development jointly initiated the program in 1986. A pilot series of building seminars were held March of 1986 in Juneau, Anchorage, and Fairbanks. One hundred three shelter industry people were introduced to the "superinsulation" building techniques through the Super Energy Efficient Home Workshop Series taught by internationally acclaimed experts. The reviews from the industry were very favorable. The program achieved its first goal, that being to secure the backing of the shelter industry in Alaska for a high quality builder education program on energy efficient building techniques.

PHASE 2

The second phase of the Alaska Craftsman Home Program began with the development of the first edition of the Alaska Craftsman Home Building Manual. The manual was developed by the Cooperative Extension Service with funding provided by the



U.S. Department of Energy, State Department of Community and Regional Affairs
Office of Energy Programs and Chugach Electric Association.

November of 1986 a select group of Alaskans associated with the shelter industry met with the Cooperative Extension Service and the manual contractor to complete the content of the Alaska Craftsman Home Building Manual. The first edition of the manual was completed March of 1987. This manual is the written guide for the Alaskan homebuilder concerning the energy efficient building technology.

The Cooperative Extension Service began to solicit and find 24 people from around the State to take part in the educational effort November of 1986. These people have since become the backbone of the Alaska Craftsman Building Program and are the industry educators for Alaska. These 24 people represent all regions of the State and are divided into 12 training teams. They came to the program with a vast amount of expertise on building homes in Alaska.

The 12 training teams have been given the knowledge, audiovisuals, materials, manuals, inspiration and a mandate to teach two day workshops on the Alaska Craftsman Building Program superinsulation building technology in their respective regions.

PHASE 3

Phase three activities will continue the educational effort through field workshops introducing the Alaska Craftsman techniques to the builders and interested people throughout Alaska. These workshops will be taught independently by the 12 Alaska training teams.

At the end of one year the training teams will come together again to critique the program. Materials, experiences and techniques will be reviewed. If necessary, the materials and program will be modified to the needs of the training teams and the clientele they serve. Techniques and experiences on retrofitting to Alaska Craftsman standards will be added to the program at this meeting and there is a possibility of rewriting the manual if warranted.

Marketing:

A marketing campaign will be developed and initiated during the phase three activities. The marketing effort will lead to the development of a specific clientele for the Alaska Craftsman Home. Successful promotion and sale of the Alaska Craftsman home will depend on communicating the benefits inherent to them. The marketing campaign will focus on six primary benefits:

- . significantly reduced energy bills
- . increased comfort
- . reduced noise from outside sources
- . improved indoor air quality
- . more durable
- . improved re-sale value

PHASE 4

The future of the program is now being developed. The goal is to establish an educational network that feeds new technology and research information to the builders in the Alaska and practical application experience and field needs to the research and product development community.

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

October 19, 1987

The Honorable Alfonse D'Amato
Ranking Minority Member
Subcommittee on Housing and
Community Development
United States Senate
520 Hart Building
Washington, DC 20510

Dear Senator D'Amato:

RE: SECTION 128 OF S.825, THE 1987 HOUSING ACT

We are strongly in support of the inclusion of \$4.7 million for a demonstration project of energy efficient housing in the above referenced Act recently passed by the U.S. House of Representatives.

As you may be aware, Alaska has had more than 500 public housing units for which low-income residents/purchasers have refused to make payments because of gross deficiencies in the design and construction. This has resulted in millions of dollars spent by the federal government to settle lawsuits and also to attempt to correct these deficiencies. This has been a real problem in Alaska due to high energy costs and low-income housing built at inadequate standards.

The state is currently working with Housing and Urban Development (HUD) to provide training to Alaska housing authorities and their staff on the latest building techniques, designs, and products for the extreme Alaska climates. This program, called the Alaska Craftsman Home Program, is strongly supported by the Alaska Homebuilders Association, and the National Center for Appropriate

October 19, 1987

Technology (NCAT), which has been providing assistance to the State of Alaska and Alaska homeowners for over seven years. The research and demonstration program in Section 128 of S.825 would allow the housing authorities to see firsthand the benefits of the energy efficient designs promoted by these groups, if Alaska is one of the four states selected.

The first low-income, two-bedroom home that NCAT designed was built in Nome, Alaska, by a private homeowner in 1981-82. The annual heating cost for this house is just over \$200, compared to the \$1,200 to \$1,500 annual cost for the same size HUD houses just a few blocks away.

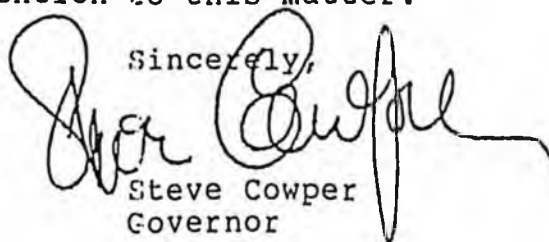
The many benefits of the improved construction standards include:

- vastly improved comfort for the occupants;
- decreased health problems (particularly for the elderly and children);
- decreased maintenance costs;
- longer building life;
- reduced outdoor air pollution;
- a greatly increased safe period before waterline freezing during the frequent power outages in Alaska; and
- affordable housing for low-income people.

For the social, economic, educational, and environmental goals within Alaska, the improved building standards should be a giant step forward.

Thank you for your attention to this matter.

Sincerely,



Steve Cowper
Governor

cc: Kathleen Hadley, NCAT

James Malapanes, President
Alaska Homebuilders Association



CITY OF ANDERSON

P.O. Box 3100 • Anderson, AK 99744 • Phone (907) 582-2500

In Reply
Refer To:

April 20, 1987

The Honorable Steve Cowper
Governor
State of Alaska
Pouch
Juneau, Alaska 99811

Dear Governor Cowper:

On behalf of the City I am writing in support of the Alaska Craftsman Home Program, (ACHP). ACHP's efforts to promote residential energy efficiency in home building construction has been impressive.

The reduction in housing costs and maximization of thermal efficiency should be a major component in any attempt to develop Alaska's rural economy(s).

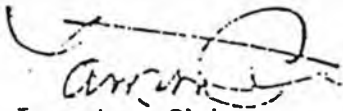
Local economic development efforts, currently underway in communities such as the City of Anderson, would be positively enhanced through the state's support of the ACHP.

Your support of programs such as the Alaska Craftsman Home Program, can help to ensure for the successful development of both rural and urban Alaska alike.

Thank you.

Sincerely,

THE CITY OF ANDERSON


Lanston Chinn
City Administrator

LC/eh

cc: Philip G. Loudon ✓



April 24, 1987

The Honorable Steve Cowper, Governor
State of Alaska
P.O. Box A
Juneau, Alaska
99811

Dear Governor,

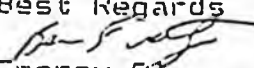
Recently we have received information regarding the Alaska Craftsman Home Program regarding education and implementation of efforts towards promoting high levels of energy efficiency for Alaskan Homes. Benefits to building super-insulated homes are far reaching encompassing home owners and the building industry, as well as having long range positive effects to community savings which assist in stimulating local economies, especially important to rural communities.

Here on the North Slope with communities paying the highest in the nation for heating fuel it is of the utmost importance to find and implement alternatives to insure our financial security for the years to come. Education for this generation and generations to come is very important. A recent state survey pointed out that the least likely way individual home owners learned about home energy efficiency was through the schools. With this in mind it is very important to establish a foundation on which to develop awareness for all alternatives available and capitalize on those alternatives that work.

The Alaska Craftsman Home Program Incentive Proposal is an idea which time has come, not for just our communities, but for all who call Alaska their "home". Development of the State of Alaska's Residential Thermal Standards brought us a long ways to promote the ideals of resource efficiency. Promotion on the commercial, community, and individual home owner level with it's development committed to education is indeed a worthwhile venture.

As Energy Planner for the North Slope Borough Utilities Dept. I support the Alaska Craftsman Home Program.

Best Regards


Energy Planner
N.S.B. Utilities

NORTH SLOPE BOROUGH

Dept. of Public Utilities • P.O. Box 69, Barrow, AK 99723 • Phone (907) 852-2511

CITY OF PALMER, ALASKA

RESOLUTION NO. 765

RECEIVED: 2072 3 1987

FEB 8 1988

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska State lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 which supports the Alaska Craftsman Home Program, and

WHEREAS, these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska and City of Palmer will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW, THEREFORE BE IT RESOLVED that the City of Palmer encourages the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program.

BE IT FURTHER RESOLVED that the City of Palmer supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar State policy and State support for the Alaska Craftsman Home Program.

Approved and adopted by the Palmer City Council this 27th day of October, 1987.



GEORGE W. CARTE, MAYOR



S. WELLS WILLIAMS, ACTING CITY CLERK

FEB 8 1988

RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE

RESOLUTION NO. 88-36

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES.

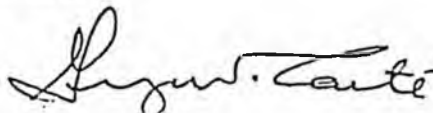
WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and, thereby, improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program;


NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Alaska Municipal League to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home program and further that the Alaska Municipal League supports legislation to establish similar state policy and state support for the Alaska Craftsman Home Program.

Adopted this 13th day of November 1987.



George W. Carte', President

ATTEST:



Scott A. Burgess, Executive Director

AMERICAN  LUNG ASSOCIATION of ALASKA

Dedicated to the prevention and control of lung disease

FEB 14 1988

RECEIVED OCT 26 1987

October 22, 1987

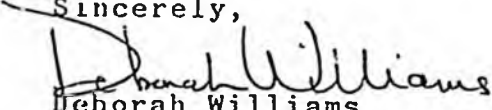
Governor Steve Cowper
P.O. Box A
Juneau, Alaska 99811

Dear Governor Cowper:

Indoor air quality is a pressing issue in Alaska. Two pending bills, HB 318 and 319, help address indoor air quality in a very practical manner through the Alaska Craftsman Home Program. Building energy efficient homes that also have healthful air quality is an important and achievable goal.

We urge your support of the Alaska Craftsman Home Program and other measures that promote indoor air quality.

Sincerely,


Deborah Williams
Executive Director

cc. Dan Markle

DW/cc

Introduced by: Sewall, Glick
Date: September 1, 1987
Action: Adopted
Vote: Unanimous

file

FEB 2 1988

RECEIVED SEP 2 1987

KENAI PENINSULA BOROUGH
RESOLUTION 87-81

IN SUPPORT OF THE ALASKA CRAFTSMAN HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, the citizens of the Kenai Peninsula Borough will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

Section 1. That it is the policy of the Kenai Peninsula Borough to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 1 DAY OF September, 1987.

ATTEST:

Jonathan W. Sewall
Jonathan W. Sewall, Assembly President

Joanne Brundage
Borough Clerk

by Catherine J. DeLoe, Dep. Clerk



April 24, 1987

The Honorable Steve Cowper, Governor
State of Alaska
P.O. Box A
Juneau, Alaska
99811

File

Dear Governor,

Recently we have received information regarding the Alaska Craftsman Home Program regarding education and implementation of efforts towards promoting high levels of energy efficiency for Alaskan Homes. Benefits to building super-insulated homes are far reaching encompassing home owners and the building industry, as well as having long range positive effects to community savings which assist in stimulating local economies, especially important to rural communities.

Here on the North Slope with communities paying the highest in the nation for heating fuel it is of the utmost importance to find and implement alternatives to insure our financial security for the years to come. Education for this generation and generations to come is very important. A recent state survey pointed out that the least likely way individual home owners learned about home energy efficiency was through the schools. With this in mind it is very important to establish a foundation on which to develop awareness for all alternatives available and capitalize on those alternatives that work.

The Alaska Craftsman Home Program Incentive Proposal is an idea which time has come, not for just our communities, but for all who call Alaska their "home". Development of the State of Alaska's Residential Thermal Standards brought us a long ways to promote the ideals of resource efficiency. Promotion on the commercial, community, and individual home owner level with it's development committed to education is indeed a worthwhile venture.

As Energy Planner for the North Slope Borough Utilities Dept. I support the Alaska Craftsman Home Program.

Best Regards
[Signature]
Energy Planner
N.S.B. Utilities

NORTH SLOPE BOROUGH

Dept. of Public Utilities • P.O. Box 69, Barrow, AK 99723 • Phone (907) 852-2611

By: Juanita Helms
Introduced: 01/14/88
Adopted: 01/21/88

RESOLUTION NO. 88-008

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES

FEB 25 1988

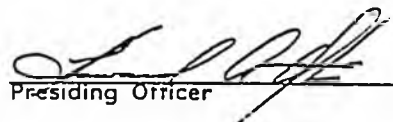
WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduced home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and thereby, improve the local economy of the State, and

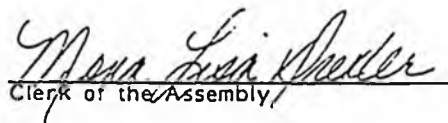
WHEREAS, the citizens of the borough will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program.

NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Fairbanks North Star Borough to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home Program and further that the borough assembly supports legislation to establish similar borough policy and borough support for the Alaska Craftsman Home Program.

PASSED AND APPROVED THIS 21ST DAY OF JANUARY, 1988.


Presiding Officer

ATTEST:


Clerk of the Assembly

file

17 1987

FEB 11 1988

CITY OF KODIAK
RESOLUTION NUMBER 51-87

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK SUPPORTING
THE ALASKA CRAFTSMAN HOME PROGRAM

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce dwellings' contribution to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, the Alaska State Legislature has introduced legislation in the form of Senate Bill 308 and House Bills 318 and 319 that support the Alaska Craftsman Home Program with the expectation that these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the City of Kodiak; and

WHEREAS, the citizens of Kodiak will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, the City of Kodiak encourages the ouilding of homes to the energy efficient standards of the Alaska Craftsman Home Program and further that the City of Kodiak supports Alaska State Senate Bill 308 and House Bills 318 and 319 to establish similar state policy and state support for the Alaska Craftsman Home Program.

PASSED AND APPROVED this 14TH day of DECEMBER, 1987.

CITY OF KODIAK

Robert Brodie
MAYOR

ATTEST:

Marcelle Dalke
CITY CLERK

MAR 04 1988

Introduced by: Mayor Jones
 Introduced: 06/02/87
 Drafted by: G.L.S.

MATANUSKA-SUSITNA BOROUGH

Resolution Serial No. 87-66

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM FOR
 REDUCED HOME ENERGY CONSUMPTION.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, in the First Session of the Fifteenth Alaska Legislature, Senate Bill 308 and House Bill 318 supporting the Alaska Craftsman Home Program were introduced, and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education, thereby contributing to the overall economy of the state and the Matanuska-Susitna Borough, and

WHEREAS, the citizens of the Matanuska-Susitna Borough will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE

1. That ~~it is~~ the policy of the Matanuska-Susitna Borough to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

2. That the Assembly supports the concepts as set out in Senate Bill 308 and House Bill 318 as introduced in the First Session of the Fifteenth Alaska Legislature to establish such a state policy and to provide support for the Alaska Craftsman Home Program.

PASSED AND APPROVED by the Assembly of the Matanuska-Susitna Borough this 2nd day of June, 1987

Dorothy A. Jones
 Dorothy A. Jones, Mayor

ATTEST:

Chris Seagraves
 Chris Seagraves, Borough Clerk
 (SEAL)

BERING STRAITS REGIONAL HOUSING AUTHORITY

Regular Meeting
of the
Board of Commissioners
April 14, 1987

Resolution 87-07

WHEREAS, high heating bill remain the greatest drain on income for Rural Alaska Residents, and

WHEREAS, programs such as the Low Income Household Energy Assistance Program (LIHEAP) and Power Cost Equalization (PCE) help Rural Alaska residents pay energy bills, and

WHEREAS, even with these programs, many low income Rural Alaska residents must use large amounts of their limited cash to buy heating oil, and

WHEREAS, new high efficiency heating equipment could reduce oil consumption in thousands of rural homes by 30 - 50% , and

WHEREAS, these high efficiency units cost \$500 to \$1,000 and most Rural Alaska residents do not have sufficient capital to purchase these units,

NOW THEREFORE, be it resolved that the Board of Commissioners of the Bering Straits Regional Housing Authority support the idea of the State of Alaska establishing a Low Interest Revolving Loan Fund that would enable people to reduce their heating oil consumption and save money;

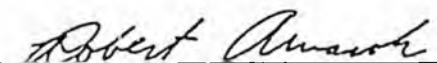
Passed and approved by the Board of Commissioners of the Bering Straits Regional Housing Authority this 14 day of April, 1987.



Chairman (Harold Bell)

SEAL

Attest:



Secretary (Robert Amarok)

FEB 29 1988

Sponsored by: Gieseler

CITY OF SEWARD, ALASKA
RESOLUTION NO. 87-079

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SEWARD, ALASKA, IN SUPPORT OF THE ALASKA CRAFTSMAN
HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs and increase the economic stability of the owner; and

WHEREAS, in the First Session of the Fifteenth Alaska Legislature, Senate Bill 308 and House Bill 318 supporting the Alaska Craftsman Home Program were introduced; and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education, thereby contributing to the overall economy of the state and the city of Seward; and

WHEREAS, the citizens of the city of Seward will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, that:

Section 1. It is the policy of the city of Seward to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

Section 2. The City Council supports the concepts as set out in Senate Bill 308 and House Bill 318 as introduced in the First Session of the Fifteenth Alaska Legislature to establish such a state policy and to provide support for the Alaska Craftsman Home Program. ..

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, this 14 day of September, 1987.

FEB 26 1988

By: Juanita Helms
Introduced: 01/14/88
Adopted: 01/21/88

RESOLUTION NO. 88-008

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES

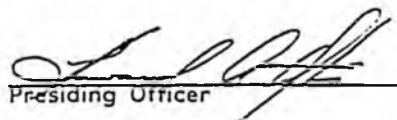
WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduced home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and thereby, improve the local economy of the State, and

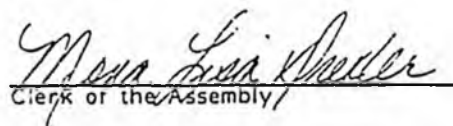
WHEREAS, the citizens of the borough will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program.

NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Fairbanks North Star Borough to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home Program and further that the borough assembly supports legislation to establish similar borough policy and borough support for the Alaska Craftsman Home Program.

PASSED AND APPROVED THIS 21ST DAY OF JANUARY, 1988.


Presiding Officer

ATTEST:


Clerk of the Assembly

International Conference of Building Officials

Alaska Southeast Chapter

POSITION PAPER SB-308 HB-318
ENERGY EFFICIENT BUILDING TECHNOLOGY

Our members support this bill and all efforts to achieve affordable well built housing in Alaska.

The standards of the Alaskan Craftsman Home Program represent the latest in scientific technology adapted to our unique climatic and economic conditions. Homes built to these standards will be healthier, less expensive to maintain and more durable than other housing units.

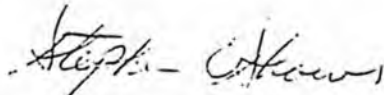
Creation of this fund will provide needed employment in the construction industry. This program could dramatically reduce the energy consumption of both new and existing dwellings in the State.

Local economies will benefit from the increase in disposable income which these energy savings will provide. Increased employment and improved general health of the population will contribute to long term economic stability.

These housing units are the legacy we will leave to future generations. Our innovations and courage will be appreciated now and for many years to come.

We request your continued support in this effort.

Sincerely,



Stephen O. Shows
President

FEB 16 1988

ASSOCIATION OF ALASKA HOUSING AUTHORITIES

RESOLUTION NO. 87-9

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska State lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 which supports the Alaska Craftsman Home Program, and

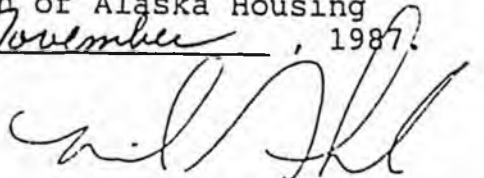
WHEREAS, these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW THEREFORE BE IT RESOLVED that the Association of Alaska Housing Authorities encourages the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program.

BE IF FURTHER RESOLVED that the Association of Alaska Housing Authorities supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar State policy and State support for the Alaska Craftsman Home Program.

Approved and adopted by the Association of Alaska Housing Authorities this 24 day of November, 1987.


Mike Shuler, President


Flo Dicob, Secretary

FEB 20 1988

RECEIVED FEB 18 1987

Suggested By: City Council

CITY OF KENAI

RESOLUTION 87-57

A RESOLUTION OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, SUPPORTING THE ALASKA CRAFTSMAN'S HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION CONCEPT.

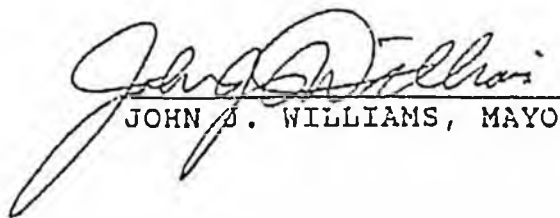
WHEREAS, in the first session of the Fifteenth Alaska Legislature, SB 308 and HB 318 supporting the Alaska Craftsman's Home Program were introduced, and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education thereby contributing to the overall economy of the state, the Kenai Peninsula Borough and the City of Kenai, Alaska, and

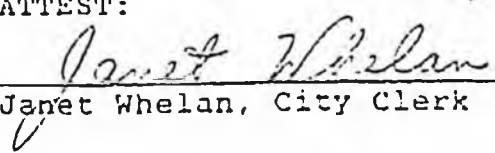
WHEREAS, ~~the Alaska Craftsman's Home Program will be benefitted economically by reducing home energy consumption, they will also be benefitted by improved health and safety of such constructed dwellings, the indoor air quality will be improved and their home maintenance needs will be decreased.~~

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, that said Council supports the concepts as set out in SB 308 and HB 318 as introduced in the first session of the Fifteenth Alaska Legislature to establish a state policy and to provide support for the Alaska Craftsman's Home Program.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 2nd day of September, 1987.



JOHN J. WILLIAMS, MAYOR

ATTEST:


Janet Whelan, City Clerk

Comments on CHHB 318 and CSHB 319

(12)
(CS) HB 318

My intent in introducing house bills 318 and 319 was to set up a program which would educate the public and the building industry about existing energy efficient technologies, provide incentives to builders to learn and incorporate the technology into their building standards, and to save the state some of the money it would otherwise have to put into weatherization and power cost equalization programs.

I will be addressing the committee substitutes you have before you in Tab A of your green packets.

CSHB 318, which creates the Energy Efficient Home Grant Fund, has been modified to facilitate use of state funds on HUD projects. This year, 272 HUD homes will be built in Alaska. 190 of these homes will be eligible for supplemental state funding to make up the difference between the \$92,000 HUD maximum per home and the cost of construction in rural Alaska. The remaining 82 will be eligible for municipal and borough assistance.

Currently, HUD projects are built to national standards and operate at very low energy efficiency in Alaska.

Because the regional housing authorities responsible for building the 190 HUD homes are limited by the \$92,000 restriction per home, the state has created a "supplemental housing development grant program" which matches state funds with HUD funding. By statute, this money is restricted to three uses: 1) on-site sewer and water facilities, 2) road construction to the HUD project sites, and

3) extension of electrical distribution facilities to individual residences.

The title change and the new Section 2. of CSHB 318 will expand the use of monies appropriated to this fund in the future to include the incremental cost of building to energy efficient standards.

Please see option 2 on page two of the letter Commissioner Hoffman sent to Representative Brown on February 11th. Commissioner Hoffman explains the existing program and suggests it be amended as I have done in CSHB 318. (This letter is Tab E of the green packet.)

This change will give the state the option of funding for energy efficiency on future HUD projects should appropriations be made for the purpose.

The committee substitute for HB 319 contains an appropriation for these HUD homes. If you will consult option 4 on page two of the Hoffman/Brown letter, you will see that a \$760,000 appropriation will cover the cost of building this year's 190 HUD homes to energy efficient standards. This will save, conservatively, an estimated \$134,000 in fuel costs in the first year. Hoffman projects a 5.6 year payback on this investment.

The reason CSHB 319 appropriates the \$760,000 for design and construction of these 190 HUD homes to the energy efficient home building grant program instead of the amended supplemental housing development grant program is that the housing authorities will need the assistance of the current craftsmen program administrators and trainers on this initial implementation of the program.

This is also the reason for the \$85,000 appropriation in Section 5. for on site supervision of the first home built on each project site.

In other words, for this year's projects, the appropriation should be made through the energy efficient home building grant program established in CSHB 318, while future HUD project needs may be met through appropriations to the Supplemental Housing Development Grant Program as amended by CSHB 318.

The other difference between CSHB 319 and the original version of the bill is that each appropriation in CSHB 319 has been changed to reduce funding to the amount necessary for one budget cycle. The original version was designed to fund the program for three years.

Miscellaneous aspects of each section were deleted based on the priorities of the Alaska Craftsmen board of directors. An explanation of the new numbers is included under Tab C in the green packet.

The amount appropriated to the incentive program itself has been reduced to (1) cover the cost of the 190 HUD homes I have already explained and, (2) to encourage the private construction of 50 model demonstration homes throughout the state.

At least one home will be built in each of the 15 regions established by the Department of Community and Regional Affairs for the development of residential energy conservation standards for new buildings. Funding for another 35 model homes will be distributed to areas where they will be of most benefit as models for consumers and builders.

for CRA

(13 a) (S) HB 318

3511 Tanglewood #A
Anchorage, AK 99517
March 14, 1988

MAR 17 1988

Representative Heinrich Springer
Alaska State Legislature
P.O. Box V (MS 3100)
Juneau, Alaska 99811

Dear Representative Springer:

I am writing you concerning the state's Energy Conservation Standard for New Residential Buildings.¹ This standard requires homes that are built with state financing or assistance to meet a minimum level of energy efficiency. The development of the standard was initiated by Alaska Statute 46.11.040, and the standard was to be implemented on January 1 of this year. However, the Department of Community and Regional affairs has issued a 9 month implementation moratorium due to pressure from the building industry. The building industry is continuing their opposition to this standard and hopes to delay implementation further, possibly through legislation this session. I urge you to oppose any such implementation delay.

If the housing marketplace were to work in an economically efficient manner, we would be living in very energy efficient homes. Economic analyses to determine optimal insulation levels in homes indicate that homes built in rural Alaska should have a foot of insulation in the walls and almost 2 feet in the attic. For Anchorage optimal construction would entail walls better insulated than 2 x 6 walls, and windows with at least 3 panes of glass. Unfortunately, without government intervention, the marketplace produces very few of these homes. Consumers and builders are poorly informed as to the savings and costs of energy efficient construction, and too much emphasis is placed on the initial cost of the home.

One way to address these market imperfections is to implement an energy conservation standard. They are common throughout the U.S. and the rest of the world, and the Alaska legislature was wise in deciding that such a standard would be appropriate for the coldest state in the union. A number of builders, however, have not seen the wisdom of the standard.

One of the builders' arguments against the standard is that the extra costs of meeting the standard are not recouped over the life of the house in energy savings. In the development of the standard, DCRA addressed this issue extensively. Builders were hired to estimate costs of energy-efficient construction, and economists calculated the value of the energy savings over

¹I am employed as an energy specialist for the Rural Alaska Community Action Program (RurAL CAP), and I own Analysis North, an energy consulting firm. Part of my work with Analysis North has involved energy policy research for the Governor's Energy Policy Task Force.

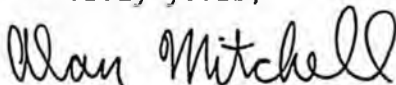
the life of the home. The standard was set so that the benefits significantly exceeded the extra costs of construction. To convince myself, I worked with a builder to estimate the extra costs of meeting the Anchorage standard (2x6 walls, triple pane windows, etc.) over and above conventional construction (2x4 walls, double-pane windows, etc.) We estimated a \$2,000 extra cost. We also estimated the present value of the savings over the life of the home to be \$4,000. Thus, the home that meets the energy conservation standard provides a \$2,000 net benefit relative to conventional construction in Anchorage. The net benefit per home due to the standard in other parts of the state would be higher because of higher energy costs and colder temperatures.

Another argument from the builders is that the extra initial costs will reduce the number of buyers that will qualify for a home. Due to the recent initiation of the Energy Mortgage Valuation (EMV) program, this situation need not occur. Through participation in this program a home is rated as to its energy efficiency. Lenders utilize the ratings to adjust the debt-to-income criteria for potential buyers. The result is that the level of thermal efficiency required by the standard allows buyers to qualify for an additional \$4,000 on their mortgage, substantially in excess of the extra cost required to build the more efficient home. Through the Energy Mortgage Valuation program, there will be more qualified buyers for an energy-efficient home than for a similarly-sized inefficient home.

Finally, the builders have claimed that building "tight" homes will worsen indoor air quality. That statement is true if no mechanical ventilation system is installed in the home to mitigate the problem. The energy conservation standard requires that mechanical ventilation be installed in homes except in Southcentral and Southeast Alaska. The requirement was dropped in these areas because of opposition to it from builders, the same group now worried about indoor air quality. Indoor air quality is an important concern. It will be a problem even if the standard is not implemented. The best solution is to change the standard to require mechanical ventilation systems in new homes for all areas of the state. Montana builders have installed low cost ventilation systems for \$200 - \$500 per home.

Alaska needs an energy conservation standard for new homes. Had we implemented such a standard before the last housing boom, the benefits would have been substantial. About 80,000 homes have been built since 1978. Assuming \$2,000 of net present value benefit from energy efficient construction, the opportunity for \$160 million of net benefit was lost by not having had an energy conservation standard in place during these past 10 years. Compare this to the \$45 million net benefit expected from the Bradley Lake Hydroelectric project, another type of energy project. We can wait no longer for the energy conservation standard. Please urge its swift implementation.

Sincerely yours,



Alan Mitchell

cc: all legislators and the Governor



(136)(CS) HB 318

MAR 11 1988

Alaska State Legislature

Please enter into the record my testimony to the House
COMMUNITY & REGIONAL AFFAIRS
committee name _____

committee on HB 318 & 319 , dated 3-9-88
bill/subject

Rep. Springer,
Please register my support of both
HB 318-319 establishing the Alaska Craftsmen
Home Program. \$1,621,000 is not very much
money when you travel the state and see so many
poorly constructed houses and so few that are well
built with technology proper for the climate. The
facts are that the largest single investment is on a
home, most of our lives are spent in our homes and
how we perceive our living conditions, dictate how
we view our Alaskan experience. Hence - Alaska
is a much kinder place when you live in
an Alaska Craftsmen Home. I live in one
and my small 4200 square feet house
heats for between 3-400 dollars each year.
Thank you for considering my testimony -

Signed: Philip C. London
Testifier

NORTCH
Representing (Optional)

Box 2701 FAIRBANKS, AK 99707
Address

457-2844
Phone No.



Alaska State Legislature MAR 11 1988

Please enter into the record my testimony to the H CRA
 committee name
 committee on ACHP 318/319, dated 3/9/88
 bill/subject

I've been building in Alaska for the last twenty years or so and have been very interested in energy efficient building for the last ten years.

I attended the first workshop in Fairbanks last year and was so impressed that I've given my crews time off to take the workshop.

I urge you to fund this program to continue the education of builders & consumers to improve the housing stock in AK.

Signed: Michael J. Mueck
 Testifier

ESTER CONSTRUCTION

Representing (Optional)

P.O. BOX 161 ESTER, AK 99725

Address

479-6190 w 479-5336H

Phone No.

MAR 11 1988



Alaska State Legislature

Please enter into the record my testimony to the HC and RA

committee name

committee on Crafts - 1000
Alaska Home Program, dated 3-9-88
bill/subject

Three years ago I built my home with a lot of advice from one of the people now involved in this program. Wall thickness, R-values, number of windows and window placement was all reviewed before I started construction. I now live in a home that cost me @ \$50,000 per year, not per month. I believe that if I had built the house according to my original plans my heating costs would be considerably higher today. With the economy in the shape it is in, I don't think I would have been able to keep my home, if I were to have to pay higher heating costs. I support HB 318 and 319

Thank you

Signed: Marton P. Wubbold Marton P. Wubbold

Testifier
Self

Representing (Optional)

P.O. Box 60773 Fairbanks Alaska 99706

Address:

457-603

Phone No.

MAR -7 1988

RECEIVED NOV 24 1987

WtH Jm / CRA
13e (CS) HB 318

KODIAK ISLAND BOROUGH
RESOLUTION NO. 87-71-R

A RESOLUTION OF THE KODIAK ISLAND BOROUGH ASSEMBLY SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy construction, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, Alaska state lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 that support the Alaska Craftsman Home Program. And that these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the Kodiak Island Borough; and

WHEREAS, the citizens of the Kodiak Island Borough will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program.

NOW, THEREFORE, BE IT RESOLVED by the Kodiak Island Borough Assembly that it is the policy of the Kodiak Island Borough to encourage the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program;

AND BE IT FURTHER RESOLVED that the Kodiak Island Borough supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar state policy and state support for the Alaska Craftsman Home Program.

PASSED AND APPROVED this 5 day of November, 1987.

KODIAK ISLAND BOROUGH

By Jerry H. Selby
Borough Mayor

By Don W. [Signature]
Presiding Officer

ATTEST:

By Raymond [Signature] Clerk
Borough Clerk

Sp / CRA

PLA
(13 F) (CS) HB 318

Introduced by: Mayor Jones
Introduced: 06/02/87
Drafted by: G.L.S.

MAR - 4 1988

MATANUSKA-SUSITNA BOROUGH

Resolution Serial No. 87-66

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, in the First Session of the Fifteenth Alaska Legislature, Senate Bill 308 and House Bill 318 supporting the Alaska Craftsman Home Program were introduced, and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education, thereby contributing to the overall economy of the state and the Matanuska-Susitna Borough, and

WHEREAS, the citizens of the Matanuska-Susitna Borough will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE

1. That it is the policy of the Matanuska-Susitna Borough to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

2. That the Assembly supports the concepts as set out in Senate Bill 308 and House Bill 318 as introduced in the First Session of the Fifteenth Alaska Legislature to establish such a state policy and to provide support for the Alaska Craftsman Home Program.

PASSED AND APPROVED by the Assembly of the Matanuska-Susitna Borough this 2nd day of June, 1987.

Dorothy A. Jones
Dorothy A. Jones, Mayor

ATTEST:
Chris Seagraves
Chris Seagraves, Borough Clerk
(SEAL)



The Alaska Craftsman Home Program is about better built homes and people's health, safety, and comfort. The Consumer Federation of America estimates that poor indoor air pollution costs this country \$100 billion annually. Clearly, with estimates as high as 20,000 radon induced deaths a year nationally, the mitigation methods for indoor air pollution taught in the Alaska Craftsman workshops and embodied in the voluntary standards are sorely needed. Radon is only one of over 100 indoor pollutants found in homes that cost people money and affect health.

Rural Alaskans spend between 16% and 37% of their incomes on energy bills. In many cases the government pays those costs. A superinsulated Alaska Craftsman Home saves the home owner (or government) from 50% to 80% of the heating costs and could eventually reduce Alaska's home heating bill \$80,000,000 annually.

The Alaska Craftsman Home Program is designed to provide technical information for the shelter industry and citizens of Alaska through an information network of people and publications. The program has its roots in the very successful \$50,000,000 Canadian R-2000 program and is closely tied to it. ACHP has trained 24 volunteer Alaskans to conduct workshops on the technology detailed in the new Alaska Craftsman Home Building Manual.

The program is a partnership of The Department of Community and Regional Affairs, University of Alaska Cooperative Extension Service, Energy Rated Homes of Alaska, and Alaska State Homebuilders Association.

The ACHP has set a voluntary performance standard based on the latest technology. Building this way results in significantly reduced energy bills, reduced home maintenance, increased comfort, reduced noise from outside sources, and improved indoor air quality. Plans are evaluated and homes are tested to assure compliance with the standards.

Legislation is pending to appropriate \$1,721,000 to the program by HB 318, 319 and SB 308. Funding is needed in the areas of program support for administration, training activities, monitoring (22%), public education (19%), and incentives (59%). All activities, including the incentives, are educational in nature and approximately 25 jobs will be created as a result of this appropriation..

The program needs state support to revitalize our housing industry and allow Alaska to compete in the international housing market. Many political, economic development, and environmental groups recognize the potential of this program and support it. A growing listing of these include:

The Alaska Municipal League -	Northwest Arctic Mayors Conference -	
The Matanuska Susitna Borough -	The Kenai Peninsula Borough -	
The Kodiak Island Borough -	The Municipality of Anchorage -	
Fairbanks North Star Borough -	City of Kodiak -	City of Palmer -
City of Wasilla -	City of Kenai -	City of Seward -
City of Anderson -	City of Soldotna -	Association of
Housing Authorities -	The Joint Energy Task Force of Utilities -	
North Slope Borough Utilities -	The American Lung Association -	
Alaska Center for the Environment -	Interior Economic Development Council -	
Alaska State Homebuilders Association -	Interior Homebuilders Association -	
Mat-Su Homebuilders Association -	Building Industry Association of Anchorage -	
The Anchorage Daily News -	The Frontiersman -	AVEC - ML&P - AKPirg



CITY OF WASILLA

290 E. HERNING AVE.
WASILLA, ALASKA 99687
PHONE: 373-9050



WASILLA
A Bicentennial
Community

Requested By: Councilman Welsh
Prepared By: Clerk's Office

RESOLUTION NO. W87-I-2

A RESOLUTION OF THE CITY OF WASILLA, ALASKA ENCOURAGING THE BUILDING OF HOMES TO THE ENERGY EFFICIENT STANDARDS OF THE ALASKA CRAFTSMAN HOME PROGRAM AND IN SUPPORT OF SB 308 AND HB 318 AND 319.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, Alaska state lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 that support the Alaska Craftsman Home Program, and that these bills will help improve and stimulate the home building industry in Alaska through incentives and education and thereby improve the local economy of the State; and

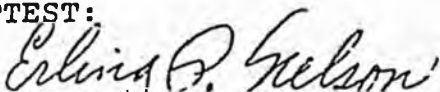
WHEREAS, the citizens of the State of Alaska and the City of Wasilla will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program;

NOW THEREFORE BE IT RESOLVED, that it is the policy of the City of Wasilla to encourage the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program; and

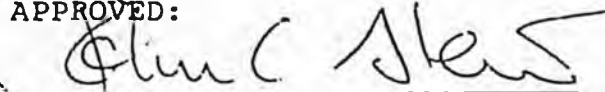
BE IT FURTHER RESOLVED, that the City of Wasilla supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar state policy and state support for the Alaska Craftsman Home Program.

I certify that a resolution in substantially the above form was passed by a majority of those voting at a duly called and conducted meeting of the governing body of the City of Wasilla this 14 day of December, 1987.

ATTEST:


ERLING P. NELSON, CMC
City Clerk

APPROVED:


JOHN C. STEIN, Mayor

(SEAL)

15 HB 318

3111 "C" STREET, SUITE 455
ANCHORAGE, ALASKA 99503
(907) 561-7628

ALASKA STATE HOUSE
OFFICE OF MAJORITY WHIP

CO-CHAIR
HEALTH, EDUCATION & SOCIAL SERVICES

LABOR & COMMERCE
SUBCOMMITTEE ON FOREIGN TRADE

WHILE IN SESSION
P.O. BOX V
JUNEAU, ALASKA 99811
(907) 465-3704

REPRESENTATIVE JOHNNY ELLIS

M E M O R A N D U M

TO: David Harrison, Aide
House Community and Regional Affairs Committee

FROM: Rep. Ellis *JE*

RE: CS HB 318 and CS HB 319

DATE: March 21, 1988

I have forwarded a copy of a letter I received as follow up from the Housing Assistance Division of DC&RA. Please note that the letter substantiates the division's ability to incorporate energy efficiency into the application of Supplemental Housing Development monies to HUD projects.

Please distribute copies of the letter to committee members.

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

HOUSING ASSISTANCE DIVISION

MAR 1 1988

March 18, 1988

The Honorable Johnny Ellis
P.O. Box V
Juneau, Alaska 99811

Dear Representative Ellis:

We are pleased to provide you with the information Debra Bonito of your staff requested by telephone on March 11, 1988. She requested information regarding the Supplemental Housing Development program administered by the Department of Community and Regional Affairs (DCRA). Her requests were in regard to the thermal standards requirement for future construction of U.S. Department of Housing and Urban Development (HUD) funded housing which we supplement with the Supplemental Housing Development funds.

The information she requested includes:

1. Budget level;
2. Application process;
3. How the funds are tracked currently;
4. Additional funding needed to meet thermal standards; and
5. How we would track additional funds.

1. Budget level;

Our budget level each fiscal year is basically determined by two things:

- A. Dependent upon the number of housing units allocated to the regional housing authorities in Alaska each year by HUD. This program provides a maximum of 20 per cent of HUD's total development cost, or \$18,440 per unit. HUD's total development cost per unit is \$92,200. Therefore, if HUD's allocation is 200 units they would require \$3,688,000 from this program. HUD's total development cost for those units would be \$18,440,000. This supplemental program can only

STEVE COWPER, GOVERNOR

949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508
PHONE: (907) 561-0900

P.O. BOX B
JUNEAU, ALASKA 99811
PHONE: (907) 465-2267

P.O. BOX 295
DILLINGHAM, ALASKA 99576
PHONE: (907) 842-2245

P.O. BOX 350
KOTZEBUE, ALASKA 99752
PHONE: (907) 442-3675

P.O. BOX 348
BETHEL, ALASKA 99559
PHONE: (907) 543-3864

1514 CUSHMAN STREET, ROOM 206
FAIRBANKS, ALASKA 99701
PHONE: (907) 452-4468

P.O. BOX 41
NOME, ALASKA 99762
PHONE: (907) 443-2655

STATEWIDE TOLL FREE
PHONE: 800-478-4585

Representative Johnny Ellis
March 18, 1988
Page Two

be used to provide funding for water and sewer facilities, roads and electrical distribution facilities to the project site only for housing projects approved for development to the regional housing authorities in Alaska by the U.S. Department of HUD.

- B. The second criteria used in determining our budget level is the state's revenue projections and the funding levels approved for capital projects. We balance between what we need and what is available, and when our budget is short, for the number of units HUD has requested funding for, we work in cooperation with HUD because they can not fund a project in rural Alaska without this state supplement.

2. Application Process:

HUD provides us with a list each year of the housing authority communities and number of housing units they will provide construction funds to. We coordinate with HUD in making our commitments because HUD cannot commit without assurance of our supplement. We then notify each housing authority formally with a letter from the Commissioner of DCRA of our commitment. This letter states the location, number of units and total funding from us. A grant agreement containing a budget of federal funds, state funds, and a copy of each of the contracts for development of a project is provided us. This includes construction contract, water and sewer, road and electric contracts. If a project cannot be developed for one reason or another (i.e., land title, cost prohibitive, etc); we uncommit the funding in cooperation with HUD and commit it to another project on the waiting list.

3. How the funds are tracked currently:

We maintain a master list showing each project and the funding, as well as an individual list for each fiscal year. These lists are on computer and show location, number of units, housing authority, and amount allocated for each. As payments are made, projects completed and closed out, this is recorded on the individual year and master list. Additionally, we maintain a separate file for each housing authority

Representative Johnny Ellis
March 18, 1988
Page Three

and village. This file contains a copy of their HUD allocation letter, correspondence, grant award, grant agreement and contracts, and quarterly development cost statements which we review. We close the project out upon receipt and approval of an audit certified by a CPA.

4. Additional funding needed to meet thermal standards:

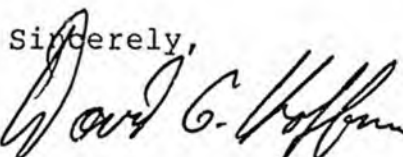
Our conversations with HUD architects and the housing authorities show that we would need approximately \$4,500 per unit to meet the thermal standards requirements. This would be an increase from \$18,440 per unit to \$22,940 per unit in the supplemental program.

5. How we would track additional funds:

We would include an additional budget item in our grant agreements; record each in our current tracking system; and monitor each project as we do now. Additionally, a new section would be added to the grant agreement and we would require assurance from HUD and the housing authorities of their compliance in use of the funding for the thermal standards.

I hope the above satisfies your request for information; if you should require any additional information, please be sure to contact myself or Kay Graham in our Anchorage office, at 561-0900.

Thank you.

Sincerely,

David G. Hoffman
Commissioner

State energy conservation programs for the homeowner and builder

How does one build a home in Alaska? Alaska's climate varies from relatively mild maritime environments swimming in humidity with 7,000 heating degree days to wind swept arctic deserts with 22,000 heating degree days. Housing failures are immediate and dramatic in Alaska. The problem is how to build correctly in the various environments considering both the laws of physics and economics. And the solution is different for each climatic zone.

In most Alaskan communities, the demand for energy is placing a serious strain on the local economy. This is particularly true in rural communities which are subsistence based. The cost of energy is a constant drain on the local economy with money being sent out to petroleum suppliers rather than being circulated within the community. The burden that energy cost places upon the family is illustrated by the fact that rural Alaskans spend between 16% and 37% of their incomes on energy bills. It is clear that conservation has a key role to play in the state's economic development strategy as well as energy policy.

In Alaska, Government is taking a three program approach to the shelter industry regarding residential energy efficiency. The state provides a stick, a carrot and a vision.

Energy conservation works, the question becomes how to get the conservation technology adopted into the mainstream of the shelter industry. In government the natural tendency is to hammer the message home with codes. Observing the efforts in other states and the heavy industry resistance, Alaska decided to involve the private sector in the actual development of a state thermal code.

The state initiated the process by establishing an advisory committee with members representing builders, contractors, architects, engineers, bankers, code officials, and government. The committee made the key decisions in developing the standards. This allowed Alaska to find the fatal flaws prior to implementation and develop a constituency. The committee broke the state into geographically determined regions and developed though computer analysis determined the most cost effective insulation strategies for each region. The committee then determined what was economically and politically the minimal standards for each region. The committee also chose to apply the codes only to state subsidized finance programs. Objections were minimized since the state is subsidizing mortgage programs and it could be argued that the state has a 30 year interest in the homes being financed. The state programs finance nearly 75% of all home mortgages in the state so the codes will certainly impact the industry. This was the stick to move the industry forward toward conservation building practices. Yet the state wanted to win those opposed to the codes over as well.

Next the state embraced the Energy Rated Home Program. This is a program that qualifies home buyers for a larger percentage of their gross income for home mortgages on energy efficient homes. The program can increase the debt ratio up to 4 percentage points. This allows the buyer to purchase a more expensive home. This is the carrot of the energy conservation program.

The state used the same industry partnership approach to develop the program. An advisory committee was established with representatives of the appraisers, bankers, Realtors, utilities, local governments as well as the state mortgage bankers association. Energy Extension Service and Energy Conservation Program funds were

used to develop rating sheets, train bankers and appraisers, and provide the first years generic marketing of the program. The computer program that was developed and used to analyze the thermal codes was used to establish the incentive breaks for the Energy Rated Homes program. Energy Rated Homes provides a valuable and consistent measure of the efficiency of a home.

Both the carrot and stick have moved the industry with their own help forward, but where does everyone want to go?

The Alaska Craftsman Home Program is the way we have unleashed the creativity of our progressive builders and designers and at the same time created a method to share the knowledge they will gain. This program provides the vision of the industry.

Within the bureaucracy this program presents the most difficult challenges and the greatest opportunities. To carry out an ambitious program such as the Alaska Craftsman Home Program it was clear that more resources and support were necessary than one agency could provide. The Department of Community and Regional Affairs had the experience and data base as a result of the efforts of putting together the thermal standards and participation in the energy rated homes program. The Cooperative Extension Service had the education background and an unbiased and technically sound reputation. The Cooperative Extension Service also had the trust of both the industry and private citizens alike, bridging an important gap there. The Alaska state Homebuilders Association had the political clout and network with the home builders across the state.

At first glance the relationships were not clear and some lingering suspicions from the regulatory experience had to be dispelled. Common ground was found with leadership provided by the neutral Cooperative Extension Service. The Cooperative Extension Service put together the program to achieve each of the groups interests. The state wanted to encourage energy efficient construction, the Cooperative Extension Service wanted to initiate a statewide builder education program, and the Home builders wanted a stimulus for the ailing building industry, state-of-the-art information and a way to mitigate the apparent economic damage of new thermal regulation.

a great deal of effort has gone into establishing the program. Some credit has to be given to a convenient recession, and the right people in the right place at the right time for successes to date.

The thermal standards now establishes the minimal thermal levels, the Energy Rated Home Program initiates a graduated incentive program to reward people for pursuit of the state-of-the-art with the optimum being the Alaska Craftsman Home. The education program for each of the three programs is based around the state-of-the-art Alaska Craftsman Home.

The Alaska Craftsman Home Program is designed to change their standard as new information is gathered, to assure that this optimal voluntary program remains state-of-the-art. The three programs are all based on the 2 1/2 years of research the Department of Community and Regional Affairs, and Institute of Social and Economic Research did to establish the thermal standards and analysis through the AKWARM computer program. The minimal thermal standards and Alaska Craftsman are the lower and upper limits of economically viable thermal performance in Alaska. The Energy Rated Home Program measures any and all homes to see how they rate in comparison to the two standards (minimal and optimal) that have been established.

6830 Sherwood Ave
Anchorage, AK 99504
March 16, 1988

fw / DCRA
f.c.

(17) HB 318

MAR 22 1988

Representative Heinrich Springer
Alaska State Legislature
P.O. Box V (MS 3100)
Juneau, AK 99811

Dear Representative Springer:

I urge you to oppose any attempt to delay the implementation of the state's Energy Conservation Standard for New Residential Buildings. This standard requires that new homes built with state financing or assistance, meet a minimum level of energy efficiency.

The Department of Community and Regional Affairs has already delayed the implementation of these standards for nine months due to pressure from the building industry. This is after the building industry helped to develop the standards.

I worked at the California Energy Commission when California was developing its building conservation standards. I was the Solar Office representative to the building standards team. The same thing happened in California that is happening here in Alaska. Although the industry had helped to develop the standards and even though they could raise no technical reason for delaying the standards, they approached the legislature for political relief from the standards. I understand that this has happened in most states where conservation building standards have been developed.

In Alaska I have performed residential and commercial energy audits for each of the Anchorage utilities. From the audits that I have performed, many on homes built within the last five years, Alaska's homeowners are not being served well by the current levels of conservation being built into new homes, and their utility bills are high and getting higher. If the state does not implement the standards now, it will be faced with upgrading homes built now as utility rates climb. Also, if the standards are implemented now, the construction industry will be able to incorporate the changes while building is slow.

Although the new standards will increase the cost of new homes, the Energy Mortgage Valuation (EMV) program will actually allow more potential homeowners to qualify for the homes, because the reduced utility bills are taken into account when calculating the debt-to-income ratio.

Delaying the state's Energy Conservation Standard for New Residential Buildings, will not benefit the State of Alaska or Alaskan consumers. Again I urge you to not delay the implementation of these standards.

Sincerely yours,



Ed West

cc: all legislators and the Governor