

HB

306

<target><bill>HB 306</bill><subject>HB
306</subject><comm>HENE26</comm></target>

4/17/10
Adopted

26-LS1049\N
Kane
4/14/10

SENATE CS FOR CS FOR HOUSE BILL NO. 306(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): HOUSE SPECIAL COMMITTEE ON ENERGY

A BILL

FOR AN ACT ENTITLED

1 **"An Act declaring a state energy policy."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 *** Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
4 to read:

5 **LEGISLATIVE INTENT.** It is the intent of the legislature that

6 (1) the state achieve a 15 percent increase in energy efficiency on a per capita
7 basis between 2010 and 2020;

8 (2) the state receive 50 percent of its electric generation from renewable and
9 alternative energy sources by 2025;

10 (3) the state work to ensure a reliable in-state gas supply for residents of the
11 state;

12 (4) the power project fund (AS 42.45.010) serve as the main source of state
13 assistance for energy projects;

14 (5) the state remain a leader in petroleum and natural gas production and
15 become a leader in renewable and alternative energy development.

1 * Sec. 2. AS 44.99 is amended by adding a new section to read:

2 **Sec. 44.99.115. Declaration of state energy policy.** The State of Alaska
3 recognizes that the state's economic prosperity is dependent on available, reliable, and
4 affordable residential, commercial, and industrial energy to supply the state's electric,
5 heating, and transportation needs. The state also recognizes that worldwide supply and
6 demand for fossil fuels and concerns about global climate change will affect the price
7 of fossil fuels consumed by Alaskans and exported from the state to other markets. In
8 establishing a state energy policy, the state further recognizes the immense diversity of
9 the state's geography, cultures, and resource availability. Therefore, it is the policy of
10 the state to

11 (1) institute a comprehensive and coordinated approach to supporting
12 energy efficiency and conservation by

13 (A) encouraging statewide energy efficiency codes for new and
14 renovated residential, commercial, and public buildings;

15 (B) decreasing public building energy consumption through
16 conservation measures and energy-efficient technologies; and

17 (C) initiating and supporting a program to educate state
18 residents on the benefits of energy efficiency and conservation, including
19 dissemination of information on state and federal programs that reward energy
20 efficiency;

21 (2) encourage economic development by

22 (A) promoting the development of renewable and alternative
23 energy resources, including geothermal, wind, solar, hydroelectric,
24 hydrokinetic, tidal, and biomass energy, for use by Alaskans;

25 (B) promoting the development, transport, and efficient use of
26 nonrenewable and alternative energy resources, including natural gas, coal, oil,
27 gas hydrates, heavy oil, and nuclear energy, for use by Alaskans and for
28 export;

29 (C) working to identify and assist with development of the
30 most cost-effective, long-term sources of energy for each community
31 statewide;

1 (D) creating and maintaining a state fiscal regime that
2 encourages private sector development of the state's energy resources;

3 (E) promoting the efficiency of energy used for transportation;
4 (3) support energy research, education, and workforce development by
5 investing in

6 (A) training and education programs that will help create jobs
7 for Alaskans and that address energy conservation, efficiency, and availability,
8 including programs that address workforce development and workforce
9 transition; and

10 (B) applied energy research and development of alternative and
11 emerging technologies, including university programs, to achieve reductions in
12 state energy costs and stimulate industry investment in the state;

13 (4) coordinate governmental functions

14 (A) by reviewing and streamlining regulatory processes and
15 balancing the economic costs of review with the level of regulation necessary
16 to protect the public interest;

17 (B) using one office or agency, as may be specified by law, to
18 serve as a clearinghouse in managing the state's energy-related functions to
19 avoid fragmentation and duplication and to increase effectiveness;

20 (C) by actively collaborating with federal agencies to achieve
21 the state's energy goals and to meet emissions, renewable and alternative
22 energy, and energy production targets.

**Alaska Legislature
House Special Committee on Energy**



Rep. Charisse Millett
State Capitol, Room 412
Juneau, AK 99801
Phone (907) 465-3879
Fax (907) 465-2069
Rep_Charisse_Millet@legis.state.ak.us

Rep. Bryce Edgmon
State Capitol Building, Room 416
Juneau, AK 99801
Phone (907) 465-4451
Fax (907) 465-3445
Rep_Bryce_Edgmon@legis.state.ak.us

Date: 1/25/10
Version: 26-LS1049\P

Sponsor Statement – HB 306

“An act creating a state energy policy”

Creating a state energy policy is one of the first steps to meeting the state’s energy current and future needs. A comprehensive energy policy in statute will serve as a blueprint for future generations of Alaskans.

The House Special Committee on Energy Co-chairs Rep. Bryce Edgmon, D-Dillingham and Rep. Charisse Millett, R-Anchorage used a unique method to draft the bill - they didn’t write it.

Instead, they assembled a diverse group of Alaskans with decades of experience in energy policy to come together and write what they believed would make a good energy policy for Alaska.

Sixteen respected Alaskans participated in The House Energy Stakeholders Group:

Gwen Holdmann, Alaska Center for Energy & Power
Robert Venables, Southeast Conference
Scott Goldsmith, ISER
Jason Brune, Resource Development Council
John Davies, Alaska Cold Climate Housing Research Center
Ralph Anderson, Bristol Bay Native Association
Bill Popp, Anchorage Economic Development Council
Bob Pawlowski, Denali Commission
Denali Daniels, Denali Commission
Caitlin Higgins, Alaska Conservation Alliance
Stacy Schubert, Municipality of Anchorage
Kathie Wasserman, Alaska Municipal League
Marilyn Leland, Alaska Power Authority

Meera Kohler, Alaska Village Electric Cooperative
Ron Miller, Energy Consultant
Chris Rose, Renewable Energy Alaska Project

The result of their hard work is House Bill 306. The draft energy policy carries five core fundamental principles to guide the state moving forward:

- Promote energy efficiency and conservation
- Promote development of renewable and non-renewable energy resources
- Promote economic development through cost-effective, long-term sources of energy for communities statewide
- Support energy research, education, and workforce development
- Support coordination of governmental functions, which promotes streamlining of regulatory processes and overall coordination of efforts by all levels of government

If passed, Alaska will join many other states in having a statewide energy policy on the books.

###

Energy Policy for Alaska

Presented by:

Chris Rose, Renewable Energy Alaska Project
Bill Popp, Anchorage Economic Development
Corporation

The House Energy Committee

January 26, 2010

3:11 - 3:24

The Stakeholder Advisory Panel

- ▲ Rep. Bryce Edgmon & Rep. Charisse Millett, House Energy Committee Co-Chairs
- ▲ Adam Berg, Jeff Turner & Larry Persily, Legislative Staff
- ▲ Gwen Holdmann, Alaska Center for Energy & Power
- ▲ Robert Venables, Southeast Conference
- ▲ Scott Goldsmith, ISER
- ▲ Jason Brune, RDC
- ▲ John Davies, Alaska Cold Climate Housing Research Center
- ▲ Ralph Andersen, Bristol Bay Native Association

- ▲ Bill Popp, AEDC
- ▲ Bob Pawlowski, Denali Commission
- ▲ Denali Daniels, Denali Commission
- ▲ Caitlin Higgins, Alaska Conservation Alliance
- ▲ Stacy Schubert, Municipality of Anchorage
- ▲ Marilyn Leland, Alaska Power Authority
- ▲ Meera Kohler, Alaska Village Electric Cooperative
- ▲ Ron Miller, Energy Consultant
- ▲ Chris Rose, REAP
- ▲ Kathy Wasserman, AML

The Key Steps

1. Establish the Energy Policy
2. Develop Strategic Goals
3. Create the Plan to Achieve the Goals
4. Implement Programs and Projects

Principles Guiding the Process

- ▶ The future success of Alaska's statewide economy is tied to available, reliable, and affordable energy for:
 - Residential users
 - Commercial users
 - Industrial users
- ▶ Worldwide supply and demand for fossil fuels and concerns about global climate change will affect the price of fossil fuels in the future

The Starting Point of the Policy

- ▶ **Tri-Borough Commission Energy Policy**
 - Matanuska-Susitna Borough Mayor Curt Menard
 - Municipality of Anchorage Mayor Mark Begich
 - Kenai Peninsula Borough Mayor John Williams
- ▶ **Established a diverse 13 member task force to develop proposed energy policy in October, 2007**
- ▶ **Adopted Southcentral region energy policy proposal February 7, 2008**
- ▶ **The House Energy Policy Stakeholders Advisory Panel agreed that many of the principles in this policy could be applied statewide**

The Fundamentals of the Policy

- ▶ Promotes energy efficiency and conservation
- ▶ Promotes development of renewable and non-renewable energy resources
- ▶ Promotes economic development through cost-effective, long-term sources of energy for communities statewide
- ▶ Supports energy research, education, and workforce development
- ▶ Supports coordination of governmental functions and promotes streamlining of regulatory processes, avoiding duplication of effort, and overall coordination of effort by all levels of government

The Key Steps Going Forward

1. Establish the Energy Policy
2. Develop Strategic Goals
3. Adopt the Plans to Achieve the Goals
4. Implement Programs and Projects

Thank You!

AMENDMENT /

OFFERED IN THE HOUSE
TO: HB 306

BY REPRESENTATIVE PETERSEN

1 Page 2, following line 18:

2 Insert a new subparagraph to read:

3 "(D) encouraging the use of public transportation and assisting
4 communities in developing public transportation options in an effort to
5 decrease fuel usage by motor vehicles."

AMENDMENT Z

OFFERED IN THE HOUSE
TO: HB 306

BY REPRESENTATIVE PETERSEN

- 1 Page 1, line 13, following "projects":
2 Insert ";
3 (5) the state remain a leader in petroleum and natural gas production and
4 become a leader in renewable energy development;
5 (6) consumer fuel and electricity prices in the state be comparable to those
6 prices in other leading energy producing regions"

PASSED

26-LS1049\C.3
Kane
1/27/10

AMENDMENT 3

OFFERED IN THE HOUSE
TO: HB 306

BY REPRESENTATIVE TUCK

- 1 Page 3, line 2, following "programs":
- 2 Insert "that will help create jobs for Alaskans and"

AMENDMENT 5

OFFERED IN THE HOUSE
TO: HB 306

BY REPRESENTATIVE JOHANSEN

- 1 Page 2, line 22, following "export":
- 2 Insert "of power that is surplus to the needs of Alaska communities"

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB306
 () Publish Date: _____

HB306
 Title An act declaring a state energy policy
 Sponsor (H) Energy
 Requester _____
 Dept. Affected: _____
 RDU _____
 Component _____
 Component Number _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES

CHANGE IN REVENUES ()

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Adam Berg
 Division: House Energy Committee Staff
 Approved by: Rep. Bryce Edgmon and Rep. Charisse Millett
House Energy Committee Co-Chairs

Phone 465-4451
 Date/Time _____
 Date 2/2/2010

