ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672
5214 SCRA SB 308

786

(D) engaging in an action or behavior for the purpose of obtaining reimbursement for work not performed, not approved, or performed in violation of the laws, regulations, and prescribed procedures for the low-income weatherization program under this chapter; and

(E) violating the terms of the contract with the division. (Eff. 9/22/84, Reg. 91)

Authority: AS 44.47.050(18)

ARTICLE 2.
ENERGY CONSERVATION STANDARD FOR NEW RESIDENTIAL BUILDINGS

Section
210. Adoption of standard
220. Delegation of authority
230. Waiver of standard
290. Definitions for 19 AAC 69.210–19 AAC 69.290

19 AAC 69.210. ADOPTION OF STANDARD. An energy conservation standard for new residential buildings, dated November 7, 1986, is adopted by reference. This standard, prepared by the department, provides minimum acceptable thermal levels for the building envelope and other mandatory conservation measures. This standard applies to a new residential building for which state financial assistance is received after December 31, 1987. Copies of this standard are available to the public at any of the department's offices, at public libraries, and at local municipal building departments. (Eff. 5/21/87, Reg. 102)

Authority: AS 46.11.040
AS 46.11.900

19 AAC 69.220. DELEGATION OF AUTHORITY. The commissioner delegates the authority of the department under AS 46.11.040 and 46.11.900, to the director, division of community development. (Eff. 5/21/87, Reg. 102)

Authority: AS 46.11.040
AS 46.11.900

19 AAC 69.230. WAIVER OF STANDARD. (a) The director will grant a waiver from the standard for a new residential building

(1) that is in compliance with a municipal building code that meets or exceeds the standard; or

(2) if a discretionary waiver is approved under (c) of this section.

(b) A request for waiver under (a)(1) of this section must be submitted to the director in writing by a responsible official of the municipal building department. A copy of the municipal building code must be included, and the request for waiver must specify those portions of the municipal building code which meet or exceed the standard. The following apply to a request for waiver under this subsection:

(1) The director will, within 10 working days, notify the requestor, in writing, of receipt of the request for waiver. The director will consider the request for waiver and will, within 30 working days after receipt of the request, render a decision as to whether the municipal building code meets or exceeds the standard.

(2) The director's decision granting or denying the request for waiver will be sent by certified mail to the requestor. A requestor who disagrees with the director's decision may appeal the decision to the commissioner. The requestor must submit the appeal to the commissioner within 30 days after receipt of the director's decision. The appeal must be in writing and must contain copies of the original request for waiver, the director's decision, and additional justification for approval of the waiver. The commissioner will notify the requestor of receipt of the appeal, and will render a decision within 45 days. The commissioner's decision is final and will be provided to the requestor and the director.

(c) An agency responsible for the disbursement of state financial assistance for the construction or purchase of a new residential building may seek waiver of the standard by submitting a written request for waiver to the director under (a)(2) of this section. The requestor shall, 30 days before submission to the department, publish an intent to request a waiver in the Alaska Administrative Journal and in a local newspaper in the area where the new residential building is going to be built. The

notice must solicit public comment. The request for waiver must contain proof of soliciting public comment, and must indicate the reasons why the standard cannot be implemented, why the waiver should be granted, and the effective period of the waiver. The following apply to a request for waiver under this subsection:

(1) The director will, within 10 working days, notify the requestor, in writing, of receipt of the request for waiver. The director will consider the request for waiver and will render a decision within 30 working days after receipt of the request. The director will consider the request for waiver using the following criteria:

(A) A request for waiver regarding the thermal levels of the envelope will be evaluated using the life-cycle-cost model that was used to arrive at the thermal levels in the standard. If a requestor adjusts the variable factors of the model, justification must be provided supporting the adjustments. Adjustments may be made to variables that affect the economics of the calculation or the thermal values of the ceiling, floor, walls, windows, and doors. These adjustments must result in an improved life-cycle-cost present value over a 30-year analysis period in order to be considered for a waiver; or

(B) A request for waiver regarding the mandatory measures stated in chapter 2 of the standard will be evaulated based on the cost of complying, the overall benefit of the measure to the homeowner, and other criteria as determined by the director.

(2) The director's decision granting or denying the request for waiver will be sent by certified mail to the requestor. A requestor who disagrees with the director's decision may appeal the decision to the commissioner. The requestor must submit the appeal to the commissioner within 30 days after receipt of the director's decision. The appeal must be in writing, and must contain copies of the original request for waiver, the director's decision, and additional justification for approval of the waiver. The commissioner will notify the requestor of receipt of the appeal, and will render a decision within 45 days. The commissioner's decision will be based upon the criteria contained in (1)(A) and (B) of this subsection. The commissioner's decision is final and will be provided to the requestor and the director. (Eff. 5/21/87, Reg. 102)

Authority: AS 46.11.040
AS 46.11.900

19 AAC 69.290. DEFINITIONS FOR 19 AAC 69.210 – 19 AAC 69.290. (a) In 19 AAC 69.210 – 19 AAC 69.290,

(1) "agency" means a state agency that directly or indirectly disburses state financial assistance for the construction or purchase of a new residential building;

(2) "building envelope" means the exterior areas of the building, such as walls, roof, and floor or crawl space;

(3) "commissioner" means the commissioner of community and regional affairs;

(4) "department" means the Department of Community and Regional Affairs;

(5) "director" means the director of the division of community development in the department;

(6) "division" means the division of community development in the Department of Community and Regional Affairs;

(7) "life-cycle-cost model" means the computer model that was developed to arrive at the thermal levels of the standard, which are known as "AKWARM"; Appendix B of "AKWARM" defines all the variables used in the computer model;

(8) "new residential building" means a residential building for which construction began after December 31, 1987, and which has been occupied less than one year;

(9) "requestor" means the entity submitting a request for waiver from the standard;

(10) "standard" means the energy conservation standard for new residential buildings, dated November 7, 1986, and adopted by reference in 19 AAC 69.210;

(11) "state financial assistance" means a loan, grant, guarantee, insurance, payment, rebate, subsidy, or other form of state assistance, other than aid under AS 29.60 and AS 43.18, including the purchase by a state agency of a loan to finance the purchase of a new residential building;

(12) "thermal levels" means the thermal resistance levels as specified by the standard.

(b) In AS 46.11.040, "conveyance" means the closing of a loan to purchase a residence. (Eff. 5/21/87, Reg. 102)

Authority: AS 46.11.040
AS 46.11.900

Editor's Note: Copies of "AKWARM," mentioned in 19 AAC 69.290(7), are available to the public at any of the department's offices, at public libraries, at local municipal building departments, and from the Cooperative Extension Service, University of Alaska.

PART 4.
DIVISION OF HOUSING ASSISTANCE

Chapter

CHAPTER 80.
HOUSING ASSISTANCE LOAN FUND

Editor's Note: Effective 4/16/83, former 19 AAC 95 was reorganized, renamed, and renumbered as 19 AAC 80. The history notes from former 19 AAC 95 were not carried forward in the reorganization.

Section

19 AAC 80.010. BORROWER ELIGIBILITY. (a) The division may originate or purchase all or part of a loan under AS 44.47.380 if the requirements of AS 44.47.370 – 44.47.560 and of 19 AAC 80.010(b) – 19 AAC 80.900 are

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

DIVISION OF COMMUNITY DEVELOPMENT

STEVE COWPER, GOVERNOR

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NOME, ALASKA 99762
PHONE: (907) 443-2274

P.O. BOX 348
BETHEL, ALASKA 99559
PHONE: (907) 543-2885

September 10, 1987

Dear Alaskan:

The Division of Community Development, Department of Community and Regional Affairs has approved the waiver submitted by the Housing Assistance Division regarding the lowering of floor R-values for Regions 3,4,and 5 for compliance with the Energy Conservation Standard for New Residential Buildings.

Enclosed are two tables showing the revised requirements. Please insert these in the Standard which you have previously received.

Also enclosed for your information is a copy of the final regulations adopting the Standard.

Thank you for your cooperation.

Sincerely,

M. C. Harper

Michael C. Harper
Director

Enclosures

TABLE 3.2 PRESCRIPTIVE ENVELOPE R-VALUE REQUIREMENTS

This table lists minimum prescribed insulation requirements for the building envelope. The builder may use any method of constructing the building envelope provided clear compliance with the listed R-values can be shown and is acceptable to approving officials.

CAUTION: Permafrost areas require engineering analysis for proper application of insulation in contact with the ground.

Region Number Region Name Heating Fuel	Prescriptive Envelope R-Value Requirements						
	Ceiling[1] #1	Ceiling[1] #2	Above-grade Wall	Floor	Below-grade Wall	Slab-on-grade Floor	Door[2]
Region 1 Southeast All Fuels	38	48	21	30	15	15	2.5, 7
Region 2 Southcentral, Aleutian, Kodiak							
Natural Gas	38	45	18	19	10	10	2.5, 7
All Other Fuels	38	48	25	30	15	15	2.5, 7
Region 3 Interior, Southwest All Fuels	38	48	25	38	19	15	7
Region 4 Northwest All Fuels	38	48	30	38	19	15	7
Region 5 Arctic Slope All Fuels	52	NA[3]	35	43	--	--	7

Notes:

1. Ceiling #1: R-values listed are for ceilings with no skylights.
   Ceiling #2: R-values listed are for ceilings with skylights. See paragraph 3.7b.
2. One exterior door in Region 1 may have an R-value less than 7 but no less than 2.5.
3. Not allowed.

(Revised 9/4/87)

TABLE 4.1 MAXIMUM ALLOWABLE ENVELOPE U_o-VALUES

Caution: Permafrost areas require engineering analysis for proper application of insulation in contact with the ground.

Region Number Region Name Heating Fuel	ENVELOPE PERFORMANCE CRITERIA, U_o				
	Ceiling	Above-grade Wall	Floor	Below-grade Wall	Slab-on-grade Floor
Region 1 Southeast All Fuels	0.024	0.089	0.032	0.066	0.066
Region 2 Southcentral, Aleutian, Kodiak					
Natural Gas	0.024	0.099	0.046	0.100	0.100
All Other Fuels	0.024	0.085	0.032	0.066	0.066
Region 3 Interior, Southwest All Fuels	0.024	0.078	0.028	0.059	0.066
Region 4 Northwest All Fuels	0.024	0.073	0.028	0.059	0.066
Region 5 Arctic Slope All Fuels	0.018	0.069	0.022	---	---

(Revised 9/4/87)

Jim Plasman now says that if there is going to be an amendment to change or delay the annual standards Regs, he would like to testify.

Alaska MUNICIPAL League

TELEPHONE
(907) 586-1325

105 MUNICIPAL WAY, SUITE 301
JUNEAU, ALASKA 99801

TO: Senator Arliss Sturgulewski, Chair
Members of the Senate Community and Regional Affairs Committee

FROM: Scott A. Burgess, Executive Director

DATE: March 8, 1988

SUBJECT: SB 308 - Alaska Craftsman Home Program

The Alaska Municipal League supports the concept of SB 308.

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. SB 308 implements this Resolution.

Again, the AML supports SB 308.

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

Alaska State Legislature

ARLISS STURGULEWSKI, Chairman
TIM KELLY, Vice Chairman
RICK HALFORD
MIKE SZYMANSKI
FRED ZHAROFF

P. O. BOX V
JUNEAU, ALASKA 99811
(907) 465-4989

Senate
Community and Regional Affairs Committee

March 8,1988

TO: Senate Community and Regional Affairs Committee Members

FROM: Senate C&RA Staff

Re: SB 308 - "An Act establishing the Alaska energy efficient home equity fund."

SB 308 will create the Alaska Energy Efficient Home Equity Fund in the Department of Community & Regional Affairs. Guidelines and procedures for the fund would be prepared in consultation with the Alaska Craftsman Home Program.

This bill has a fiscal note of $69.7 general fund and two positions. The fiscal note and department position paper are in your packet.

Representatives of the Department of Community & Regional Affairs as well as the sponsor will be at the meeting. Also, via teleconference, representatives of the University of Alaska's Cooperative Extension Service, the Alaska State Homebuilders Association and the Alaska Craftsman Home Program will attend the meeting.

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

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949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 563-1073

February 12, 1988

POSITION PAPER

RE: Senate Bill 308: "An Act Establishing the Alaska Energy-Efficient Home Equity Fund".

SPONSOR: Senators Fahrenkamp, Sturgulewski, Josephson, Szymanski and Rodey

Program Effects of Bill

Senate Bill 308 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

21-P1LH

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: SB 308
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: 2/12/88

Approved by Commissioner: _____
Date: _____
Agency: Community & Regional Affairs

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

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

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

LOCATION: Anchorage

TYPE (FULL OR PART-TIME): Full Time

NUMBER REQUESTED: 1

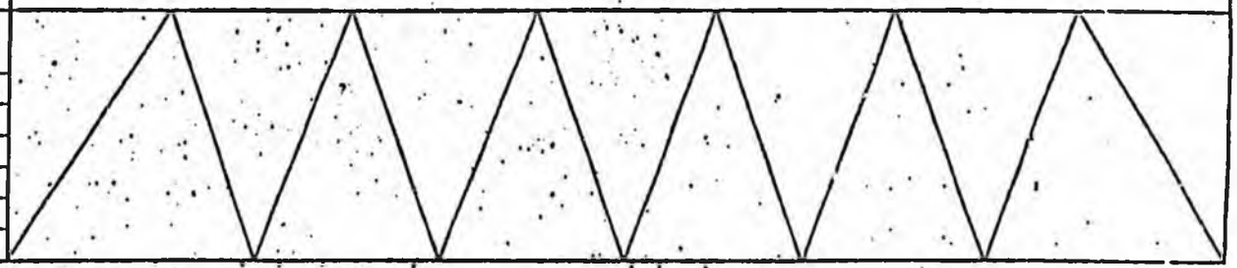
RANGE	BARGAINING UNIT
12A	GGU

MONTHLY SALARY	# MONTHS (CY)
2,826.28	12

JUSTIFICATION:

This position would process loans and grants under the Alaska energy-efficient home equity fund.

	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	



STATE OF ALASKA
Office of the Governor
Budget & Management Div.

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

LOCATION: Anchorage

TYPE (FULL OR PART-TIME): Full Time

NUMBER REQUESTED: 1

RANGE	BARGAINING UNIT
8A	GGU

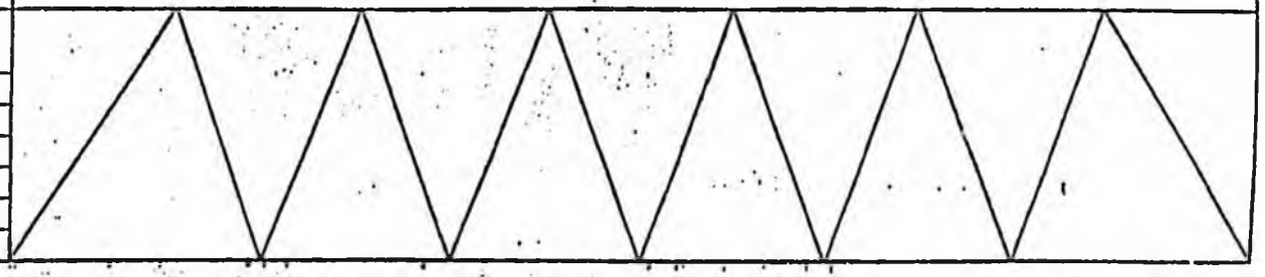
MONTHLY SALARY	# MONTHS (CY)
1,631	12

JUSTIFICATION:

The position will provide the necessary accounting support for the Alaska energy-efficient home equity fund.

		DETAIL OF RELATED EXPENSES
01	PERSONAL SERVICES	27.6
02	TRAVEL	-0-
03	CONTRACTUAL	2.4
04	COMMODITIES	.7
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	

Telephone, copy services, postage
Miscellaneous administrative



RECEIVED NOV 24 1987

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 _____
Borough Mayor

By _____
Presiding Officer

ATTEST:

By _____
Borough Clerk

SB308

The Alaska Craftsman Home Program

The burden that energy cost places upon the family is illustrated by the fact that rural Alaskans (off the natural gas line) spend between 16% and 27% of their incomes on energy bills. In general terms it costs on average between $1,200 to $1,500 annually to heat a home in Alaska. Well over $1 Billion is spent annually to keep Alaskans warm in their homes.

A superinsulated building saves the home owner from 50% to 80% of the heating costs which can be between $45,000 and $120,000 over the 60 year life of the home and could eventually reduce Alaska's home heating bill $800,000,000 annually. It is clear that conservation has a key role to play in the State's economic development strategy as well as energy policy.

There is a second motivation for achieving the Alaska Craftsman Home Program standard. The motivation is health and safety. The Consumer Federation of America estimates that poor indoor air pollution costs this country $100 Billion annually. The more conservative Bonneville Power Administration puts the estimate at $30 Billion. Clearly with estimates as high as 20,000 radon induced deaths a year the mitigation methods for indoor air pollution taught in the Alaska Craftsman workshops and embodied in the voluntary standards are sorely needed.

The Alaska Craftsman Home Program is designed to provide, technical information for the industry and has its roots in the $50,000,000 Canadian R-2000 program and is patterned after it.

A key to the success of the ACHP program lies in the cooperative approach. The program is voluntary. The program is government funded yet 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, a more durable home, increased comfort, reduced noise from outside sources, and improved indoor air quality.

The Alaska Craftsman Home Program started with a pilot series of building seminars March of 1986. Since then we have trained 24 Alaskans to conduct two-day workshops around the State on the superinsulation technology detailed in the new Alaska Craftsman Home Building Manual. These 24 people represent all regions of the State and are divided into 12 training teams. These trainers have put on 15 regional workshops. The program has been evaluated and is undergoing revisions after internal and international critique from Canada, Japan, Norway the National Association of Homebuilders, National Center for Appropriate Technology, Minnesota Cold Weather Housing Institute, 6 National Laboratories, and the Department of Energy.

24 workshops are scheduled across the State this year.

Legislation is pending to appropriate nearly $8,000,000 to the program in the areas of Program support, public education, incentives, and research. The legislation will include the following program needs. The legislation in House Bill 318 and 319 and Senate Bill 308 would fund the program for 4 years and would change the housing industry.

The Yukon territory will build 80% of their homes to superinsulation standards this year. The countries of Scandinavia build nearly all their homes to superinsulation standards, and it can happen here in Alaska too.

The volunteer trainers and 25 volunteer technical committee people have contributed over 4,200 hours of time to making this program work from March until December of 1987. 190 people have been trained and 4 homes are under construction.

Many political, economic development, and environmental groups have recognized the potential of this program and supported it. A growing listing of these include:

The Alaska Municipal League

The Matanuska Susitna Borough

The Kenai Peninsula Borough

The Kodiak Island Borough

The Municipality of Anchorage

City of Palmer

City of Kenai

City of Seward

City of Anderson

City of Soldotna

City of Wasilla

The Department of Community and Regional Affairs

The Joint Energy Task Force of Utilities

North Slope Borough Utilities

The American Lung Association

Alaska Center For the Environment

Fairbanks Chamber of Commerce

Interior Economic Development Council

Alaska State Homebuilders Association

Building Industry Association of Anchorage

Kenai Homebuilders Association

Interior Homebuilders Association

Association of Housing Authorities

The Anchorage Daily News

The Frontiersman

Example Resolution

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

Introduced: 5/15/87
Referred: Community & Regional Affairs and Finance

5-1191A

Funding Information
General Fund $7,965,000
Other Funds -0-
$7,965,000

BY ELLIS, KOPONEN, MENARD, ULMER, DAVIDSON, LARSON AND DAVIS

IN THE HOUSE

HOUSE BILL NO. 319

IN THE LEGISLATURE OF THE STATE OF ALASKA

FIFTEENTH LEGISLATURE - FIRST SESSION

A BILL

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

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

* Section 1. The sum of $1,615,000 is appropriated from the general fund to the University of Alaska, cooperative extension service, for preparation and implementation of the Alaska energy efficient home program and for instrumentation and data base development for the program.

* Sec. 2. The sum of $1,400,000 is appropriated from the general fund to the University of Alaska for development of a portable, instrumented test shelter and for research activities of the Alaska energy efficient home program that have been approved by the board of directors of the program.

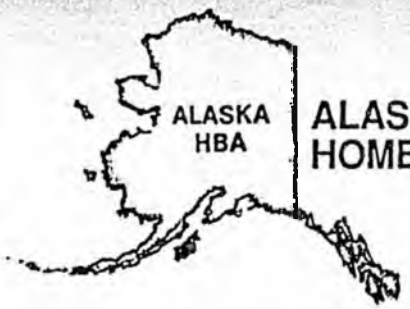
* Sec. 3. The sum of $450,000 is appropriated from the general fund to the Department of Community and Regional Affairs to develop and distribute educational information for the general public regarding the Alaska energy efficient home program.

* Sec. 4. The sum of $4,500,000 is appropriated from the general fund to the Alaska energy efficient home equity fund (AS 44.47.370) in the Department of Community and Regional Affairs for the purposes of the fund.

* Sec. 5. The appropriations made by this Act lapse into the general fund June 30, 1992.

* Sec. 6. This Act takes effect on the effective date of an Act passed by the Fifteenth Alaska State Legislature that establishes the Alaska

l energy efficient h me equity fund.



ALASKA STATE HOMEBUILDERS ASSOCIATION

file my legislation

June 2, 1987

Senator Arliss Sturgulewski
2957 Sheldon Jackson
Anchorage, Alaska 99508

Dear Senator Sturgulewski,

Thank you for cosponsoring Senate bill 308 associated with the Alaska Craftsman Home Program. The Alaska Craftsman Home Program is very innovative and will certainly improve the shelter industry and quality of life for all Alaskans. The legislative interest and support has been very gratifying. I am extremely pleased that you have chosen to be an advocate. If there are any questions you have regarding the program please contact me here in Wasilla (376–5130) or Don Markle at the program management office in Anchorage (279–5582). I look forward to working with you next year as we get this needed legislation enacted.

Sincerely,

James Malapanes

James Malapanes
President

2204 CLEVELAND AVENUE • ANCHORAGE, ALASKA 99517 • (907) 248-7776

Agenda

Meeting: Alaska Craftsman Home Program

Place: Cooperative Extension Service
2221 E. Northern Lights Blvd.
Suite 240
Anchorage, Alaska 99501

Date: 10:00AM – 11:00AM TUESDAY September 8, 1987

THIS IS AN AUDIO- CONFERENCE AND YOU CAN ATTEND BY CALLING 800–478–5020 after 10:00am. ONLY ONE PHONE IN FROM A COMMUNITY, SO GO TO YOUR LOCAL CES OFFICE OR TALK TO OTHERS WHO MIGHT LIKE TO ATTEND TO ASSURE THAT EVERYONE CALLS FROM ONE NUMBER PER COMMUNITY. CES HAS SPEAKER PHONES.

Purpose: Update and planning for fall conference.

1.) Administrative Report.

a. Vermont presentation

b. Kenai Peninsula trips

c. Homebuilders convention

d. Radon calls

e. Airlines

f. Accedidation for courses

g. Energy Task Force – Rich

h. 800 number

i. State Fairs

2.) Technical Committee Report.

a. foriegn reviews

b. Manual reviews

c. Materials list

3.) State Report.

a. Exxon Committee

b. Blower Door Agreement

4.) Fall conference.

a. Ginny Moore on place

b. Agenda

c. Travel Arrangements

5.) Loan Program

6.) Workshop schedule.

7.) Housing Authority

8.) Legislation and new session

9.) New Business

LOAN PROGRAM FOR RENOVATION OF HOMES

Contact: Don Markle
Cooperative Extension Service
2221 E. Northern Lights Suite 240
Anchorage, Alaska 99508

Program Description

— Zero interest loans are given to people who renovate homes to new state thermal standards and have those homes certified to meet those standards by the Alaska Craftsman Home Program .
— Loans for renovation of existing homes may not exceed the lesser of
1. $10,000
2. an amount, as determined by the actual cost of labor and materials for each category, which is documented by invoices, bids or contract; or
3. an amount, as determined by an acceptable energy improvement payback calculation, which is equal to the total estimated energy savings attributable to the energy conservation improvement over a fifteen—year period following the purchase, construction, or installation of the energy conservation improvement.
— Loans are only eligible for permanent homes greater than 800 square foot in size.
— Loan Terms for New Homes are that the loan is due upon sale, title transfer or refinancing of the home. Alternatively the homeowner may choose to pay the loan back in a 15 year amortization.
— 50% of loan proceeds will be disbursed to the applicant as documented and supported by labor and material estimates submitted with the loan application. This documentation must clearly describe the items being purchased. In addition, within 120 days after the loan has closed the applicant must produce a certification of renovation from the Alaska Craftsman Home Program certifying that renovation has met minimal state thermal standards, ACHP ventilation requirements and infiltration standards, the Division will then disperse the remaining 50% of the loan proceeds.
— Assumptions will be allowed on 15 year amortized loans only.
— Subordination requests will be considered if the amount subordinated plus the loan amount is less than the assessed tax value of the property.
— All loans will be secured by a Deed of Trust against the property receiving the improvements.
— Refinancing is allowed only under the 15 year amortization program otherwise loans come due.
— The project must be completed and ready for inspection 120 days after loan is closed. Inspection will be done by Energy Rated Home Program to ACHP standards for new homes. The standard requires an air leakage test below 3.5 air changes an hour at 50 Pascals, ventilation certification that mechanical ventilation will supply 1/2 air change per hour and a 80% or higher rating in the energy rated home program.
— The builder must have received training in the Alaska Craftsman Home Program prior to construction.
— Program standards are regionalized.

LOAN PROGRAM FOR NEW HOMES

Contact: Don Markle
Cooperative Extension Service
2221 E. Northern Lights Suite 240
Anchorage, Alaska 99508

Program Description

- Zero interest loans are given to people who build new homes to standard set by the Alaska Craftsman Home Program and have those homes certified to meet those standards.
- Lending Limits for new home loans may not exceed the lesser of
  1. $6,000; or
  2. $2.50 x the Houses Heated interior Square Footage.
- On September 1, 1990 the lending limits will change to
  1. $4,500; or
  2. $1.87 x the Houses Heated interior square footage.
- Loans are only eligible for permanent homes greater than 800 square foot in size.
- Loan Terms for New Homes are that the loan is due upon sale, title transfer or refinancing of the home. Alternatively the homeowner may choose to pay the loan back in a 15 year amortization.
- Dispersement of proceeds to be upon presentation of Alaska Craftsman Home Certificate and registration.
- Assumptions will be allowed on 15 year amortized loans only.
- Subordination requests will be considered if the amount subordinated plus the loan amount is less than the assessed tax value of the property.
- All loans will be secured by a Deed of Trust against the property receiving the improvements.
- Refinancing is allowed only under the 15 year amortization program otherwise loans come due.
- The project must be completed and ready for inspection 120 days after loan is closed. Inspection will be done by Energy Rated Home Program to ACHP standards for new homes. The standard requires an air leakage test below 1.5 air changes an hour at 50 Pascals, ventilation certification that mechanical ventilation will supply 1/2 air change per hour and a 95% or higher rating in the energy rated home program.
- The builder must have received training in the Alaska Craftsman Home Program prior to construction.
- Alaska Craftsman Home Program standards are regionalized.

Variances from State Thermal Standard

- Monetary incentives are given to encourage energy efficient construction.
- The program is designed to promote private sector efforts in promoting energy conservation building styles.
- Much of promotional work will be completed by private firms after initial introduction.
- Standards to be achieved are the optimal standards as opposed to minimal standards.

Program objectives

— To encourage the building of homes to Alaska Craftsman standards, which are the optimal conservation standards with present technology.
— To shift the available stock of homes toward more energy efficient homes.

Relation of program objectives to other state objectives

— The State is embarking on an ambitious conservation plan aimed at displacing electrical and space heating needs. This and other programs aimed at the thermal space heating are fully integrated to achieve as low a heating fuel requirement per hour as is technically and economically practical.

Rationale for the program

— Thermal heating requirements make up approximately 34% of the energy budget for the State of Alaska.
— Energy bills make up a larger than national average percentage of a home owners expenses in most areas of Alaska.
— Computer simulations and economic evaluation of existing homes indicate that building to Alaska Craftsman Home Program Standards is the most economical building method.
— Insulation levels for homes built in Alaska are not significantly higher than homes in the northern continental United States despite much higher heating degree days and harsher environmental conditions.
— Incentives are offered to ensure substantial customer participation rates and to cover the costs of the builder in learning the new technology.
— Incentives are high enough to ensure a shift in purchasing behavior.
— The sliding scale in incentives based on square footage was designed to reflect the difference in costs and necessary incentives to attain the standards.

Regulatory influence on program specifications

— The Alaska Craftsman standard and the Energy Rated Homes evaluation methods have been modeled around the State Thermal Standards and the computer economic simulations the Thermal Standards are based on. Each of the three programs have a citizens advisory group that helped to implement the program. The Alaska Craftsman Home Program is governed by a board of directors representing the building industry, banking industry, State of Alaska and University of Alaska.
— The State energy conservation program and energy extension service have provided the funding and contract management of the Alaska Craftsman Home Program to date.

Target market
— All new single family construction.

Technologies promoted
— Massive amounts of insulation, minimal air leakage construction and testing techniques, passive solar design, mechanical ventilation with heat recovery.

Marketing techniques
— Primary marketing to date has been to homebuilders through two day workshops. Direct mail was used to promote the workshops.

— Public presentations are now being conducted through the political organizations around the State, i.e. city councils, borough assemblies, and state legislature.
— General public marketing will begin with brochures, directed mailings, T.V. advertising, newspaper advertising, and radio promotions. Public presentations are now underway.
— Programs are given to local builders associations to keep them informed on the program development.

Questions:
1. What are the number of new homes to be built in the State over the next ten years, how many will participate and at what level of state funding over loan program?
prediction of the percentage that will choose full ACHP as opposed to minimal state levels.
prediction of level of funding for homes ie. 30% need $6,000 20% need $4,000 etc.
prediction of overall success of program ie. How many will actually participate per year.
What is the percentage of energy saved per house and for program

2. What is the present value and after inflation dollar energy savings of the the new home programs at various levels of program commitment?
Prediction on house values for new and renovated homes
3. What is the BTU savings for each year of the program?
4. What is the present value and after inflation dollar savings in fuel heating subsidy programs?
5. What are the infrastructure (fuel lines and storage etc.) cost savings realized by implementing this program.
6. What are the energy cost increase per gallon as a result of implementation? ie existing capital expenses for utilities spread over few energy units saved? Will there be savings in eliminating expenses, refer to #5.
7. What are the governmental program savings from implementing this program? ie weatherization funds and management phased out etc..
8. What are the health cost net present value and after inflation savings resulting from increase ventilation rates as a result of this program?
9. How many lives would be saved by increased ventilation rates?
10. How much reduced and deferred maintenance can be saved as a result of this program?
CARE: What are estimates per house?
Do they vary for larger homes?
11. What are the predicted economic multiplier benefits to reducing the outflow of cash in a community by reducing energy costs?
12. Can Alaska build a materials supply industry around the program? ie timber, insulation manufacturing?
13. What would the labor impacts be of the program?
a. carpenters and contractors, assume 50% of cost is labor
b. designers and engineers?
c. inspection?
d. loan processors?
e. material supply?
f. material manufacturing?
14. Are these the people with the highest unemployment rates in the State?
15. What has been the history of Alaska spending on thermal energy needs relative to electrical and transportation needs? What percent of Alaska energy budget is thermal energy needs compared to other sectors?
16. What reduction in crime can be attributed to improved air quality?
should this be included in the study?

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

University of Alaska, Fairbanks, Alaska 99775-5200

August 21, 1987

Dr. Arne Elmroth

Dear Dr. Elmroth:

I have a proposition for your regarding a consultation for our Alaska Craftsman Home Program Manual review process which is on-going here in the state of Alaska. Your name has been familiar to me for some time and you were also recommended to me by Mr. Oyvind Aschehoug of the Norwegian Institute of Technology in Trondheim.

We are involved in a rather short but intense review process of our on-going building design manual for cold climates, and we need someone with expertise in many facets of cold weather building. It was felt that your expertise matched this requirement very well within the Swedish National Building Research Council.

We would like you to participate in a review of our manual. However, we do not wish for you to review the entire manual, but only the things which fall within the area of your expertise. We are asking you to do this as an international effort to make you aware of our program, and also to get feedback from what we feel are the best international sources of expertise in this area.

My first question is, of course, can you review a series of chapters and get a written review back to us (in English, I'm afraid) within a two month time frame? We would be willing to pay you $500 American dollars for a service of this sort for a review in preparation for our own internal editing workshop to be held in the last week of October (Oct. 26-30), 1987. We would need to be in receipt of your review of our manual by Oct. 26.

My familiarity with your work came through a publication which you did with Björn Carlsson and Per-Åke Engvall entitled "Air Tightness and Thermal Insulation Building Design Solutions". For this reason I would like you to review the following chapters in our manual. I will annotate the chapter descriptions for your review in order to clarify what our expectations are.

The first chapter that I wish for you to review is the "Walls" and "Attics and Roofs", Chapters 6 and 7. These are essentially structural chapters for which a scientist such as yourself needs to review for the framing ideas and technical details of sealing the air vapor barrier. We wish to make the details easy to construct from a carpentry aspect. We have been very conservative about dealing with new ideas such as the airtight dry wall approach, since this design has not been tried in Alaska. This is a Canadian concept and I'm sure you are probably familiar with it. We would like to try it in a research house.

We would also like to add a section here on the Norwegian exterior cladding for marine climates. We felt that was very good information, and we have a lot of marine climate applications which are relevant for use of that information. Please especially attend to the details for vapor barrier continuity around floor plates, rim joists and other difficult areas and tell us with your experience if you know better ways to detail these features. Generally we want an editorial review of the quality of our presentation.

Next, I would also like you to devote some time to "Windows and Doors", Chapter 8. We have a local company here in Fairbanks, Alaska which has a franchise for the Danish primo polyvinylchloride-framed windows. They have managed to get the attention of other local companies. We have a very competitive window market in high technology windows, however, doors are very ill-adapted and we do not have good door technology. I understand that Swedish strategies for door opening, closure, and sealing are somewhat different than the usual. I would appreciate your commentary and elaboration on these features.

Chapter 9 is a ventilation chapter. Perhaps you could tap someone in your building research council (for a fee if you do not wish to do this yourself) to elaborate on the experience and latest technologies of ventilation systems in your climate and how they relate to our experience. We feel that the ventilation section is extremely weak in our manual, and it is going to be a major focus of attention in our review in October. Please be as critical as necessary and inform us if you can as to the needs for improvement.

This is what we would like you to review. I will send you, regardless of your ability to respond, a copy of our Alaska Craftsman Home Builder's Manual for review. I realize that this is short time and it is presumptious of me to ask you without calling you by phone. However, time is of the

essence. If you cannot do this within your schedule, please feel free to refer it to a competent colleague whom I would trust according to your recommendation.

Our plan for review is to have the first editorial revisions from you received by Oct. 26, 1987. We will reimburse you $500 U.S. upon receipt. After we use your review in developing new material and editing the manual, we will send you an updated manual for your review again sometime after November 1987. This will allow you to check what we have done to make sure we've included all necessary topics in an appropriate and understandable form. At that time an additional $500 will be paid upon receipt of that second review.

I hope you find this acceptable and can join us in this exciting and interesting program. We would like to enlist the awareness and support and review of the Swedish National Building Research Council in our program. Please notify me as soon as possible as to your decision and ability to participate.

Sincerely,

Rich Seifert

Richard Seifert
Energy Specialist

RS/gr

cc: Jon Buckle
Alaska Craftsman Home Program
Board of Directors

Cooperative Extension Service

Whom does it serve?

The Cooperative Extension Service is the result of a unique partnership between the University of Alaska as a land-grant and sea-grant college and the U.S.D.A. and provides the people of Alaska with direct access to the resources of the University no matter where they live in the State. the Extension People have special training and expertise in the fields of agriculture, fisheries and marine resources, natural resource management, community development, family living and home economics, 4-H and youth education and local government assistance.

Extension's Field Offices:

The Cooperative Extension Service network of field offices has recently expanded to 17 locations in the following communities: Anchorage, Bethel, Cordova, Delta, Dillingham, Fairbanks, Homer, Juneau, Ketchikan, Kodiak, Kotzebue, McGrath, Nome, Palmer, Petersburg, Sitka, Soldotna.

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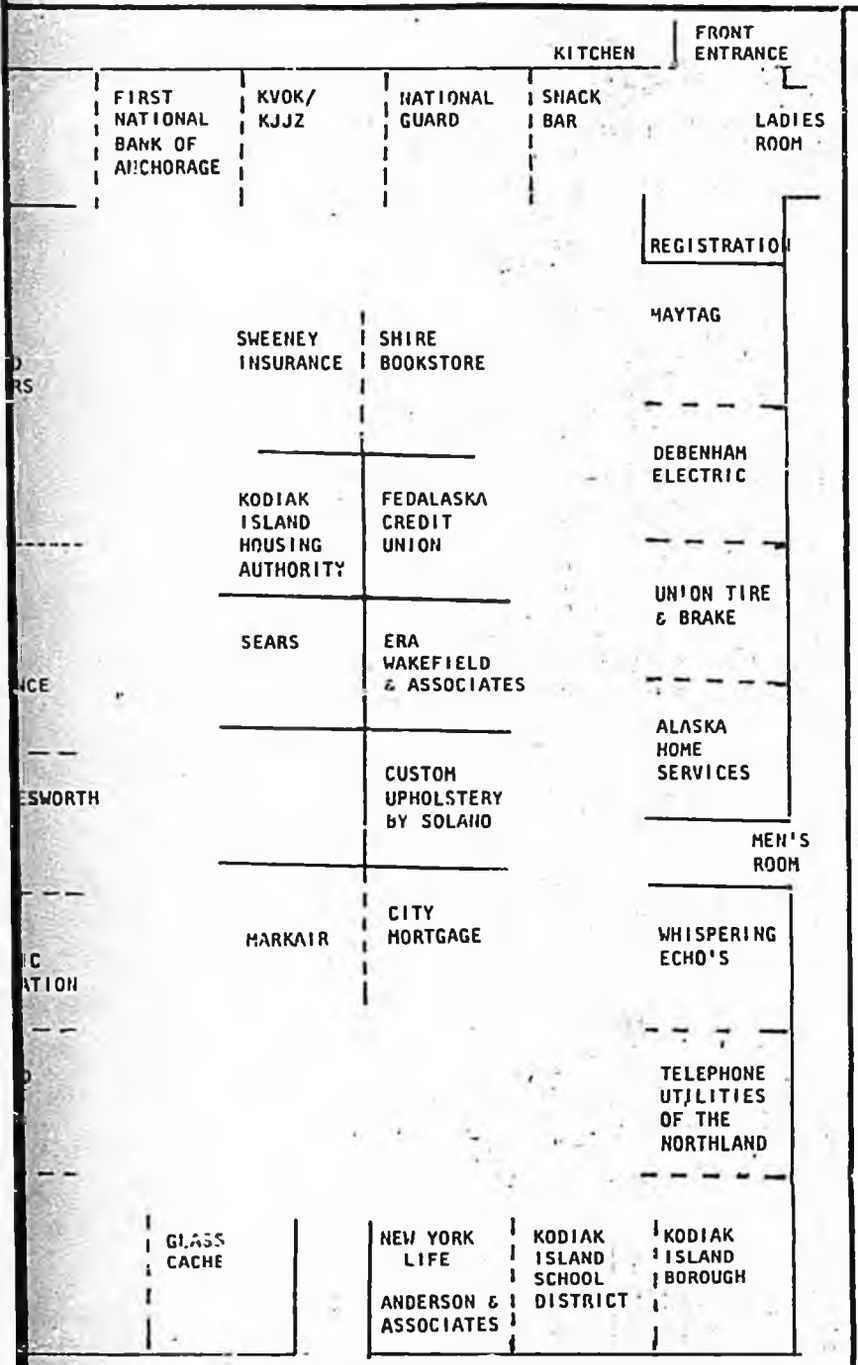


HOMESHOW 1988 SEMINAR SCHEDULE

SATURDAY, FEBRUARY 20, 1988

10:00 COFFEE WITH THE CONTRACTORS: This hour has

Superinsulation

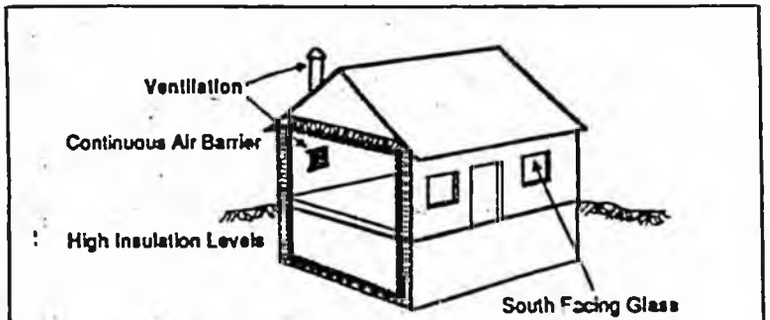
How you can make it work for you

From the 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 education 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 as much as 80 percent compared to standard construction techniques now in practice in Alaska. This energy requirement reduction is achieved through proven techniques using available products and has proven economical paybacks to the builder and the eventual homeowner. The marketing advantage to building homes to the technical state of the art is significant and the resulting improvement in quality of life dramatic.

The energy savings that can be achieved is only one benefit



Superinsulation

place to improve the shelter industry as new technologies are developed in the future. The implications are that Alaskans will live in a more durable, affordable, comfortable and safer environment, and will benefit economically from the changes that have and will take place in the shelter industry as a result of the Alaska Craftsman Home Program.

GOALS

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

THE HOME

The Alaska Craftsman Home Program sets a voluntary design and performance model. Generally speaking, the Alaska Craftsman Home has five elements.

1: A thermal requirement for the building envelope. These thermal standards vary for different regions of the State and are based on life cycle cost analysis.

2: Minimize natural air leakage. A blower door test is required to assure that the standard is met.

3: Controlled ventilation system to assure adequate air quality.

4: Assure that builder supplied lighting and appliances are efficient.

5: Safety standards must be met.

The Program is designed to encourage builder innovation

PUBLIC OPINION MESSAGE

DEAR: SENATOR STURGULEWSKI

NAME: DON MARKLE
TITLE:
ADDRESS: 2221 E. NORTHERN LIGHTS
CITY: ANCHORAGE ZIP: 99508
PHONE: 279-5582
BILL NO: SB 308
SUBJECT: ENERGY EFFICIENT HOME EQUITY FUND
MESSAGE: ARE WE STILL SCHEDULED FOR A TELECONFERENCE ON SB 308, MARCH 8, AT 3:00PM?

POMID: 03110355
DATE: 03/04/88
TIME: 11:03:55
LIONAME: ANCHORAGE LIO

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 12, 1988

POSITION PAPER

RE: Senate Bill 308: "An Act Establishing the Alaska Energy-Efficient Home Equity Fund".

SPONSOR: Senators Fahrenkamp, Sturgulewski, Josephson, Szymanski and Rodey

Program Effects of Bill

Senate Bill 308 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: SB 308
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: 2/12/88

Approved by Commissioner: _____
Date: _____
Agency: Community & Regional Affairs

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

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

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

LOCATION
Anchorage

TYPE (FULL OR PART-TIME) Full Time

NUMBER REQUESTED 1

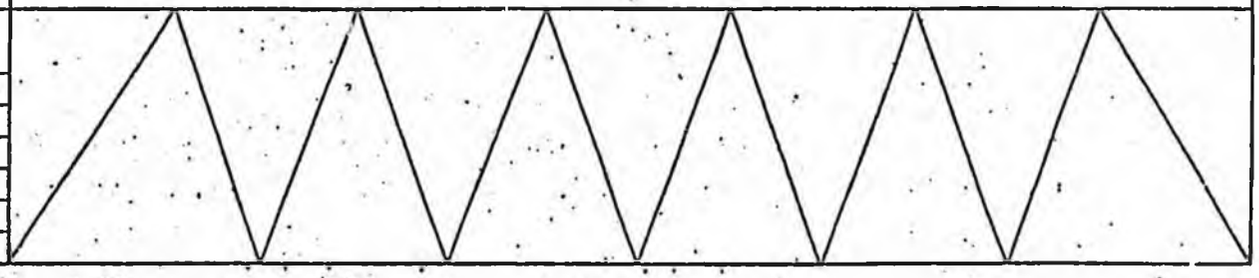
RANGE	BARGAINING UNIT
12A	GGU

MONTHLY SALARY	# MONTHS (CY)
2,826.28	12

JUSTIFICATION:

This position would process loans and grants under the Alaska energy-efficient home equity fund.

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	



STATE OF ALASKA
Office of the Governor
Budget & Management Div.

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

LOCATION
Anchorage

TYPE (FULL OR PART-TIME) Full Time

NUMBER REQUESTED 1

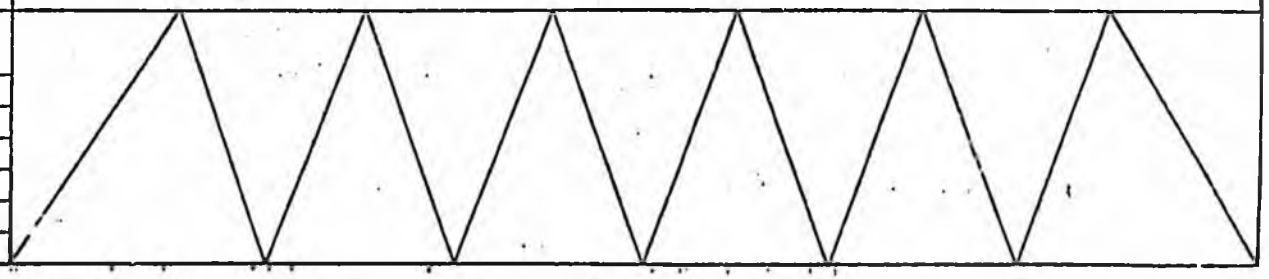
RANGE	BARGAINING UNIT
8A	GGU

MONTHLY SALARY	# MONTHS (CY)
1,631	12

JUSTIFICATION:

The position will provide the necessary accounting support for the Alaska energy-efficient home equity fund.

		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 MA[illegible]H		
1004	GENEP[illegible]FUND	30.7	
1005	I/A[illegible]S		
1028	PR[illegible]EIPTS		



01-1043 (Revised March, 1979)

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.

Dep Mayor

Dorothy A. Jones, Mayor

ATTEST:

Chris Seagraves, Borough Clerk
(SEAL)

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

P O Box 211411 Auke Bay, AK. 99821

RECEIVED [illegible] 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, [illegible]
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

Janet Whelan, City Clerk

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, 19 87.

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, 19 87.

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

NEWSLETTER

INSTITUTIONAL CONSERVATION PROGRAM

No. 9 February, 1988 Edited by Norman Bair

ICP Grant Applications Received - 1/15/88

The Institutional Conservation Program (ICP) for non-profit schools and hospitals received eight grant applications for the installation of energy conservation measures (ECMs) in Grant Cycle 10. They are being reviewed and it is expected that seven of the eight will be recommended for grants. One application does not meet the program requirements. The seven which will be recommended for funding are:

University of Alaska, Fairbanks
Yukon Koyukuk School District
City of Cordova School District
Kenai Peninsula Borough Schools
St. Mary's School, Kodiak
Yupiit School District
Bering Straits School District

Schedule for ICP Grant Applications

May 1, 1988	ECM Grants Awarded
March 1, 1988	Technical Assistance (TA) Applications available
April 29, 1988	TA Applications Due
August 15, 1988	TA Grants Awarded
October 1, 1988	ECM Applications available
January 15, 1989	ECM Applications Due

If you want to apply, please contact Norman Bair, ICP Program Manager, at 563-1955.

Approximate Available Grant Funds

Current ECM Cycle 10 estimate	$600,000
Technical Assistance (TA) Cycle 10	70,826
ECM Cycle 11 estimate	275,000

Note: Economic Hardship are yet to be decided

Materials Available on ICP

ICP Grant Application
ICP State Plan, including
  Appendix A, Energy Use Evaluation
  Appendix B, Technical Assistance (TA) Study
  Appendix C, ECM Grant Application Scoring
ICP Program Timeline (Detailed)
Sample "Request for Qualifications" and "Contract" for TA Studies
Sample Checklist for Operation and Maintenance
Sample Checklist for Energy Conservation Measures (ECMs)

Moratorium on Residential Thermal Standards

An emergency 120-day moratorium has been placed on the implementation of the Energy Conservation Standards for New Residential Buildings. In the interim 120-day period, the Department intends to request a permanent moratorium to delay the implementation of the Standard to October 1, 1988. Written comments are invited and should be addressed to:

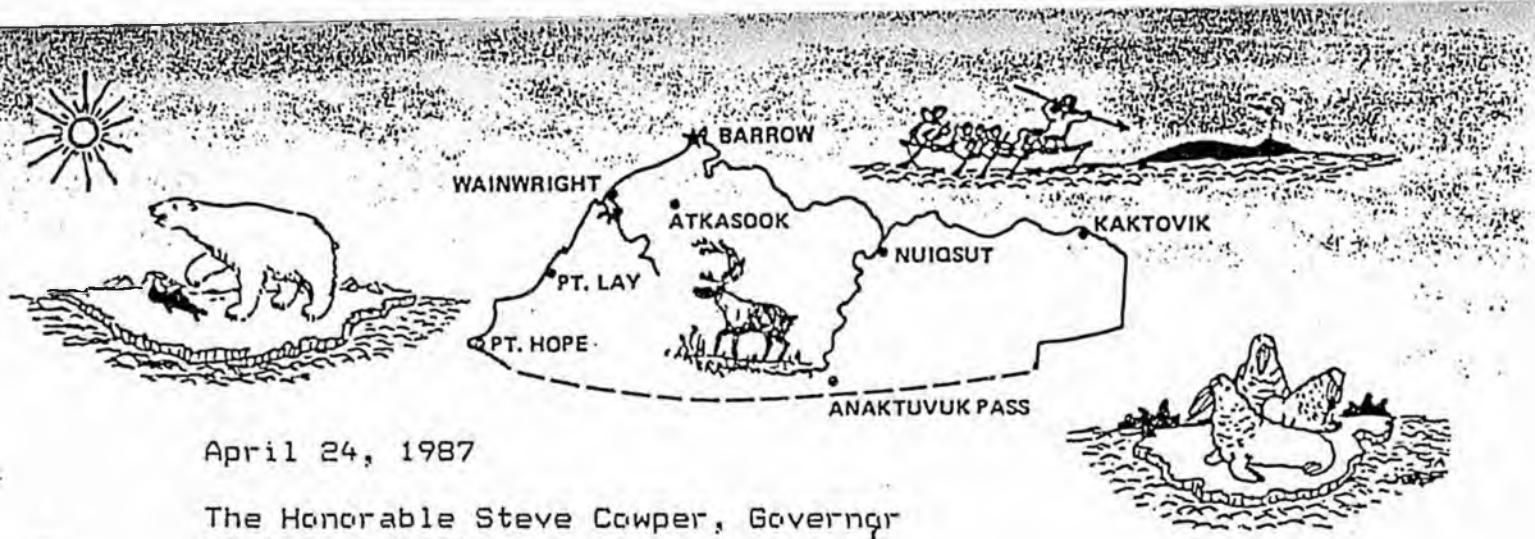
Steve Baden
Chief, Energy Conservation Section
Department of Community and Regional Affairs
949 E. 36th Ave., Suite 403
Anchorage, AK 99508

Workshops are tentatively scheduled from March 14 through May in 20 communities around the state. Newspaper ads will give specific times and places. Contact Stuart Brooks at 563-1955 for more information.

Fluorescent Lamp Selection Criteria

There are some fluorescent lamps which have become the "in" thing because of promotional claims. Most of the major fluorescent lamp manufacturers have about 40 different lamps for the normal fluorescent fixtures. Some of the terms that need to be learned by the distinguishing buyer as they apply to fluorescents are lumens, degrees Kelvin, color rendering index (CRI), and watts.

The cost of operating the fluorescent lamps will vary according to the lumens per watt and the total lumen output. Lumens is a measurement of the amount of light produced by a lamp. Different kinds of commonly used 4-foot fluorescent tubes can range from 1900 to 3300 lumen output initially. The degrees Kelvin is a good indicator of the whiteness of the light. 2700 degrees Kelvin produces the yellower light of incandescent lamps and 5000 degrees Kelvin is a whiter light closer to daylight. Cool white lamps are 4100 degrees Kelvin and warm white are 3000 degrees Kelvin. The CRI indicates the relative color rendering quality. Generally, the higher the number the better the color rendering. But the CRI can only be compared between lamps with the same color temperature in degrees Kelvin.



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) 852-2611

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

RECEIVED SEP 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:

Karen S. McGahan
Jonathan W. Sewall, Assembly President

Joanne Brandle
Borough Clerk
by [illegible], Dep. Clk

CORRECTION

THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

NEWSLETTER

INSTITUTIONAL CONSERVATION PROGRAM

No. 9 February, 1988 Edited by Norman Bair

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Training and Conferences

"Alaska Craftsman Home Program Workshops",
Aniak, February 11-12
Unalaska, February 19-20
Anchorage, February 24-25
Fairbanks, February 24-25
Seward, March 11-12
This is a state-of-the-art workshop for architects designing energy-efficient buildings and for builders. $50.
Contact Ginny Moore, 563-1955 for information.

"Effective Building Maintenance Makes Money - II", February 22-24, Alaskaland, Fairbanks. Subjects include oil burners and controls, lighting, energy management control systems, electric motors and inverters, asbestos abatement, and fire alarm controls.
Contact Marcia Nye, 474-7800. Free.

Lamp and Lighting Seminar by Frank Gibler, Anchorage, February 24, Alaska Power Authority 701 E. Tudor Road, 9-11 am. Free.
Contact Pat Woodell, 561-7877.

Shared-Saving Performance Contracting Workshops
Anchorage, April 26-27
Fairbanks, April 27-28
The first day is for organizations wanting to install energy conserving measures. The second day is for businesses wanting to act as energy service companies which will finance, design and install the energy conservation measures.
Contact Frank D'Elia, 563-1955 for information.

National Awards Program for Energy Innovation

This program will again accept applications for awards for completed projects. The scoring will be on innovation, transferability, energy savings, and economic impact. Applications are due June 30, 1988. Contact Norman Bair at 563-1955 for information.

Training on Oil Burners for Rural Alaska

The Department will be issuing a Request for Proposals (RFP) in mid-March for training individuals from rural Alaskan communities on oil burner installation and maintenance. Proposers are limited to regional housing authorities, regional governmental agencies, school districts, regional native non-profit organizations, and electric utilities. The proposer will be responsible for selecting the trainees, organizing the training, and managing the trainees in homeowner counseling after the schooling. The goal is to have a trained oil burner technician in every community possible by 1991. This is an ongoing program. Last year's program provided or assisted in funding programs in the Nome, Dillingham, Kodiak, and Copper Center areas. Contact Norman Bair at 563-1955 for information.

New Videotapes in the Energy Library

"Super Good Cents", 12-part series
"Wayne Oil Burner Instruction"
"Bright Ideas in Lighting"

Contact Ginny Moore at 563-1955 for three-week checkouts.

National Inquiry and Referral Service

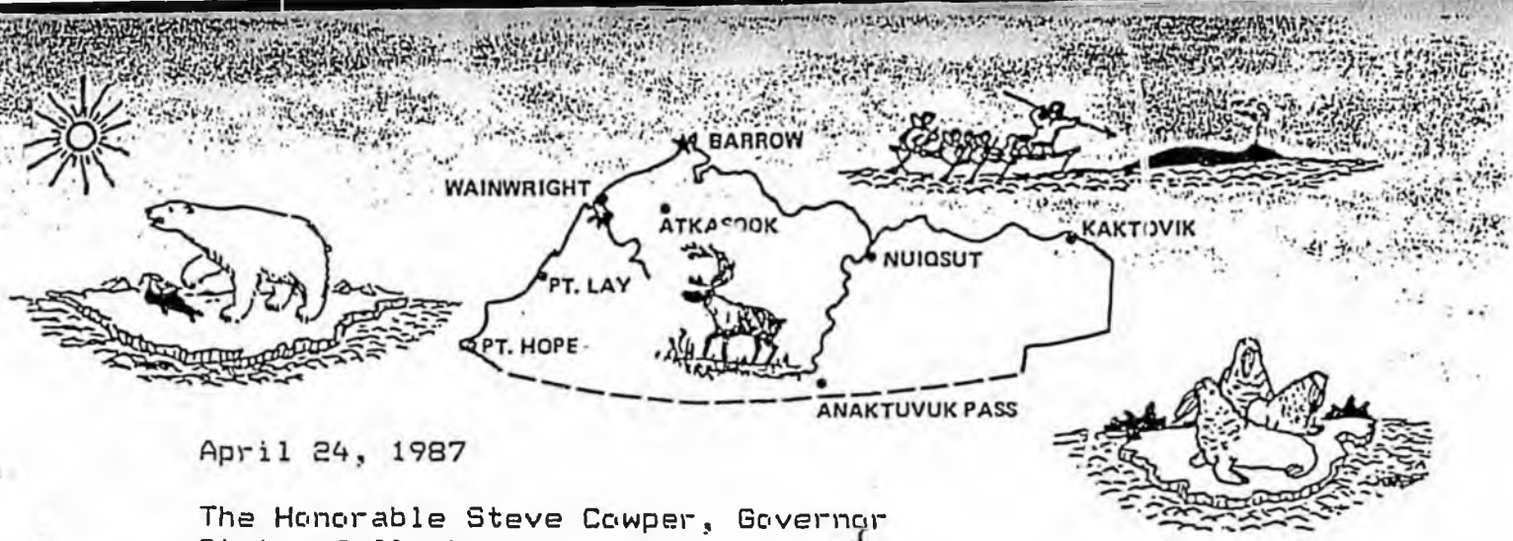
The Conservation and Renewable Energy Inquiry and Referral Service is available to Alaskans at telephone number 800-233-3071 or by writing: CAREIRS, P.O. Box 8900
Silver Spring, MD 20907

Alaska Department of Community
and Regional Affairs
Energy Programs Office
949 E. 36th Ave., Suite 403
Anchorage, AK 99508

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
ASSISTING ALASKAN COMMUNITIES

Hon. Arliss Sturgulewski
Alaska State Senate
P.O. Box V
Juneau, AK 99811

Address Correction Requested



April 24, 1987

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

Dear Governor,

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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) 852-2611

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

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, Assembly President

Borough Clerk

Rod

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

cc: Philip G. Loudon

605 Barrow Street, Suite 2, Anchorage, Alaska 99501 (907) 276-5864
Deborah Williams, Executive Director

AMERICAN LUNG ASSOCIATION of ALASKA

Dedicated to the prevention and control of lung disease

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

Deborah Williams
Executive Director

cc. Dan Markle

DW/cc

RECEIVED FEB 17 1987

Rod

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 building 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 B Brodie
MAYOR

ATTEST:

Marcella Dalke
CITY CLERK

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 Dicot, Secretary

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 12, 1988

POSITION PAPER

RE: Senate Bill 308: "An Act Establishing the Alaska Energy-Efficient Home Equity Fund".

SPONSOR: Senators Fahrenkamp, Sturgulewski, Josephson, Szymanski and Rodey

Program Effects of Bill

Senate Bill 308 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

21-P1LH

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: SB 308
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: 2/12/88

Approved by Commissioner: _____
Date: _____
Agency: Community & Regional Affairs

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

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

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

LOCATION: Anchorage

TYPE (FULL OR PART-TIME): Full Time

NUMBER REQUESTED: 1

RANGE	BARGAINING UNIT
12A	GGU

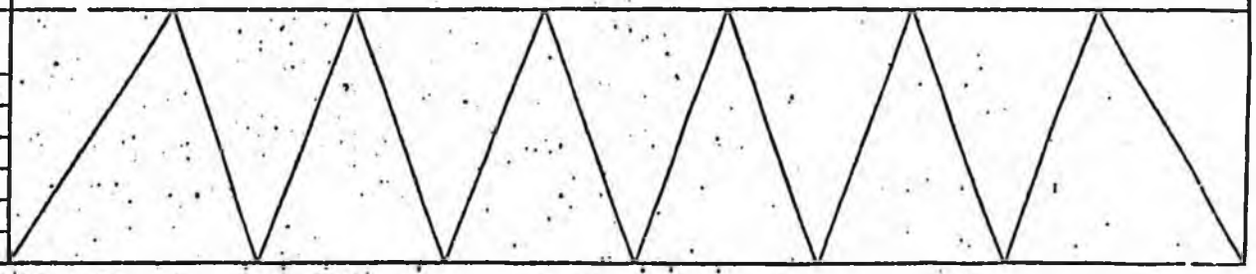
MONTHLY SALARY	# MONTHS (CY)
2,826.28	12

JUSTIFICATION:

This position would process loans and grants under the Alaska energy-efficient home equity fund.

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	



STATE OF ALASKA
Office of the Governor
Budget & Management Div.

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

LOCATION: Anchorage

TYPE (FULL OR PART-TIME): Full Time

NUMBER REQUESTED: 1

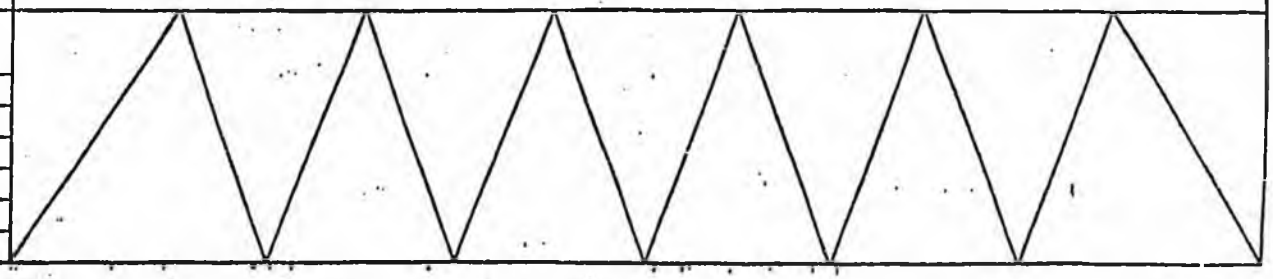
RANGE	BARGAINING UNIT
8A	GGU

MONTHLY SALARY	# MONTHS (CY)
1,631	12

JUSTIFICATION:

The position will provide the necessary accounting support for the Alaska energy-efficient home equity fund.

		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	



01-1043 (Revised March, 1979)

Alaska State Legislature

11/6/88

SENATE

Office of the President

P.O. Box V
State Capitol
Juneau, Alaska 99811

December 10, 1987

MEMORANDUM

TO: All Senators

FROM: Senator Jan Faiks
President of the Senate

SUBJECT December 7 Energy Policy Task Force Meeting

During the Energy Policy Task Force Meeting the Chairman's initial notes for the direction to go in in drafting final recommendations were discussed. The following is a summary of these initial draft ideas:

ORGANIZATION:

1. Generally leave the new technical assistance, education, and research and development programs where they are.

2. Impose strong coordination by means of MOV's and by joint technical (& budgetary) advisory committee.

3. Transfer all loan programs into one program under the Alaska Energy Authority (a renamed APA) - including loan receipts. (Some Task Force members suggested that it might be more effective to transfer some loan program administration to different agencies instead).

FINANCING:

4. Support the concept of self-financing and strive toward no net annual cost to the general fund.

PROGRAM THRUSTS:

5. Change the name of APA to the Alaska Energy Authority (AEA) and give it a strong new thrust toward Alaska-appropriate

technology development and technical assistance to individuals and users of energy.

6. In general, emphasize technical assistance, education, and training rather than grants, subsidized loans, etc. (the fish vs. fishing pole concept).

7. Give strong emphasis to energy conservation and energy efficiency approaches.

8. In write up be careful not to unduly place too much emphasis on regional issues or entitlements.

PROGRAM SPECIFIC:

9. PCE: no change this year, provisionally assume the program is permanent, carefully change to program to cap it and provide incentives to users. Be ready for detailed recommendations in a few months.

10. Conservation Program: make a strong recommendation on standards and encouragement on new construction.

Enclosed are copies of other materials the Task Force discussed.

The following is the schedule for the next Task Force meetings:

December 14-15: Statewide public hearing teleconference from at least 10 locations.

January 18-19: Meeting in Juneau to go over final recommendations.

1/2

RESIDENTIAL ENERGY CONSERVATION LOAN FUND
Department of Commerce and Economic Development
Division of Investments

PURPOSE: To finance energy conservation improvements in existing buildings.

ELIGIBILITY AND CONDITIONS: Statutorily contingent on the applicant not having past due child support obligation. Loans may not exceed $5000 or the amount equal to the estimated total energy savings attributable to the improvement over a 10-year period. Interest rates are equal to an average of municipal bond yields for the 12 months preceding the loan.

PROGRAM HISTORY AND PRESENT STATUS: When this program began in 1980 it also allowed grants or refunds up to $300 if an energy audit demonstrated adequate savings. The authority to make refunds and grants was repealed in 1983. The total money committed to this program over the years is $8.3 million, and 2332 loans have been made. No funds were appropriated after FY 84, and only 2 loans were made during FY 87. As of June 30, 1987 the outstanding loans numbered 1163, and the outstanding principal on loans was $2.9 million. At that time, the delinquency rate was 6.4 %, and the number in default was 3.1 %.

DISCUSSION AND ANALYSIS: The Task Force was presented little information on this program. It now appears to be a non-functioning program. The Task Force heard no arguements for its continuation, although it would seem that this program could serve as a mechanism for homeowners to finance energy conservation measures, including weatherization measures. It is not clear why homeowners are not taking advantage of the loan program. Is the administering agency discouraging new loans, or is there some other reason?

[Questions for Division of Investments:

1. What is the current cost of administering this program? What staffing is required?

2. What causes have led to the dormancy of this program?]

ISSUES NEEDING ATTENTION AND WHICH MIGHT LEAD TO TASK FORCE RECOMMENDATIONS:

1--Is there reason to continue this program? If so, what changes need to be made to make it viable?

2--If the program should be eliminated what should be done with the funds owing on principal and interest: allow them to devolve to the General Fund? Consider them as energy

En. Cons. Loan 2/2

program receipts to pass through the General Fund for assignment to energy programs, perhaps to the general energy revolving loan fund?

3--If this program is to be continued should it be transferred to APA or its successor organization?

Working Draft
Dec. 1, 1987

ALTERNATIVE ENERGY LOAN PROGRAM
Department of Commerce and Economic Development
Division of Investments

PURPOSE: Evidently to encourage the use of alternative (to diesel) sources of energy and to encourage the development and application of those alternative energy sources in Alaska. (No specific statement of purpose has been located, but one or more probably appear in the Alaska Statutes, if anyone is inclined to look.)

ELIGIBILITY AND CONDITIONS: No statuatory eligibility other than that the applicant does not have a past-due child support obligation as established by court order or by the cognizant state agency. The maximum loan amounts are $30,000 over 20 years at 5 percent interest for the first $15,000 and 15 percent for the amount of the loan that exceeds $15,000, computed as a composite rate.

PROGRAM HISTORY AND CURRENT STATUS: The history starts in 1978; it is long and lurid. Various statuatory changes were made over the years, culminating in the establishment of a special foreclosure reserve account and of property disposal procedures in 1985. Altogether, 2944 loans have been made, but there were only 10 in FY 87. The total loaned is $19.3 million, and as of July 30, 1987, the outstanding principal due was $10.2 million, in 1483 loans. No legislative appropriations were made in FY 87 (and probably none in FY 88). The number of delinquent loans (those past due for at least 60 days but not in litigation) was, on July 30, 1987, 4.4 %; and 4.6 % were delinquent. For all practical purposes this is a dead program--except that it has assets: $10 million in principal due.

DISCUSSION AND ANALYSIS: The Task Force was presented with little information on this program, perhaps for good reason. One is led to the conjecture that the program--while it seemed to be a good idea at the time--has met with limited success. It was easy to get money from the program; people took it, and perhaps later regretted their action. No one seems to have come forward to argue for its continuation.

ISSUES NEEDING ATTENTION AND WHICH MIGHT LEAD TO TASK FORCE RECOMMENDATIONS

1--In view of the deline of this program, does the Task Force wish to make a recommendation?

One possibility is to recommend nothing. Another is to recommend that that no further loans be made and that the program be taken off the books, the principal and interest owing to devolve to the state's General Fund. Another is to transfer the program over to the overall 'Energy Revolving Loan Fund' where the payments on principal 'and perhaps interest) can be considered as energy program receipts and be passed through the General Fund earmarked for general energy programs.

1/2

Working Draft
Dec. 1, 1987

WASTE HEAT RECOVERY PROGRAM
Alaska Power Authority

PURPOSE: To reduce overall energy costs by increasing, by as much as a factor of two, the recovery of energy from diesel fuel used to generate electricity, the additional energy recovered being typically used to heat public buildings located near rural generating facilities.

ELIGIBILITY AND CONDITIONS: Any electrical utility is eligible for receiving technical advice and assistance. The APA typically assesses each individual situation to determine the cost-effectiveness of a proposed installation and if it is found that payback can be obtained in 10 years or less the project is considered feasible.

PROGRAM HISTORY AND CURRENT STATUS: This program began in 1981 and has been continued since. Although a stand-alone program, it is essentially administered as part of the Rural Technical Assistance Program, and waste heat recovery projects are often pursued in conjunction with other electrical system improvements. In some cases the waste heat recovery doubles the energy extracted from the diesel fuel; it is possible to obtain paybacks in as few as two or three years. The APA has installed 19 systems, has assessed 42 other potential installations, and has requests for assistance from approximately 50 villages. The economic feasibility of this type of project is high enough that APA is prepared to sell revenue bonds on the open market to finance a number of additional installations.

DISCUSSION AND ANALYSIS: This program appears to be an example of an activity of sufficient economic viability that it can pay for itself, while at the same time reducing overall costs and the consumption of a fossil fuel, specificially diesel oil. It would seem then that many potential projects can be completed by offering only technical assistance and no subsidy. If that be true, a natural question is if private industry could not pursue this work on its own or with the assistance of APA. [Clarification is needed on the current extent of involvement of private industry in the waste heat recovery activities.] Relevant to this issue was a comment by one of the APA presenters that in the early phase of the program APA did contract out the feasibility work but then determined that the process was not giving good results. At that point apparently APA began to involve itself to a greater extent in the performance of the feasibility work, design and construction management.

waste Heat 3/2

It was noted in the presentation that savings from the heat recovery program in part accrue to the state through reduced costs incurred in heating schools and other state-owned facilities, and in some cases the projects may reduce the Power Cost Equalization subsidy.

ISSUES NEEDING ATTENTION AND WHICH MIGHT LEAD TO TASK FORCE RECOMMENDATIONS:

1--Should this program be eliminated, reduced, maintained as is, or increased?

2--If the program should be maintained or increased, are steps needed to ensure program stability, or to bolster it by additional state expenditures on R&D efforts?

3--Should there be a recommendation on the issue of private sector involvement?

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

Federally Funded by Block Grants to
Department of Health and Social Services
Division of Public Assistance
and
Seven Tribal Grantees

PURPOSE: To provide assistance to low-income households to offset the cost of home heating that is excessive in relation to household income, by means of payments made to energy suppliers on behalf of each household .

ELIGIBILITY AND CONDITIONS: The annual benefit given to an eligible household varies from $200 to $1100 depending on household size and income; geographic location of residence; type, annual usage and cost of local fuel; size and type of housing. Those households with incomes below 150 % of the poverty level defined for the state do qualify as do those with incomes less than 60 % of the median income for Alaska. For example, a family of four with an income of $22,943 qualifies. Determination of elegibility is based on family income during the past 3 months. Households containing an individual receiving Aid To Families with Dependent Children, food stamps, Supplemental Social Security Income, or certain income-tested VA benefits are automatically eligible. Amounts actually awarded may be limited by the total funds available.

PROGRAM HISTORY AND CURRENT STATUS: The program has been operating for 8 years. The Division of Public Assistance sevices approximately 12,000 applicants, and the tribal organizations service about 8,000. Only about half of the 40,000 eligible households in Alaska apply, but the money available during most years has not been enough to take care of those who do. This past year the average DPA grant was $480, with the regional average in Southeast Alaska being $420 and that in northern Alaska being $1000. The money goes mostly for home heating fuel but some (25 % or less) may go into electrical use because electricity may be required to operate heating units.

Pending federal approval, the State will use up to 15 % of its block funds for low-cost home weatherization, the money being transferred from DPA to DCRA for its weatherization program. Jeff Weltzin reported that the Tanana Chiefs used 15 % of the funds received for weatherization, and that they expended monies also to purchase high-efficiency wood stoves. He said that federal regulations really allowed as much as 25 % of the funds to be used for energy-conserving hardware and weatherization, and that Tanana Chiefs preferred that this course be taken. Other tribal groups evidently are spending almost all of their block grant funds on fuel payments. The estimated planning and administration cost for the DPA portion of the

program during FY 88 is $560,000, well below the 10 % limit allowed by the federal government, so there appears to be little or no net cost to the state.

Of concern to DPA is the level of federal funding for the program, described as "whimsical". Since a 30 % cut is threatened for the coming year, DPA has been limiting the grants accordingly, and has recommended that the tribal organizations do the same. It appears that they are not cutting back, so problems may lie ahead. The Division of Public Assistance holds back some money to be used for emergency assistance: additional money is occasionally given to grantees when they are in particularly desperate straits. Funding this current year is about $9 million, down from $11 million last year. These are program totals, the amount being split between DPA and the tribal organizations. Concern was expressed that in a weakening economy more applicants will come forward to ask for support from the program.

DISCUSSION AND ANALYSIS: Except for the fact that this program encourages a degree of reliance on government, it is rather innocuous from an energy policy point of view. It serves those people who most need help, without appearing to remove incentive to save money and energy. The Task Force did not receive much information about the administration of the program by tribal organizations, but it appears that the Divison of Public Assistance is doing a good job of administering its part. The federal regulations on conduct of the program seem comprehensive but adequately flexible, and that apparently proper degree of control no doubt contributes to the quality of the program.

Obvious contrasts appear between the LIHEAP and PCE programs. LIHEAP subsidizes energy; PCE subsidizes electricity. LIHEAP does not encourage increased energy consumption, whereas the PCE program does (at least for users of less than 750 KWH/mo). LIHEAP gives assistance on a need basis: PCE does not. LIHEAP contains provisions for funding energy conservation measures: PCE does not. LIHEAP is federally funded: PCE is state-funded.

ISSUES PERHAPS NEEDING ATTENTION AND WHICH MIGHT LEAD TO RECOMMENDATIONS BY THE TASK FORCE:

1. If federal funding for this program continues to decline, the state could choose to supplement the funds. Is this advisable?

2. Are there aspects of this program that should be incorporated into the state's PCE program?

LIHEAP 3/3

3. Even if the main portion of the state's energy programs were consolidated in some way, is there any reason that this program should not remain where it is?

WORKING DRAFT
December 7, 1987

ENERGY CONSERVATION REGULATIONS

Department of Community and Regional Affairs
Division of Community Development

PURPOSE

In order to improve the energy efficiency of Alaska's building stock, the legislature enacted legislation (AS 46.11.040) in 1980 stating that "State financial assistance may not be approved or granted for the construction of a new residential or commercial building if construction of the building begins after December 31, 1980, unless the building is in compliance with thermal and lighting energy standards." After some delay and a lengthy public review process, the Department of Community and Regional Affairs (DCRA) has promulgated regulations that establish thermal energy standards for new residential buildings. These standards become effective on January 1, 1988.

ELIGIBILITY AND CONDITIONS

The energy conservation standards that have been promulgated by DCRA apply to residential buildings that receive State financial assistance. This includes:

1. detached single-family dwellings,

2. buildings that are four stories or less and have a heating unit that provides heat to no more than six dwelling units, and

3. additions that increase the dwelling floor space by 50 percent or more, and begin construction after January 1, 1988.

It should be noted that mobile homes and transient housing need not comply with these standards.

The regulations establish thermal standards for new residential construction but not lighting standards. The standards may be satisfied by complying with one of three methods which are the:

1. prescriptive method,

2. performance method, or

3. building budget method.

The two principal State agencies that provide financing for new residential buildings are:

1. the Alaska Housing Finance Corp. (AHFC), and

2. the Housing Assistance Division (HAD) of DCRA.

PROGRAM HISTORY AND CURRENT STATUS

The milestones for the residential energy conservation standards are as follows:

1980 - The legislature passes an omnibus energy bill which includes the requirement that residential and commercial buildings must comply with thermal and lighting standards if they are to receive State financial assistance. The Department of Commerce and Economic Development is to adopt regulations that establish these standards.

1983 - The legislature amends AS 46.11.040 so that responsibility for adopting regulations is now with the Department of Community and Regional Affairs. DCRA establishes a 16-member advisory committee to help establish standards.

1984 - The advisory committee recommends that commercial standards be separated from the residential standards and that residential lighting standards not be included.

1985 - Draft residential thermal standards are developed by the advisory committee.

1986 - Extensive public hearings are held on the draft standards. Standards were finalized at the end of the year and adopted by DCRA.

1987 - Regulations are approved by the Lt. Governor's Office. Regulations are to become effective on January 1, 1988.

Although the Office of Energy Programs in DCRA was responsible for adopting the energy conservation standards, this agency does not have responsibility for enforcement. In effect, enforcement of the standards essentially rests with AHFC and HAD which provide State financing for housing.

AHFC has said that to comply with the energy conservation standards, it "intends to require builder certification that newly constructed homes have been built in accordance with that law". However, they do not intend to conduct construction inspections. "If a builder certifies to AHFC that a house was built in accordance with AS 46.11.040 and that certification proves false, this violation would be more appropriately dealt with by the State's Contractor's Licensing Division or the court system."

HAD has made efforts to comply with the standards by informing banks that service its loans that they "will be required to include in your loan purchase packages a notarized affidavit from the builder that the structure was built according to the standards and a copy of the builders certificate showing he or she completed the Alaska Craftsman Home Program Energy Efficiency Workshop."

DISCUSSION AND ANALYSIS

Despite the economic and comfort benefits of residential energy conservation measures, most new homes built in Alaska are not built to the most energy

efficient standards that could be justified by life-cycle costing. Listed below are some obstacles that often result in less than optimal construction.

1. With most new homes, the builder, rather than the home owner who will be paying the heating bills, decides what energy conservation measures should be included. Making changes to these energy conservation measures, if they are inadequate, adds unnecessary expense.

2. The building industry generally perceives that the added expense of energy conservation measures makes it more difficult for them to be to be competitive and/or profitable despite the advantage to the home owner.

3. To be effective, many energy conservation measures have to be properly installed. Once the house is completed, it is often difficult to tell if proper installation has taken place.

4. Energy conservation measures are usually upfront costs which may appear to be expensive or unaffordable to the consumer even though the savings that are expected to result over the lifetime of the product are greater than the cost of the product.

Mandatory thermal standards for new homes can protect the future home owner from having to pay more expensive heating bills as the result of a home builder who reduced his costs by using energy conservation measures or construction practices that are substandard. The thermal standards also protect the State's interest, particularly if the homeowner forecloses on an AHFC or HAD mortgage.

The Alaska State Homebuilders Association has recently voiced opposition to the energy conservation standards. Their objections generally relate to five points which are:

1. The cost of construction will be greater ($4,000-5,000 for a $110,000 home in a developed area) and the cost will have to be covered by the builder through reduced rates and additional downpayment by the homebuyer.

DCRA disputes that the cost will be that much more.

2. Environmental quality is a problem with tight houses. This can affect the health of the occupants and damage structural components (because of moisture buildup).

It should be noted that the standards do include ventilation requirements and recommend air-to-air heat exchangers which should prevent these problems from occurring.

3. There is a lack of experience with the building methods needed to met these standards and "no program for training is contemplated" nor are any public awareness programs planned.

It should be noted that DCRA does provide public information on energy conservation measures and the Energy Extension Service has provided homebuilders with training through its Alaska Craftsman Home Program Workshop.

4. There is no enforcement of the standards.

Enforcement is via the agencies that finance new home construction. AHFC and HAD have both indicated that they would comply with the statutes. HAD plans to take a more active posture by requiring builder certification and AHFC is also considering this approach.

5. The energy savings do not justify the increase in costs.

This objection seems to be based on the premise that the economic analysis should be based on the current average life of the loan (less than seven years) rather than a thirty year amortization. This is not a technically correct approach if the useful life of the energy conservation measure exceeds the average life of the loan.

The recommendation of the Homebuilders is to delay implementation of the standards for two years. During this time, the Homebuilders would like to resubmit the issue back to the legislature to review its appropriateness under current conditions and to provide a more thorough analysis of the need for the standards as well as its cost-effectiveness.

ISSUES NEEDING ATTENTION AND WHICH MIGHT LEAD TO TASK FORCE RECOMMENDATIONS

1. The principal issue with the energy conservation standards is whether or not to its effective date (January 1, 1988) should be postponed as recommended by the Alaska State Homebuilders Association. The discussion above should provide adequate information for considering this issue.

2. As stated earlier, enforcement of these standards is up to the State agencies that provide financing for new home construction. Clearly, these agencies have an obligation to comply with the regulations. However, there is some discretion as to whether the agency should assume a passive or active role in this enforcement. The most active role that an agency could assume in enforcing the standards is to inspect each home that it mortgages to assure compliance. But, obviously, this would entail additional costs. An issue that the Task Force may wish to discuss is how actively should agencies enforce these standards.

3. The purpose of the energy conservation standards is to protect the homebuyer from experiencing unnecessarily high heating bills due to inadequate conservation measures or building practices by the homebuilder. Does the homebuyer need protection? Also, how effective have voluntary methods, such as the Energy Rated Homes program, been in accomplishing the same purpose?

4. We are all aware that Alaska's shelter industry is experiencing severe economic problems. Do the energy conservation standards add to these problems by increasing the cost of new homes and perhaps reducing the profit margin of the homebuilder, or will the standards have a positive affect on the shelter industry by making it more difficult for modular housing to penetrate the Alaskan market as well as homebuilders who come to Alaska without the experience of building in cold climates?

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WORKING DRAFT
DECEMBER 7, 1987

LOW INCOME WEATHERIZATION
Department of Community and Regional Affairs
Rural Development Division

PURPOSE: the Low-Income Weatherization program is a federally sponsored program that is administered by the State. The purpose of the program is to reduce the home heating costs of low-income residents using standard energy conservation measures such as weatherstripping, caulking, vapor barrier and insulation. The program provides the materials, transportation, and labor that are needed to install the energy conservation improvements that are determined to be appropriate for each home.

ELIGIBILITY AND CONDITIONS: Regulations by the U.S. Department of Energy (DOE) established the eligibility and conditions that apply to the Low-Income Weatherization program. There are two ways that a household can qualify for weatherization:

1. By qualifying for AFDC, Social Security, Disability, or adult public assistance, or

2. By having a household income that is 60% of the mean income for the State.

These regulations are essentially the same as those used for the federally sponsored Low-Income Home Energy Assistance Program (LIHEAP) except that household income is based on the last 12 months for weatherization instead of the last 3 months for LIHEAP.

Federal regulations limit the amount of assistance to $1,600 per home, currently, which includes the cost of materials, transportation to the respective communities and installion.

Federal regulations give DCRA the discretion to allocate program funding but legislative intent limits this discretion. The legislative intent for the weatherization program is that funding should be allocated on the basis of; 1) cost of fuel oil, 2) heating degree days, and 3) percentage of homes not weatherized. DCRA uses these criteria to determine what percentage of its annual funding should go to each of six regions in the State (five rural regions and one region that includes urban centers).

The next step in the allocation process is to identify those communities that best meet the criteria. To achieve some economies-of-scale, the

Weatherization Funding History

FISCAL YEAR	DOE	LIEAP	STATE	EXXON	TOTAL
1981	$ 1.4 mil	--	--	--	$ 1.4 mil
1982	$ .8 mil	$ .5 mil	--	--	$ 1.3 mil
1983	$ 1.3 mil	$ .3 mil	$ 2.3 mil	--	$ 3.9 mil
1984	$ .9 mil	$ .3 mil	$ 5.1 mil	--	$ 6.3 mil
1985	$ 1.8 mil	$1.0 mil	$ 5.2 mil	--	$ 8.0 mil
1986	$ 1.5 mil	$ .8 mil	$ 2.1 mil	--	$ 4.4 mil
1987	$ 1.4 mil	$ .7 mil	$ .2 mil	$2.0 mil	$ 4.3 mil
1988	$ 1.4 mil	$ .7 mil	$ .2 mil	$2.0 mil	$ 4.3 mil
	$10.5 mil	$4.3 mil	$15.1 mil	$4.0 mil	$33.9 mil

Homes Weatherized

	Total Homes	As of 1987	% Weatherized
Anchorage	70,724	3,206	5
Fairbanks	22,628	974	4
Juneau	7,656	307	4
Rest of State	50,644	10,541	21
Total	151,652	15,028	10

Based on the 1980 census, it is estimated that about 45,000 homes in Alaska may qualify for weatherization.

PROGRAM HISTORY AND CURRENT STATUS:

The weatherization program (which operates on a federal fiscal year) is just completing its FY 87 efforts. During FY 87, about 1800 homes have been weatherized. Contractors for this effort include:

CONTRACTOR	REGION SERVED	CONTRACT VALUE
Municipality of Anchorage	Anchorage	$ 985,406
RuaAL CAP	Western Alaska	894,133
AK Comm. Dev. Corp.	Southcentral	894,033
SIH	Fairbanks	469,365
Tanana Chiefs	Doyon	318,482
TOTAL		$3,561,419

An $88,000 contract with SEACAP to serve Southeast communities, was canceled due to some irregularities that appeared after an audit of previous contracts. Both the FBI and the Juneau Police are also

Projected Funding for Conservation Program
($ 000)

Funding Source	FY 88	FY 89	FY 90	FY 91
Overcharge Funds				
Exxon	3,000	3,199	538	0
Stripper Well	0	0	3,743	0
Federal	2,220	2,147	1,900	1,800
State	698	698	698	698
TOTAL	5,918	6,045	6,879	2,498

Although the potential for a precipitous drop in funding for energy conservation programs is still at least two years away, it often takes government a year or two to respond to a problem. Therefore, if there is to be continuity in the weatherization program, now is the time to devout attention to this potential problem.

It should be noted that there may be some obligation for the State to restore general fund appropriations to the weatherization program since the allocation by the federal court of the overcharge funds was based on the premise that these funds would not be used to supplant other sources of funding. State funding for the capital budget portion of the program was eliminated about the time that the overcharge funds became available.

Future funding for the weatherization program raises the issue as to when the program can expect to have completed its job. Considering that:

1. It has taken about eight years to weatherize about one-third of the homes that are expected to qualify for weatherization (based on the 1980 census);

2. That the energy conservation measures being installed are essentially skimming the cream and do not include everything that could be cost-effective; and

3. That since 1980 there has been a considerable increase in the amount of housing stock in Alaska, much of it poorly built and needing weatherization:

The need for the program exceeds the amount of funding that can be expected at this point in time.

ISSUES NEEDING ATTENTION AND WHICH MIGHT LEAD TO TASK FORCE RECOMMENDATIONS.

Issues that could be of concern to the Task Force are:

1. Approximately $34 million has now been spent during the past eight years to weatherize 15,000 homes, an average cost of $2,265 per home; the annual average program cost being $4.5 million/year. If another

Working Draft
Dec. 1, 1987

RURAL TECHNICAL ASSISTANCE PROGRAM
Alaska Power Authority

PURPOSE: Provide assistance to rural communities in their efforts to develop, upgrade and operate electrical utility systems in order to decrease community dependence on diesel fuel. Currently involves provision of engineering, planning, and financial advice, direct on-location engineering services, and sometimes equipment.

ELIGIBILITY AND CONDITIONS: Any organized municipality, unincorported village or rural utility requesting it is eligible to receive technical assistance. The assistance is often given in conjunction with capital project appropriations to the APA or in in conjunction with loans or grants awarded to the recipient organizations by the legislature, either through the Alaska Power Authority or other administering agencies. In some cases the APA conducts the planning, design, construction and initial acceptance operations while retaining ownership of the facilities; then the ownership is transferred to the recipient organization.

PROGRAM HISTORY AND CURRENT STATUS: Within its Program Development Directorate the APA maintains a Rural Technical Support group consisting of 7 persons, and this group receives aid from other parts of APA so that the current level of effort involves a staffing of approximately 10 [?] full-time equivalent positions. Funding for these positions is approximately xx% from the APA operating budget and yy % from Capital Improvement Project (CIP) funds. The APA's October 1987 "Active Projects List" indicates that approximately 30 separate technical assistance projects are underway, not including waste heat recovery projects or reconnaissance and feasiblity studies. The projects include planning, construction, upgrading and operation of electrical distribution lines; development of small hydro generating facilities, assessments of community needs for technical assistance; energy conservation demonstration projects; community electrifcation projects; and assistance in obtaining right-of-ways or with other administrative and financial problems. The rural technical assistance given by the APA is actually somewhat broader than implied above; personnel involved in the program give communities needing it some administrative assistance and aid that goes beyond what we think of as strictly technical assistance. In this regard, one person has suggested that the overall program has a sort of amorphous structure.

:USSION AND ANALYSIS: The overall rural technical stance program operated by APA is one that has slowly ved during recent years as a result of the availability hat organization's technical capabilities and a growing eness by the legislature and by rural communities of the e of applying this capability to rural problems. eas direct fiscal awards without oversight often have made in the past, there seems to be a growing tendency ward grant or loan monies through APA in order to ensure nical oversight and an effective expenditure of the s. That trend may be only apparent--it may be more the lt of an overall reduction in capital appropriations.

In Alaska's rural areas this program evidently is ly regarded. Many rural residents appear to believe programs of this type are one of the best means to ve electrical services and reduce costs. However, an esting question has been raised about the way in which program is currently conducted. The suggestion has made that the program has moved in a direction that has PA into improper competition with private industry--it suggested that the original intent for APA's lvement was only to provide oversight on expenditure of funds, conduct assessments of problems and needs, linate personnel training programs, and provide gency services. Specific detailed issues raised include:

1. In its efforts to reduce project costs is APA ring too much into project design, construction gement and procurement of materials? (It is pointed out the procurement of materials [and only contracting for with private entities] removes the ability of a te entity to mark up the cost of the materials, thereby cing the profitability to the private entity.) On the r side of the issue, APA personnel have commented that the years they have felt obligated to take a greater because of such problems as ill-advised design work by ractors which has led to the installation of excessive rating capacity and equipment not appropriate to the ation. Assuming that there may be some truth to the ements offered on both sides of this issue, what rammatic modifications could be made to make more use of private entities while also ensuring that they perform in a cost-effective manner.

2. Another issue raised is the danger of taking too of a "big brother" approach which removes onsibility and decision-making from rural communities, perhaps preventing them from doing planning, truction and operations work that the communities would r to do themselves, perhaps using force account labor contracting with private companies. Is this actually ing in this program? Related to this issue is the [illegible] of the advisability of encouraging

very small communities to have complex utility systems (water, sewer, electrical) that they may not have the expertise and inclination to operate efficiently. If these small communities are to have the facilities, should they be expected to maintain them by themselves, or instead should there be larger organizations like AVEC to take over the responsibility--perhaps using some combination of local labor and circuit rider personnel?

These and similar legitimate questions appear to need more investigation by the Task Force. While only raised in conjunction with this specific program, these questions have broader implications for all of the state's programs of technical nature.

In summary, the Rural Technical Assistance Program seems to be a popular and an effective one that is helping to reduce rural energy costs and improving the quality and safety of electrical supply. But the program's operation in its present form might be considered to be removing opportunities from private industry, and it might be having a tendency to remove initiative and responsibility from the local level.

ISSUES NEEDING ATTENTION AND WHICH MIGHT LEAD TO TASK FORCE RECOMMENDATIONS

1--Should this program be eliminated, reduced, maintained, or increased?

2--If the program should be maintained or increased, are steps needed to ensure program stability?

3--What level of staffing should the program have and should that staff maintain a high level of technical expertise and hands-on involvement in technical matters?

4--At what point does a program of this type improperly begin to compete with private enterprise? Where is the balance between proper technical assistance and oversight and an improper displacing of private industry?

5--At what point do technical assistance efforts begin to take away local initiative and responsibility?

6--What about the suggestion that this program be expanded by providing routine technical support by means of circuit-rider personnel--evidently now being done rather successfully in support of some rural water supply systems?

7--If a circuit-rider program is initiated should it be considered as a first step toward establishing rural regional utilities?

STATE ENERGY CONSERVATION PROGRAM
Department of Community and Regional Affairs

PURPOSE: Presentations to the Task Force indicated that this is a rather broad program with several thrusts which might all be categorized as being directed toward reducing energy consumption and costs. Commissioner David Hoffman stressed the theme that DCRA views the energy programs as tools which the department uses in conjunction with other programs in an overall attempt to build stronger rural communities and which would promote the preservation of smaller rural communities. Individual and community education is one general programmatic thrust.

ELIGIBILITY AND CONDITIONS: The general program is sufficiently diffuse in nature that it appears difficult to define the eligibility of program recipients and the requisite conditions under which program delivery occurs. Perhaps departmental proclivities are the main determinants, the overall needs being so great and the number of communities involved so large that factors such as community accessibility and responsiveness probably enter.

PROGRAM HISTORY AND CURRENT STATUS: This general program appears to have evolved from the remnants of several programs previously conducted within the Division of Energy and Power Development (DEPD) of the Department of Commerce and Economic Development and then transferred to DCRA when DPED was abolished in 1983. Approximately 8 staff positions are involved, not including 5 others in the Weatherization Program also operated by DCRA and closely related to this program (See separate description of the Weatherization Program). The FY 88 operating budget is $1.57 million and there is a $400,000 capital budget for the Institutional Conservation portion of the program. Of the operating budget, $448K is from the General Fund, and $1.12 million is from the federal EXXON funds.

The overall program appears to have these components:

- Institutional Conservation
- Development of Thermal and Other Standards and Promotion of Their Adoption.
- Technical Assistance to Communities in Purchasing of Bulk Fuels
- Community Energy Conservation Efforts and Planning (end-use considerations and least-cost efforts)
- Energy Extension Service Sub-Programs
  - Rural Residential Heating System Maintenance
  - Alaska Craftsman Homes

RURAL ENERGY ISSUE BRIEFING

Department of Community and Regional Affairs

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Alaskans spend a considerable portion of their incomes %) on staying warm and on lighting. (This compares with for Anchorage.)

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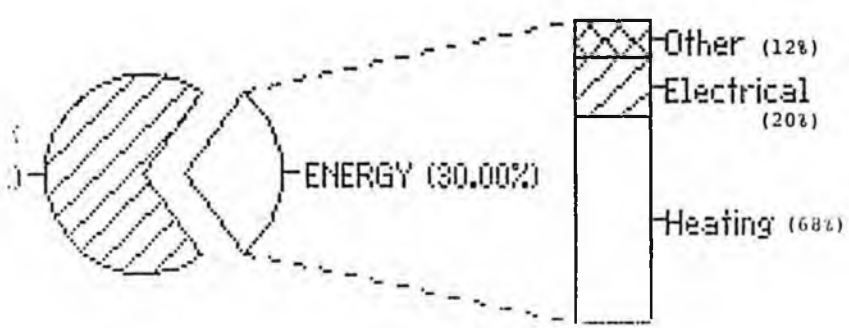
(based on rural family income)



- Energy conservation presents the most practical and cost-effective long-term solution to high heating costs.

Examples of how various energy conservation measures can e the cash leaving the family and community are:

- Weatherization can reduce low income Alaskans' energy consumption in existing buildings by 18 to 20%;
- By building superinsulated homes, heating bills can be reduced as much as 80% over standard construction;
- High efficiency stoves and proper maintenance can result in 50% savings;
- Cooperative bulk fuel purchases can save communities 19-23% in fuel costs. This saving can be further enhanced through effective fuel management and appropriate financing.

- Every dollar saved through conservation represents at least a dollar reinvested in the community, creating jobs or strengthening the economy.

CORRECTION

THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

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- Rural Residential Heating System Maintenance
- Alaska Craftsman Homes

Energy-Rated Homes
Energy Performance Contracting
General Energy Education

Some of the main concerns which persons involved in this program are attempting to deal with are described in the attached summary prepared by DCRA and entitled: "Rural Energy Issue Briefing".

DISCUSSION AND ANALYSIS: Of major operational concern is the current funding picture for this general program. both the federal and State governments have made major cutbacks on funding, and the program is now largely paid for by oil overcharge funds. The Oil Overcharge Consumer Advisory Board, a group advisory to DCRA and which includes sever l members of the Energy Policy Task Force, notes that: "S' e 1984, State funding for energy conservation has decreased 91% and federal funding also has decreased...The Advisory Board has recommended to the State that the remaining oil overcharge funds be allocated in FY 89 and that the expenditure of these funds take place over two fiscal years. The result is that, beginning in FY 90, there will be only a small amount of State and federally-funded programs to support energy conservation." See attached sheet entitled "Energy Conservation Funding" for a summary of past and expected future funding.

The person preparing this summary has a nagging feeling of not really understanding how this overall program is structured and how it operates in detail. The issues which strategies attack seem to be well defined, as are some of the specific strategies. Is my problem simply that the various program elements are so complexly interwoven that the whole assemblage looks amorphous? On the other hand, it may be that--especially if funding is declining and some hard choices have to be made--program personnel will have to undertake some planning activities that will establish various short- and long-term goals which the program can accomplish with various funding levels. The same thought, of course, might equally apply to some of the other programs the Task Force has reviewed.

A very important battle that program personnel are fighting is for the adoption of thermal and lighting standards and the general adoption of good building practices. The Task Force has heard ample evidence in support of constructing better buildings, an endeavor far from fully supported by all concerned. The Alaska Homebuilders Association is in fact lobbying to get a two-year delay on enforcement of the standards being adoped on January 1, 1988.

ISSUES NEEDING ATTENTION AND WHICH MIGHT LEAD TO TASK FORCE RECOMMENDATIONS

1. The major problem of declining funding fo: the overall conservation program.

2. Thermal and lighting standards.

3. Kudos for and criticisms of specific program elements. Any recommendations for programmatic priorities?

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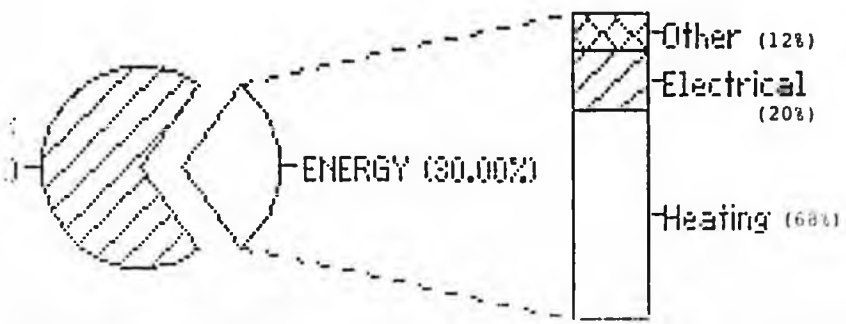

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