



The Alaska Affordable Energy Strategy Program Fact Sheet and Status Update (November 20, 2015)

Program Background: In 2014, the Alaska Legislature passed a provision in the AKLNG legislation that directed the Alaska Energy Authority (AEA) to prepare a plan and recommendations to the Legislature on infrastructure needed to deliver affordable energy to areas of the state that will not have direct access to a North Slope natural gas pipeline. This effort is referred to as the Alaska Affordable Energy Strategy (AkAES) and it, and any associated recommendations for legislation, are due to the Legislature by Jan. 1, 2017.

Program Progress since November 6:

• Met on multiple occasions with GINA-led team responsible for programming the data and community energy infrastructure project evaluation model to provide guidance and explanations for their effort

• Based on feedback from ACEP & ISER and new data sources, updated several modules of the community energy infrastructure project evaluation model.

• Worked to provide data and estimates to the contractors leading the LNG study—first deliverables delayed due to related data collection issues at AEA.

• Continued internal projects on data collection, program evaluations, O&M, and utility rates.

• Continued to work to finalize US Army Corps of Engineers' Planning Assistance to States agreement between AEA and USACE.

• Held second AkAES Advisory Group meeting. Discussed preliminary results of an investigation into the energy sources, consumption trends, and rates in the AkAES region.

• Finalized RSA for work to be performed by the Dept. of Labor and Workforce Development to investigate the impact of energy costs on community outmigration. The project is being led by ISER.

• Received preliminary memo on the potential and barriers of LNG based on interviews performed by Northern Economics, the contractor investigating the feasibility of LNG in the AkAES region.

• Met with contractor investigating the gaps and opportunity for energy efficiency, Vermont Energy Investment Corp, to discuss their upcoming trip to Alaska.

813 W Northern Lights Blvd Anchorage, AK 99503 (907) 771-3000 AEA'S MISSION IS TO REDUCE THE COST OF ENERGY IN ALASKA

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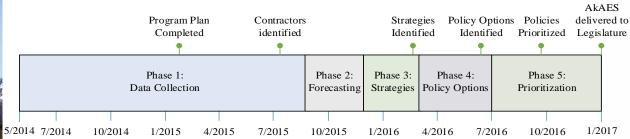




Expected Progress during the Next Two Weeks:

- The PM will be out of the office from Nov. 26-December 14, which will limit progress in the next two weeks.
- Continue coordinating with AEA's regional energy planning contractors on data collection and economic analysis.
- Finalize contract with U.S. Army Corps of Engineers for studying the potential of building new, strategically located regional fuel depots to decrease the delivered cost of fuel to communities.
- Continue to coordinate internal AEA work on the AkAES.
- Receive first estimates of community energy consumption from GINA-led modeling effort
- VEIC will travel to Alaska to interview numerous stakeholders about the opportunities and barriers to energy efficiency in the AkAES region.

Schedule





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