

The Alaska Affordable Energy Strategy

Program Fact Sheet and Status Update (August 14, 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 July 31:

- The team led by Northern Economics to investigate the feasibility of liquefied natural gas (LNG) in the AkAES study area for heat and/or electric generation began work on the project.
- The program manager for the AkAES was out of the office for much of the past two weeks. The
 week of August 10, the PM attended the International Energy Program Evaluation Conference in
 Long Beach, CA. Insights on how to evaluate current programs, examples of programs in other
 states that could be used as models for the AkAES recommendations, and methods of setting up
 future programs ensure maximum cost-effectiveness were all gained.
- Received seven proposals from Alaska and national firms in response to an RFP to investigate the
 gaps and barriers to energy efficiency in the AkAES study region, perform program evaluations on
 existing energy efficiency programs, and develop innovative policy recommendations for project
 financing and program structure.
- Continued internal projects on data collection, program evaluations, and utility rates.
- Updated the regional planning contractors at the regional energy planning meeting on the progress on the AkAES and how the two planning efforts will complement each other.
- Met with a representative from ACEP to discuss their progress on ACEP's project for the AkAES.

Expected Progress during the Next Two Weeks:

- Receive comments from stakeholders on a first draft of an RFP to investigate the transportation and storage barriers to biomass pellets in the AkAES study region.
- Continue coordinating with AEA's regional energy planning contractors on data collection and economic analysis.
- Meet with the GINA-led project team for data management and modeling
- Continue coordinating with the contractors leading the LNG study
- Review proposals and select a contractor in response to RFP to investigate the gaps and barriers to energy efficiency in the AkAES study region.
- Begin work on the projects with ISER.

- 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.
- Receive a proposal from ISER to 1) estimate the impact of energy costs on migration patterns in Alaska and 2) gain further insight into length of tenure in rural labor markets, particularly for utility personnel
- Meet with the AkAES Advisory Committee
- Continue to coordinate internal AEA work on the AkAES.

Schedule

