



COMMONWEALTH
NORTH

Rural and Alternative Energy Study Energy for Rural Alaskans – Framing the Issues

Overview:

Twenty percent of Alaska's 710,000 population live in almost 300 communities spread across 500,000 square miles. While some communities are larger (Ketchikan, Kodiak, etc.) most are small and geographically dispersed. Hub communities (Barrow, Bethel, Kotzebue, Nome, Dillingham, etc.) are home to 2,500 – 5,000 individuals and some 250 communities have populations of 50 – 1,100.

Most of Alaska's rural population is significantly reliant on subsistence foods and transfer payments (social security, state and federal assistance, and native corporation dividends) for their sustenance. Per capita income is extremely low while costs of goods and services are extremely high. Low income and high costs appear to be driving many promising community members away to other areas (hubs, urban communities and outside destinations) in search of gainful employment and affordable bills.

Energy (electricity, heating fuel and gasoline) represents a very significant component of rural Alaskans' annual cash outlay, with the figure approaching or exceeding 40%, according to studies published by ISER and other respected Alaskan institutes. While the state of Alaska does not have a well-defined "Energy Plan," there have been recent efforts to develop such a plan. There are numerous "regional plans" in various stages of development, but none appear to offer comprehensive relief to the high cost of energy without heavy reliance on significant "free" funding, in effect buying down the cost of energy to an affordable level.

Scope:

The scope of this study is to develop an understanding of the current state of energy production, transportation and consumption in rural Alaska and to examine efforts underway to develop long-term, viable, cost-effective solutions to those challenges. This study will attempt to inform Alaskans about energy challenges that exist outside the "Railbelt" and to develop recommendations on the most cost-effective solutions to provide for the long-term energy needs of rural Alaska.

Timeline:

The goal will be to complete this study in time to release the report at the Alaska Rural Energy Conference in Juneau, September 27-29 2011.

Proposed Study Group Presentations:

- Alaska Energy Authority – Overview of the current rural power statistics
- Arctic Slope Regional Corporation
- Bering Straits Native Corporation
- NANA Regional Corporation – Stuart Parks/Jay Hermanson
- Calista Corporation
- Doyon, Limited
- ISER – Steve Colt/Scott
- AVEC cooperative approach to locally owned electric utilities
- Cook Inlet Region, Inc.
- Bristol Bay Native Association
- The Aleut Corporation
- Chugach Alaska Corporation
- Sealaska Corporation
- Koniag, Incorporated
- Ahtna, Incorporated