



COMMONWEALTH
NORTH

Illuminating Alaska's Issues

RURAL AND ALTERNATIVE ENERGY STUDY GROUP

JUNE 16, 2011

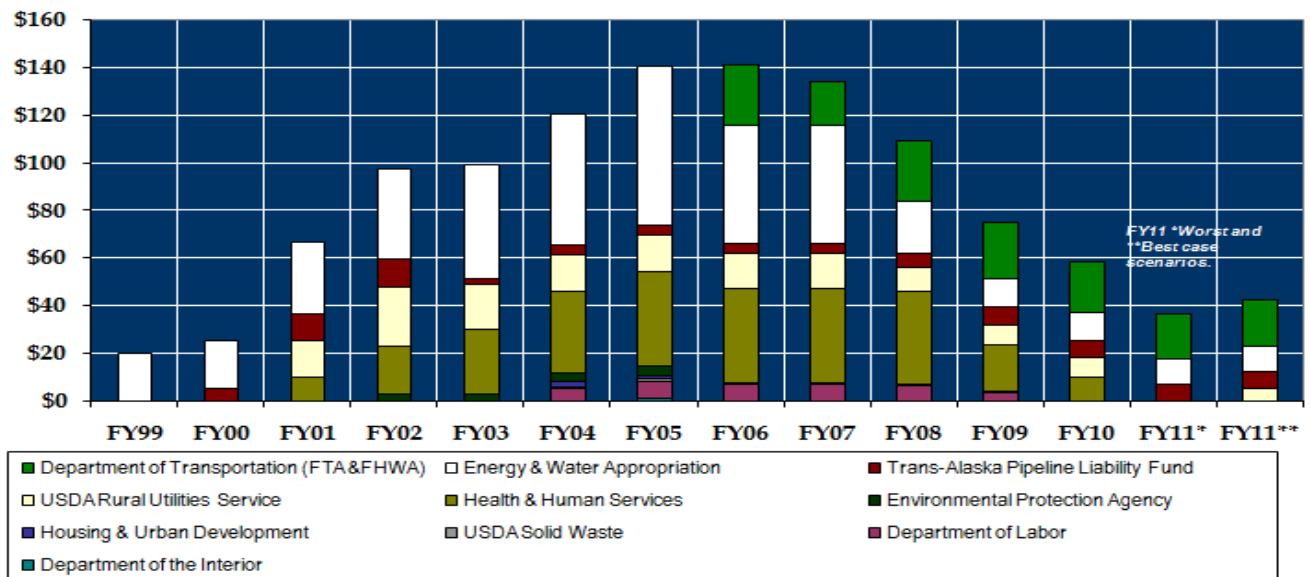
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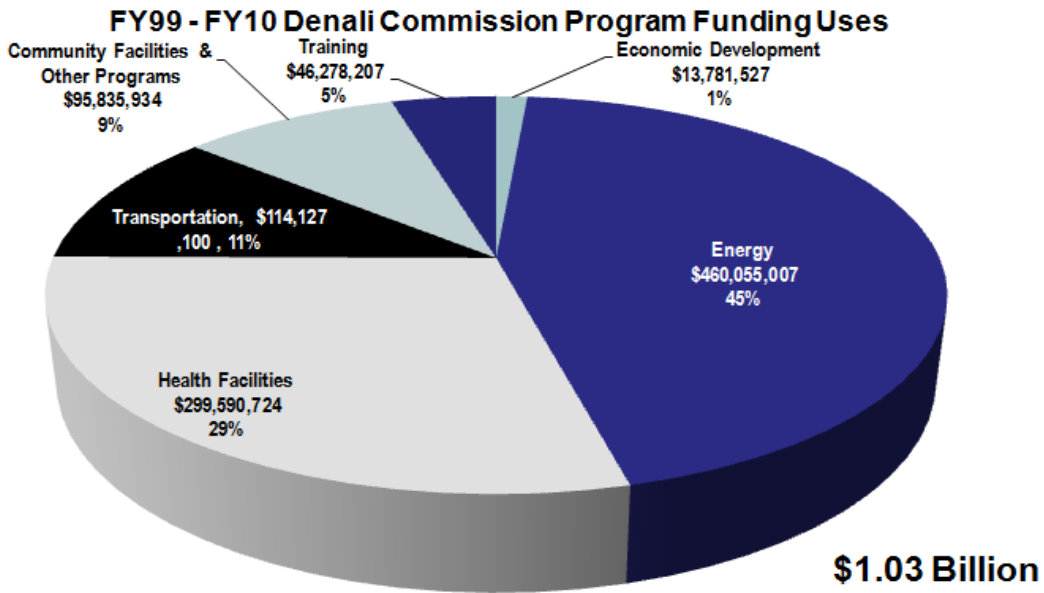
1. **CALL TO ORDER:** Meeting called to order at 12:00pm by Meera Kohler
2. **Joel Neimeyer, Federal Co-Chair, Denali Commission & Denali Daniels, Senior Energy Program Manager**
 - The Denali Commission is an independent federal agency, created in 1998 to provide critical infrastructure improvements in rural Alaska.
 - Programs
 - Energy Program
 - Health Facilities Program
 - Transportation Program
 - Training Program
 - Economic Development
 - Government Coordination
 - Funding¹

Denali Commission Funding Sources FY99 - FY11

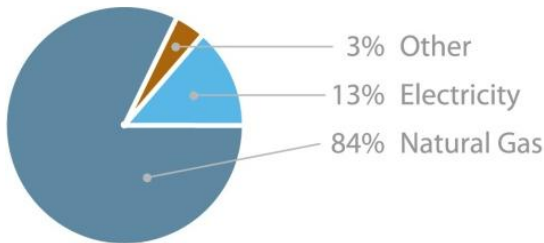
(in millions)



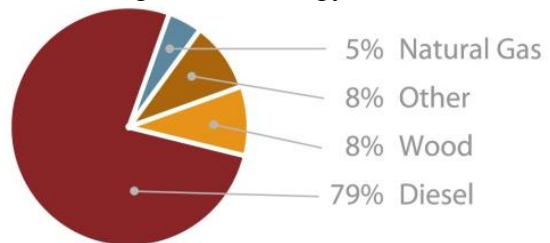
¹ Denali Commission PowerPoint Presentation 6/16/11, Slide 4-5



- Energy Program
 - Bulk Fuel Storage
 - Rural Power System Upgrades (RPSU)
 - Distribution/Interties
 - Energy Cost Reduction Projects
 - Renewable, Alternative and Emerging Energy Technologies
 - Bulk Fuel and Power System upgrades are and will remain the main focus of the energy program
- Energy in Alaska
 - How Alaska households heat their homes using various energy sources²



Anchorage



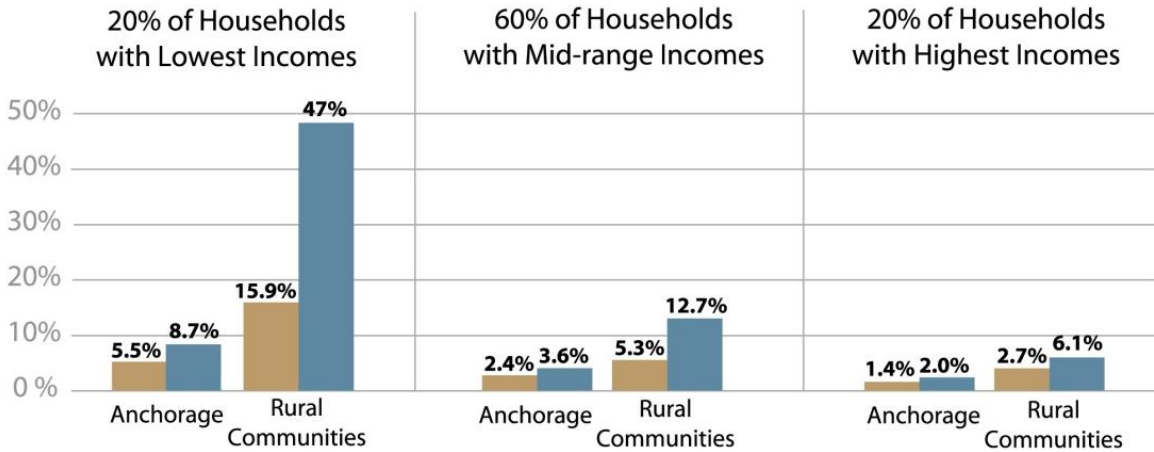
Rural Communities

- Estimated median share of income Alaska households spend for home energy use³

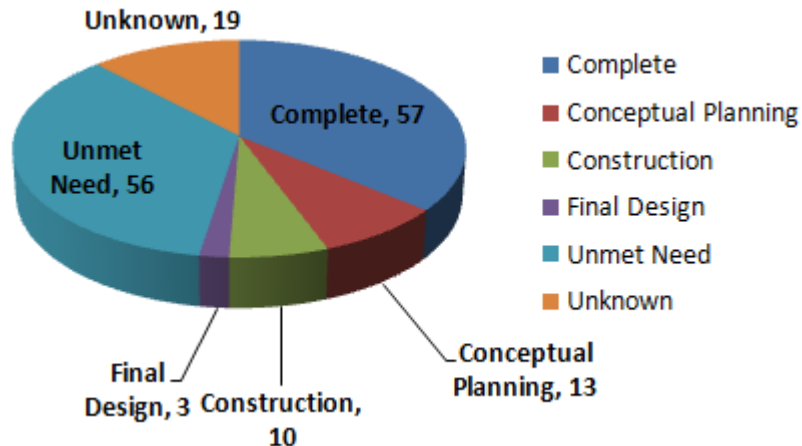
² Estimated household costs for home energy use, May 2008 ISER report

³ Estimated household costs for home energy use, May 2008 ISER report

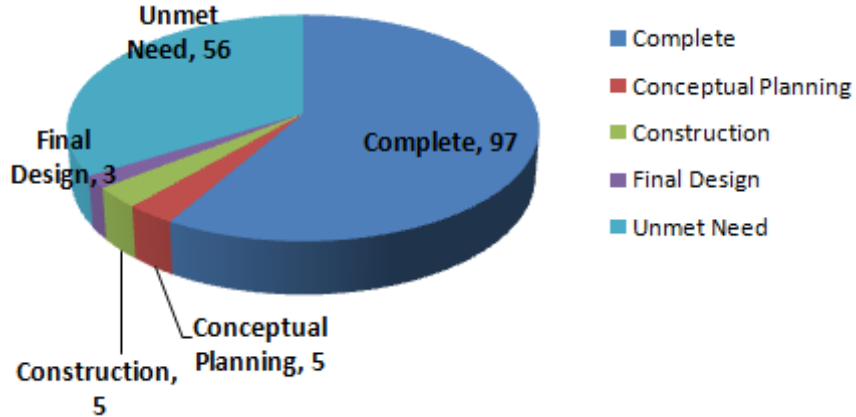
■ 2000 ■ 2008



- Universe of Need – Denali Commission Project Summary
 - Rural Power System Upgrades⁴



- Bulk Fuel Projects⁵

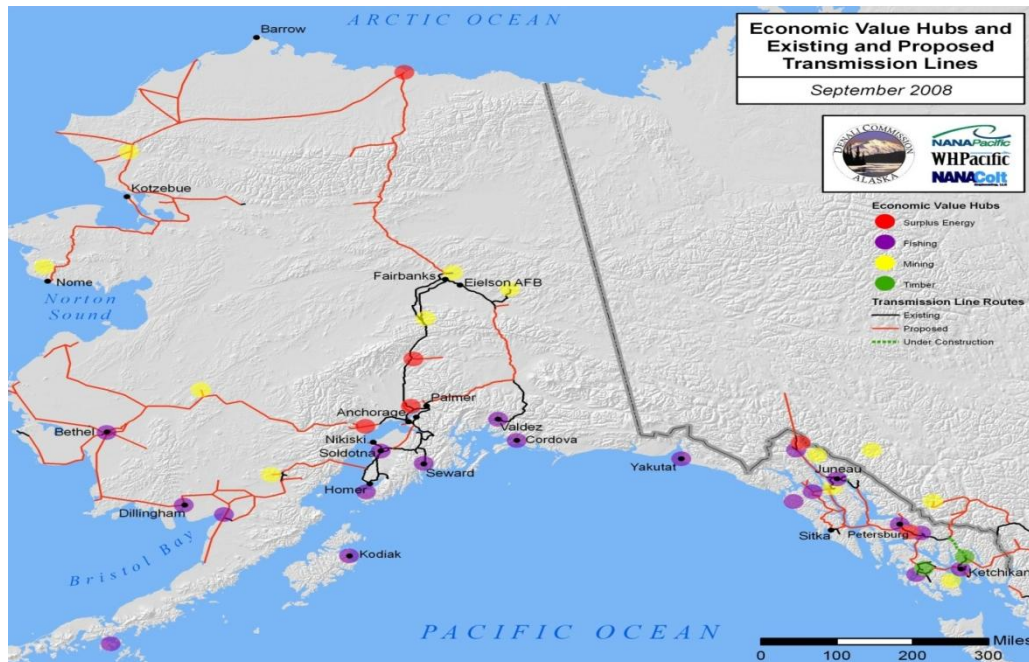


- In 2005 the Denali Commission received congressional direction to incorporate alternative and renewable energies
 - Renewable Energy Fund
 - Emerging Technologies Fund

⁴ Denali Commission PowerPoint Presentation 6/16/11, Slide 12

⁵ Denali Commission PowerPoint Presentation 6/16/11, Slide 12

- Provides seed funding for projects that have begun to get off the ground now
 - Statewide Intertie



- Study conducted by the Denali Commission in partnership with NANA to give a technical and policy review of electric transmission in Alaska entitled “Distributing Alaska’s Power”
 - There has been talk about doing a phase II of this intertie report
 - Need to decide who should undertake this follow-up report and what questions it should answer
 - Rural Policy Questions
 - Sustainability of Rural Infrastructure
 - The Denali Commission has now invested over a billion dollars into rural Alaska
 - Those communities and projects that could demonstrate sustainability did better in the application process
 - Phase II Intertie Study
 - Is a statewide intertie a realistic goal for Alaska?
 - Reliance on Diesel
 - Should rural Alaska remain on diesel fuel?
 - Remaining Rural Energy Infrastructure
 - Those not yet served are the most challenging. They did not move forward because there were barriers of some sort
 - Emerging Technology Focus
 - Regional Planning/Technical Assistance
 - New plan to be published by the Denali Commission soon
 - Discussion
 - Address energy at the grassroots level, how are we going to help mom and dad in rural Alaska?
 - How do we invest our money now wisely
 - Looking for the “right” sized infrastructure
 - Need uniformity in regional plans

- Weatherization
 - There is large average decrease in energy use with weatherization
 - Average energy usages is 400kw per month in rural household, not a lot of room to improve on electricity usage, but there is room to improve in heating
 - Weatherization used more in rural Alaska than the rebate program
 - How to incentivize people to do weatherization and efficiency
 - Incentives better than punishments for not doing it
 - \$ crunch, transportation not included in these programs
 - Weather cost equalization dollars are not available to commercial users
 - Government coordination
 - Bring together housing organizations and native organization to design building standards
 - Take a 30 year view - In 30 years what do we want our housing stock to look like?
- **Adjourned: 1:01pm**