

Revised April 20, 2010

Alaska Energy Authority Program Fact Sheet: Alternative Energy and Energy Efficiency Programs

Current Status:

RE Fund: AEA has entered into grant agreements with 88 of 107 Round I and II grantees. The Legislature funded \$125 million for these Round I and II projects. On February 17, 2010, AEA submitted Round III recommendations to the Legislature for up to 90 projects totaling \$65.8 M. The Legislature appropriated \$50.25 million for Round III projects. This appropriation awaits the governor's action.

Energy Efficiency: AEA released the Alaska Small Cities EE and Conservation Block Grant solicitation on March 24. It will provide \$3.2 M in ARRA funds for EE upgrades and activities.

Overview:

Alaska Energy Authority's (AEA's) Alternative Energy and Energy Efficiency (AEEE) program currently manages and funds projects and initiatives totaling \$157 million in state and federal funding. Activity substantially increased after AEA launched the Renewable Energy Fund. An AEEE update is available on AEA's website at www.akenergyauthority.org

Program Descriptions:

The AEEE program promotes the use of renewable resources as alternatives to fossil fuel-based power and heat, and measures to improve energy production and end use efficiency. In rural areas the program may support developing local sources of coal and natural gas as diesel alternatives. The AEEE program is divided into eight separate program areas:

[Alaska Energy Inventory](#) (cooperative project of AEA and Alaska DNR) is compiling renewable and fossil resource data, energy supply and usage, and other information useful for energy planning and development.

[Biomass Energy Program](#) develops projects using wood, sawmill residue and municipal wastes for energy; tests air emissions and performance of fish oil and diesel blends as fuel; assesses the viability of recovering fish oil from fish processing wastes.

[Diesel Generation Efficiency Program](#) provides assistance in developing projects that use high efficiency generators and recover "waste heat" from diesel generators.

[Energy Efficiency & Conservation Program](#) focuses on reducing energy use in larger facilities such as schools, community buildings, water treatment plants, and commercial buildings. Current initiatives include the federally funded Energy Efficiency and Conservation Block Grants, the Village End Use Efficiency program, a building energy monitoring, pilot projects, and a statewide public education and outreach program.

[Geothermal Program](#) supports projects such as the Chena Hot Springs power plant; organizes workshops and training sessions; coordinates state assistance in developing other potential projects such as Mt. Spurr on the Railbelt and Makushin in Unalaska.

[Hydroelectric Program](#) provides technical assistance through staff and contractors for hydro feasibility assessment; manages public funding for project construction.

[Ocean and River Energy Program](#) evaluates technology and feasibility of converting wave motion, tidal and river flow into power in partnership with Alaska utilities and Electric Power Research Institute.

[Wind Program](#) assists utilities and communities in resource evaluation, training, environmental assessment, regional development, conceptual design and economic feasibility of rural wind-diesel systems; assists with Railbelt wind integration studies.

Funding:

AEA's alternative energy program has received funding since the early 1980s from the US Department of Energy (USDOE) and more recently from the Denali Commission and the EPA.

Under the Renewable Energy Fund, AEA is providing \$125 million in grants for 107 Round I and II projects. AEA evaluated 123 applications submitted for Round III of the Renewable Energy Fund and recommended funding for up to 90 projects totaling \$65.8 million. The Legislature appropriated \$50.25 million for Round III projects. This appropriation awaits the governor's action.

In June 2008, AEA and the Denali Commission offered \$7.5 million in grants for 37 projects. The Energy Cost Reduction RFP, an earlier program, has provided \$8.4 million in grant funds to match \$12.4 million in local funds for projects that are displacing or will displace 1.4 million gallons per year of diesel and equivalent natural gas. For more detail, see the AEA's [Biennial AEEE Assistance Plan](#) on the AEA website.