

Alaska Energy Security Task Force
DRAFT MEETING MINUTES
Tuesday, October 24, 2023
Anchorage, Alaska

1. Welcome and Introductions

Chair Lieutenant Governor Nancy Dahlstrom called the meeting of the Alaska Energy Security Task Force (AESTF) to order on October 24, 2023, at 5:01 p.m.

2. Roll Call

Members present: Chair Lieutenant Governor Nancy Dahlstrom; Vice Chair Curtis Thayer; Clay Koplín; Commissioner John Boyle; Jay Penob (ph) for Acting Commissioner Emma Pokon; Karl Hanneman; Jenn Miller; Duff Mitchell; Robert
A quorum was present to conduct business.

3. Public Comments

Chair Lieutenant Governor Nancy Dahlstrom stated that the purpose of tonight's meeting is to accept public comments on the draft Alaska Statewide Energy Master Plan. She turned the meeting over to Vice Chair Thayer. He stated that in the interest of time, we are limiting comments today from each person to three minutes. In addition, we are accepting written comments until 4:00 p.m. on Tuesday, October 24th. Please send your written comments to:

info@akenergysecuritytaskforce.com

Vice Chair Thayer stated that comments received during the public meeting held on October 10, 2023, and afterwards, until 3:40 p.m. today, have been distributed to Task Force members and posted on the Task Force website. Comments received today will be added to the website and distributed to Task Force members.

He then opened the floor for comments from attendees in the room. Instructions were given to online folks to raise their hand in the Teams app to be recognized. All commenters please provide your name and affiliation.

Paul Fuhs - stated that he's been involved in energy projects for quite a while. Currently doing a project in the Aleutians with hydrogen. He commends the Task Force with taking up the issue of discrimination against Arctic oil and gas development. We need to address that. We're being attacked on every single level. Not only by NGOs, but also by government officials, banks, and insurance companies under the false narrative that somehow it's Arctic production of oil that's created this situation. I'm working with the Northern Forum, the organization of states, and the Lieutenant Governor has spoken to me about this Task Force. Northern Forum will be going to the UN Climate Change Conference in Dubai to speak there in terms of an Arctic sustainable energy policy. I just have a one-page document here that I'll leave for the record. You might want to use some of this language.

We recognize climate change, we support renewable energy, we definitely stand against the discrimination against the Arctic. Today the Biden administration put out another arctic energy policy that yes, it's renewables and all of that, but it also calls for reduced oil and gas drilling. I think it would be good to make a statement about that. Even if you stopped all of the oil drilling, it wouldn't mean one less drop of oil being burnt. As we say, it's not the 4 million people at the Arctic, it's the 7 billion people of the non-Arctic. It's really a consumption issue, not a production issue. Latest estimates are that world oil reserves are another 59 years. So, oil and gas are going to be needed during this transition period. So, I think it would be good to make a general statement about that and stand up for our rights to produce our own energy here.

The project I'm working on in the Aleutians is taking geothermal, hydrogen, and then hydrogen based fuels and mineral processing. You might say something about the State's potential of using our stranded energy. Most energy projects look to fill a domestic grid. But to produce these other products requires hydrogen. I'll just leave it at that and thank you for your work on this.

Vice Chair Thayer thanked Mr. Fuhs for his comments. Is there anyone else in the room that would like to testify.

John Hendrix - I'm John Hendrix, owner of HEX and Furie Operating Alaska. We're the proud owner of the only Alaskan owned oil and gas production company. We also own the largest Anchorage position in a unit in Cook Inlet. I don't know who you've been talking to about there's no gas in Cook Inlet, but our company's never been consulted and if we can help in any way, we'd like to.

I think I'd like to see out of this is the responsible management of change, transition plan on how the State of Alaska's going to move from one energy source to another energy source. Or where you will pause. Right now as a person who personally put in \$10 million working over two wells this summer with hardly any results. It's hard to put more money in when you have this whole work group for utilities which are not part of the upstream, midstream, or downstream part of oil and gas, by the way. Your oil and gas representative is not even part of what's upstream, midstream and downstream. They're a utility. What do they know about gas. Do you go to a gas station to ask about North Slope oil development? No.

We're an oil and gas company. We're Alaskan owned, Alaskan operated. I'm here to protect my people's jobs. There is gas out there. But the threat of renewables, all the federal money coming in, everybody glad-handing, having conferences on renewables, that's a threat to our jobs. It's basically very difficult when that money, when everybody wants to transition out of gas. If you want to get rid of me in five years, why would I put \$20-30 million on my platform to drill a well next year. We want to. We want to bring gas. We have one well that might bring in 60 v's of gas. But do I roll the dice if people in Alaska and if people in the federal government want to get rid of us? So, I think we owe it to ourselves to have a responsible transition plan. The federal government hasn't done it.

They don't know the 65% of the world's fertilizer comes from natural gas. You get rid of natural gas, who's going to feed the people of the world--who dies and who doesn't. It has to be -- BP used to have management change. It morphed into things it shouldn't have, sometimes, where they had a do nothing case. But it's trying to have some thoughtful how do you move and transition without the scholarship this last year and Niniichik won it. Really good on some thoughtful thoughts on how we do. But until the State decides how you're going to transition in a thoughtful, responsible way, it's going to become like, pause in Cook Inlet to say are you going to get rid of us? If it's on a kill switch, we're not going to invest. And then you're going to subject us to foreign gas coming into our State at \$18. We can deliver for \$10 if we have someone who works with us. Thank you.

Vice Chair Thayer thanked Mr. Hendrix for his comments. He asked if there was anyone online through Teams or on the phone that would like to make a comment.

Matt Clarkson - Chief Legal Officer at Chugach Electrical Association. Her to provide comments on the Energy Security Task Force, October, 2023, Draft Report. Chugach serves the Governor's interested in security safe, stable, affordable and reliable energy resources for Alaskans. The desire for a comprehensive statewide energy plan is understandable and the Governor's leadership in this regard is commendable. So, we want to definitely voice our opinion and support of what the Governor is attempting to do here. As most of you are aware, the energy industry in general and the electric utility industry, specifically, is undergoing significant transformation. Decarbonization and decentralization are two key disruptors challenging the historic centralized utility model. In that vein Chugach believes the statewide energy plan, if properly considered, formulated and executed, would provide the coordination and direction necessary for a successful statewide navigation in this uncertain path forward.

The Task Force's report with six priority areas with numerous strategies and discreet action plan underline each priority area, the breadth of issues raised and addressed in the 142 page report first released on October 2 and recently updated on the 20th are too numerous for Chugach to meaningfully responded to it at this time. While Chugach has several high level conceptual concerns regarding certain Task Force recommendations, that I'll introduce momentarily, Chugach expects and specifically reserves its right to provide additional commentary and analysis on the Task Force's recommendations prior to any formal adoption or implementation of said recommendations.

For now, Chugach talents will focus on priority area A of the Task Force's report. Chugach has significant concerns regarding any required conveyance of transmission assets to the State of Alaska or another third party. Indeed such recommendation implicates significant legal, operational, and financial challenges and complexities that should not be considered in haste. From a legal standpoint, Chugach is a private, nonprofit member-owned electric cooperative utility. State law and Chugach's governing documents currently require super majority of members prior to disposal of any significant portion of this access. Thus, depending on certain asset thresholds, Chugach's member approval prerequisite could prevent such a transaction

from occurring. But, regardless, even if this hurdle could be overcome, Chugach is not in a position to affirmatively support such a recommendation and would likely oppose any unprecedented State action. To condemn this private utility asset for such a purpose.

Second, from an operational standpoint, Chugach does not believe unified ownership is necessary for coordinated transmission system operations and long-range planning. As the lower-48 electric has demonstrated for decades, neighboring transmission systems can be jointly operated without being singularly owned. While the transmission system coordination is conceptually flexible and can be shared to save losses, you need circumstances, it's inadequate consideration.

Chugach is working through the process to consider alternative approaches to coordinated railbelt transmission system operations and intends to provide opinions and recommendations in the future. Ultimately, any recommendations in this regard would be vetted for clear demonstration of positive economic benefit to end consumer prior to implementation.

Third, from a financial standpoint, substantially all of Chugach's tangible assets, including this transmission asset, fall under Chugach's interest of trust. The conveyance of Chugach's transmission assets and corresponding release of interest on those assets could jeopardize Chugach's credit ratings, increase its costs in borrowing, and significantly undermine Chugach's ability to do long-term, secure debts upon capital improvement process.

Such financial limitations could also impact Chugach's ability to manage costs and find sustainable, affordable and reliable power to its members in the future. So those are just some brief comments that we wanted to bring to the Task Force. My apologies in writing as well, so you have a written copy to look at. But in conclusion we want to express our appreciation to the Governor for his leadership and focus on securing affordable energy for Alaskans and to the Task Force for its efforts in bringing so many important issues on such a truncated timeline. We remain optimistic about Alaska's energy future. And look forward to talking with and participate in ongoing public discussions regarding the future of Alaska's integrated electric system. We share the goal of operational consistency and the cost and benefits of all Alaskans, both rural and urban alike. Appreciate your time. Thank you for letting me comment.

Vice Chair Thayer thanked Matt for his comments and recognized Erin McKittrick.

Erin McKittrick (ph) - I'm Erin McKittrick, affiliated with no on. I would like to note that the public process here is really not great. You have 142 page report, updated from just four days ago. And as the Chugach representative said, there's really not enough time for anybody to provide meaningful comments on much for all of this. I note there's a lot of (indiscernible--poor audio) who are very supportive and describing how great you guys are doing in incorporating public participation in the report. Is that just this one meeting? But leaving that aside, the overarching goal here is to reduce costs for Alaskans. That's why the Task Force was formed and it's a goal that everybody would support. A lot of the things mentioned in the report are ways to spend Alaskans money subsidizing various things. And you can certainly save

money overall by spending it. But only if it's done very carefully, with careful cost-benefit analyses. And I'm really concerned that I see in here a lot of support for big, multi-billion dollar projects without that kind of careful cost-benefit analysis to show that it would actually save Alaskans money.

The gold mine is mentioned as a potential nearly \$9 billion project in one of the recent reports. The Susitna Watana Dam was supposed to cost \$5.5 billion back in 2014. It will be more now. And so, if we're going to consider spending billions of dollars in the State to reduce energy costs, you need to consider what else those billions of dollars can do, both in terms of other types of energy projects, wind farms, batteries, transmission, also other things that aren't big energy projects at all. Supporting people's bills directly. Giving money for home insulation and using the money to provide basic save services and permanent fund dividends without needing to raise taxes to do that. I don't think it's been done. Also specifically concerned with the idea of subsidizing load growth.

It's true that load growth can help reduce costs by spreading fixed costs across members. But that only works if those new loads are willing to pay the entire variable cost as well as a significant amount towards the fixed cost of electricity. To really be competitive on an industrial electricity scale, on a global stage, we don't need ten cent power, we need four cent power. And to get there, we would be subsidizing most of that cost on the theoretical funds that will have cheap enough power someday to make up for it, which we don't have a short term line to that. We have rising costs. I do think there's a lot in this report that's probably good ideas. I wish I would go and dive into it in detail, particularly, I think, ways that the State can spend relatively low amounts of money to leverage other things, like matching for federal grants was mentioned. Changing some of our regulations to get rid of things like transmission, wheeling costs, letting the RCA consider something more than short term avoided costs. There are various ways to ensure that the PPE program keeps working the Renewable Energy Fund and I would like to have more time for people to really comment on this and for actual net economic benefits.

Vice Chair Thayer thanked Ms. McKittrick for her comments. He recognized Mr. Todd Linley (ph).

Todd Linley - resident of Anchorage and representing himself. Objective 1.1 of this draft plan states "ensure stable and predictable regulatory and permitting and tax structure for the development of natural resources." I agree with this statement in principle, but I don't believe you do. This document, the commentary, the prioritization, and the action items all call for a fundamental shift to accept sustainable and renewable sources of energy. This is predicated on the State's ability to collaborate with the federal government, get IJJA and IRA funds, which can be found on page 48. No where in this report can there be found an analysis that demonstrates how inflated U.S. dollars printed through these programs spent on unreliable and cost intensives technologies return an investment much less lower the cost of energy.

This embarrassment of a report on page 16, for strategy A.2, that the railbelt subcommittee did not complete comprehensive analysis or cost estimates for potential generation projects. Even if

these projects were not a purview of the State, wouldn't it be necessary to analyze the impact and the regulatory, permitting and tax structure to see if you can actually achieve your objective. Shouldn't we start with an objective like this. The real disappointment reading this report are the references to removal portfolios energy and carbon reduction identified as these complete actions. Also, there's no analysis to show that renewable portfolio standards or carbon reduction methods meet the initial stated objective. As far as I can tell, based on several references throughout this report, is that the State never "entrepreneurial industry" used that it is more lucrative to accept money from the federal government than take a risk and try to be the best in the market.

There's more discussion on setting up new funds and green banks than assessing the market potential that would attract investment. What strings are attached with accepting such money and how do we possibly track all of this money. Everyone on this subcommittee may think that they are doing good in solving the energy challenges in Alaska. But I urge you to check your assumptions. To claim that natural gas is a transition fuel is ridiculous. To claim that renewable portfolio standards will reduce power costs is ridiculous. To put in place infrastructure and legislation that favors cognitive technology over proven methods because the federal government said so or you don't get your money is ridiculous. To claim carbon must be reduced without any demonstrable analysis to benefit is ridiculous. To claim that having access to more data will provide more energy security for the end user is ridiculous.

If you want solutions from citizens of Alaska on this plan, prove you can do this without the help of the federal government. Prove you can do this without renewable portfolio standards and ESG. Prove you can do this with a stable regulatory framework that support local development. Prove you can do this without carbon offset and sequestration. Prove you can bring the pipeline and the U.S. energy costs down before you sell it off to Asia. And then I will believe you. Right now, I believe that your desire for overinflated U.S. tax dollars is greater than your desire to see any meaningful change to quality of life for Alaskans. Thank you for letting me comment.

Vice Chair Thayer thanked Mr. Linley for his comments. He recognized Tom Atkinson (ph).

Tom Atkinson - My name is Tom Atkinson. I am the general manager and CEO of Kotzebue Electric Association, a rural electrical cooperative located in Kotzebue, Alaska. Our power is 70% vehicle generated and 30% renewables generated. Priority C for rural generation, distribution and storage. We do need more capital investments. AEA has several shovel ready renewable energy projects. If funding were available, it'll take us from 30% to 50% renewable energy. We need to continue to up fund the Renewable Energy Fund, which allows us to seek funding in a less competitive arena. Increasing renewable energy will lower operational costs. The required maintenance is much less with renewable energy than diesel generation. Development of more renewable energy will displace more diesel, which is the greatest annual cost to our cooperative. The greatest economic burden for our community is using diesel for home heating. Development of renewables will allow us to use electricity to heat our homes at a much reduced costs. This creates the greatest economy of scale by using clean energy for most of our power needs. AEA has a close relationship with the Alaska Center for Energy and Power. They are

working on projects with AEA that will help us with data to make the best decisions for energy generation.

We are working with other entities on a regional plan, but the distance between communities in this region makes shared and or connected infrastructure unfeasible. Priority E on Incentives and Subsidies, the PCE is not a subsidy, it is a negotiated agreement. We ask that we not be penalized for our development of renewable energy by making energy created with it not eligible for PCE. You are incentivizing development of renewable energy by not giving PCE credit for renewable energy that co-ops create. I thank you for your time and listening to my comments.

Vice Chair Thayer thanked Mr. Atkinson for his comments. He recognized Ben Bexter (ph).

Ben Bexter (ph) - I'm an energy specialist for the Alaska Public Interest Research Group and for Cook Inlet keeper. And I'll keep my comments general because, as other people have mentioned, this is quite a packed document, this plan, and there really hasn't been adequate time for public review or meaningful comments. But taking a high level view, one strength of this plan is that it focuses a lot on policy recommendations that are within the State's grasp, either the executive or the legislative branch. And rather than specific projects, one exception being the AKLNG project, which the plan recommends progressing it to a Go or No Go decision. And this is something that is really not in the State's grasp. The relevant decisions there depend on contracts for purchasing gas from that project. From buyers, mostly in Asia, as sales materialize, and it shouldn't really be considered a viable energy solution.

The alternative of the bullet line, again, as other people have commented, relies on being mostly State funded in order to be economic. And there are far better ways to spend that money. And I will make some comments as well on some things of the plan that we would like to see executed, namely the recommendations for collecting and using State data, energy data. It's important to have a good picture of how energy, not just electricity, but energy comprehensively, is used in the State. It not only helps decision makers, but also helps justify spending. And it'll help agencies, IPPs and other entities bring in federal funding to help with the energy transition that we need. So it's a very mixed plan. Very overwhelming. Thank you for working on it.

Vice Chair Thayer thanked Mr. Bexter (ph) for his comments. He recognized Rebecca Siegel (ph).

Rebecca Siegel (ph) - My name is Rebecca Siegel and I live in Fairbanks, Alaska, and I'm representing myself. My big concern about this report is the emphasis on the AKLNG project and the North Slope Natural Gas bullet line. That's Task Force Strategy A-2. The Task Force has admitted that it is important that investments in the short term do not hinder midterm and long term goals infrastructure improvements for diversified power generation sources. It also advocates advancement of the AKLNG project and related North Slope natural gas bullet line for in-state demand despite the inevitability that these projects will lock in long term dependence on fossil fuel infrastructure at enormous cost. Gas pipelines, LNG terminals and gas fire power

plants have an expected technical lifetime of several decades, 30 or more years. And the Alaska Gas Development Corporation is hoping to more than double Alaska's current in-state natural gas usage with these projects. This long term lock in is more than doubling down on fossil fuels and will absolutely divert Alaska from diversifying electricity generation at a time when we simply cannot afford that distraction.

Furthermore, Alaska's state government has already spent nearly \$1 billion in promoting versions of this pipeline over the last few decades, but not a single market participant has signed a real deal. And current cost estimates for the export focus AKLNG project is around \$44 billion, which does not account for increasingly likely cost overruns or costs for local spur lines to address in-state demand. Even supporters of the bullet line have conceded that in order to make an in-state pipeline cost competitive, the State will have to subsidize the fossil fuel industry with an \$8 billion handout. The Task Force has recommended full support for the AKLNG project in completing project development of the bullet line before actually completing a robust analysis of alternate sources for heat and base local power.

Alternative source analysis must come first. We cannot throw any more time and money away on a pipe dream. And any gas pipeline will be far too late for our needs to have commercial operations before 2030. A final investment decision on the AKLNG project would need to occur in 2024. Even under an optimistic timeline, construction and commissions would require at least eight years for final completion of two construction phases. Thank you.

Vice Chair Thayer thanked Ms. Spiegel (ph) for her comments. He recognized Arlie Hitchcock (ph).

Arleigh Hitchcock (ph) - My name is Arleigh Hitchcock. I'm the KING! organizer for Fairbanks Climate Action Coalition, representing our coalition. We have members throughout the State of Alaska and in Fairbanks itself. So I'll be representing our coalition today. And I would like to echo what some other commenters have already said about the public process of this. Releasing another draft on Friday, literally right before the business day of a public comment -- two business days, sorry, before having a public comment period, doesn't give the public adequate enough time to analyze the draft plan that clearly a lot of time was put into. I think that the public comment deadline should be extended in light of this, so the public can adequately comment on that.

So I don't know if these numbers are right, because I wasn't able to read the full draft plan in terms of that. But in terms of the good I'm for the creating of a green bank. I feel like this should be spelled out a little bit better as to what that would look like and what would fall under. And a renewable portfolio standard, which it sounds like was taken out of the last draft that came out. I'm not sure if that's accurate or not. That we should be diversifying our energy sources and that the goal should be reducing electricity costs for everyday Alaskans. I do think that the AKLNG pipeline project does not have a place in this. It is not the way forward for Alaska. This would not reduce our energy costs. The current price tag on the project is only for exports. That doesn't include the amount of construction that would need to happen as now as

money that would need to go into actually providing that energy towards our communities, making it more than eight years likely that Alaskans would even see that gas. That is not the priority of that project is providing gas to its Alaskans. The priority of that project is exporting that gas. So I don't believe that that has any space in there. There also isn't enough on what we're going to be doing for our rural communities and getting rural communities off of costly diesel and how that we can help rural communities diversify their energy portfolio. Thank you.

Vice Chair Thayer thanked Ms. Hitchcock for her comments. He recognized Cassie Andrews.

Cassie Andrews - Good evening, committee members. I am Cassie Andrews and representing myself. I have a number of issues with this plan. First and foremost, the fact that the entire premise of this report is to provide information on how Alaska will get to 10 cents per kilowatt hours is completely devoid of cost analysis, cost comparisons, risk analysis, or any analysis, really. Reviewing the meeting minutes gives you an idea on the evolution and the creation of this plan. It is clear throughout that the experts in the field of energy had great skepticism about the 10 cents a kilowatt hour goal. Why aren't we listening to them? This report explores providing Alaska with energy cycling and costly control features such as adopting clean energy standards and renewable portfolio standards. It is obvious no meaningful analysis was done as it is widely known that RPS cost per ton of CO2 abated even far exceeds the social cost of carbon, which is an asinine concept in its own right.

The report talks much more about these things than it does about how we will increase and incentivize the production and the use of the abundant and reliable energy sources we are sitting on right here in our own State. Clean energy is mentioned over 30 times. There are over 20 references to carbon in terms of how to control it or lower it in this report. Specifically page 85 under Priority F, Statutes and Regulations Reform for consideration is to support reasonable and economic carbon reduction strategies that consider cost to consumers. No such thing exists. There is nothing economical about adding control features to reduce CO2. This entire fallacy is predicated on the belief that we need to do something with CO2 emissions. This is not helpful in providing Alaskans with the most reliable and affordable energy. Coal is mentioned one time and not to explore expanding the use of it for the maximum benefit of Alaskans. Only the University of Alaska Fairbanks gets to do that, which, by the way, is the very definition of hypocrisy given that UAF can get one of the very few coal plants built in recent years. And this campus just so happens to be where all four of the global warming and climate change research groups are located.

Study this--we have the coal; we need more coal plants. One bright spot of this report is where it talks about LNG. However, it falls flat on its face when it mentions the preferred solution would be the AKLNG project. This is the export option, which means that Alaskans are not on first aid for this gas. It also means that the sole purpose of it is to export to other countries and we are beholden to them to get to our own gas. How does that provide energy independence and security for our State and country? I firmly oppose in all of the above approach as all would include expensive, unreliable and environmentally destructive options, which is what we have before us here today. Thank you.

Vice Chair Thayer thanked Ms. Andrews for her comments. He then recognized Ken Huckabay (ph).

Ken Huckabay (ph) - Ken Huckabay (ph), Wasilla, and I represent myself. After reviewing this draft master plan and reading all the meeting minutes, I am mystified how it was derived from the Task Force simple mandate and Administrative Order 345, which is to reduce cost of power in the State. It appears to have the same methodology that tripled the State budget over the past two decades. I'd also have to ask what business is it of the State to exert such control, particularly in areas that have no resulting GDP to warrant such expenditures? The whole plan raises masses of expenditures with very little savings. The measures outlined in the master plan will neither lower the cost as was the sole purpose of the administrative order, nor add energy security for Alaskans due to the Cook Inlet being shut down and available resources like coal being ignored. This master plan appears to be an implementation plan of the Green New Deal known as the Inflation Reduction Act to seek the printed money and inflation causing federal control policies contained with it in the Infrastructure and Jobs Act.

Alaskans show clear disdain for progressive policies, federal overreach and inflation. The entire plan ensures all of these things. As stated quietly and forgotten in the meeting minutes, each action item must be measured against the cost saving mandate to reach 10 cents per kilowatt hour. This metric alone would cut most of the action items out of the plan. Curiously enough, this process excludes representative overview and approval, which is quite remarkable considering the cost potential to the people of Alaska. It has been repeatedly demonstrated that any place the renewable portfolio standard has been implemented in countries around the world has led to drastically inflated energy costs, shortages and outages.

As read for the minutes, Mr. Izzo, CEO of MEA, appears to be the most knowledgeable and informed subject matter expert on the Task Force. Mr. Izzo's facts and figures clearly demonstrate the Governor's promise of 10 cents a kilowatt hour is an impossible construct to sell the plan. A review of the action items derived from the economic plan for the governor's moonshot appeared to be a fleet of gold plated lead rocket ships with all the inherent challenge of O-ring failure flaws.

This plan looks curiously assembled by Chat GPT and not reviewed for content prior to distribution. Nowhere mentioned in this report to develop resources as mandated in the Alaska Constitution. Alaska should enjoy sustainable, reliable and affordable energy from its coal, oil and gas instead of claiming the forest lockup and poor space fees for the Farcical CO2 scam as resources that hamper exploration and development. The USGS states that there are 50 years of usable reserves in the Cook Inlet. It is a stark and obvious omission that the Statute and Regulation Subcommittee has not mentioned efforts to obtain and use the coal and the Cook Inlet reserves. It appears that the only worthy discussions are for anything supporting CCUS to enable going after the Inflation Reduction Act hydrogen bonanza. By reading minutes from this body's meetings and those of the Economic Authority from 2005 to now, it's astonishing how this has gone from a device to protect Alaskans interest to being the overreach that it has. I'd

like to say, please reconsider this as what the AO 345 is intended it to do. It's bloated far past that scope.

Vice Chair Thayer thanked Mr. Huckabee for his comments. He recognized Aurora Roth.

Aurora Roth - Thanks so much for taking public testimony today for this report. As many people have mentioned, there is a lot in this. And I would like to comment on the public process thus far. You heard from Matthew Clarkson at Chugach Electric that they did not have enough time to thoughtfully respond to every aspect of this report that concerns them. And this is absolutely true for general members of the public as well. There were significant changes made to the report four days ago with very little notice or announcement. And I think it's clear by the number of commenters today that people are really interested, and they want to engage. But this process hasn't allowed for that to the fullest extent. I would urge the Task Force to extend the public comment period to allow for thoughtful feedback from the public so that we can continue this discussion and really come up with the best energy plan for Alaska altogether.

My largest concern about the report is that it advocates for State support of the Alaska LNG pipeline. We need to be diversifying our energy sources and AKLNG is a distraction and money sinkhole for the State. The priority for AKLNG project is for gas export, as many others have mentioned, and I would prefer that this report stick to projects that focus on meeting Alaskan's energy needs. I'm also concerned by the removal of renewable portfolio standards from the most recent draft. RPS are in place in 29 states across the country and they are proven policy tools for meeting renewable energy targets. And the preliminary results of a National Renewable Energy Lab study show that our cheapest future for the rail belt is one where we have nearly 80% renewable energy by 2040, which is actually our RPS target that we would like to see passed. I would also like to see how this best science and modeling from the National Renewable Energy Lab can be included and be a part of this report as it moves forward. And that, again, would be in favor of extending the commenting period to make sure that we can have the best discussion here. Thanks very much for receiving comments today, and I appreciate your work.

Vice Chair Thayer thanked Ms. Roth for her comments. He recognized Lydia Rose Shoemaker.

Lydia Rose Shoemaker - Thank you for taking public testimony today. I do agree with the previous speaker that there has been insufficient communication. I was unaware that there was an updated report that came out. And to be super frank, the first report that came out was kind of embarrassing in terms that it would be released because there's information in there that says things like, we have a report to do, but then the report has not been done. But then makes suggestions on a report that has not been done yet. And it's 130 pages to have inaccurate information, which is a huge waste of people's times that do care about this. So I do look forward to reading the new one that came out, but the timeline on that, I would just encourage more public engagement and time for people to read it that do this because we care. So I just want to thank you for having us do the public testimony, and I look forward to doing another round and reviewing the second document that came out. I just would really encourage that

the numbers and figures that are used in that document, including the Cook Inlet date, being updated and used from an actual reliable source, not just a number given to me in an agenda. So thank you for your time.

Vice Chair Thayer thanked Ms. Shoemaker for her comments. He recognized Ken Griffin.

Ken Griffin - I firmly believe, based on my review of the Alaska Energy Security Task Force proposed draft that the board has failed to effectively fulfill its mission. And its existence raises pressing concerns. First and foremost, as Alaskans, we should demand a more transparent and free market approach when managing our valuable energy resources. In many instances, the Alaska Energy Security Task Force has demonstrated a lack of foresight in economics and free market principles. The current draft presents a troubling vision for our State's energy future. The draft seems to prioritize short term virtue signaling gains over long term economic interest and security in Alaska. The energy policy draft is flawed in its approach to environmental responsibility as it attempts to sacrifice reliable power and pricing in favor of what's popular. If this continues, I fear that in Alaska we'll have neither.

As citizens, we must demand a policy that safeguards our carbon based energy despite the temporary popularity of green renewable energy and respects the needs of all Alaskans thinking outside the popular NGO box of ideas. There is a critical need for more affordable carbon based energy in Alaska deeply intertwined with our energy and security and private sector growth. While renewable energy sources hold promise, when the tech itself has advanced far enough to make it more desirable in a free market, eliminating the need for taxpayer subsidies.

Currently, renewable green energy alone cannot meet our energy demands. We require affordable carbon based energy such as natural gas and clean coal, which is essential for our energy security. It provides a reliable, steady source of power that can sustain our homes, businesses and industries even in these extreme conditions of Alaska. Energy security is not a luxury, it's a necessity. Particularly in a State as geologically diverse and extreme as Alaska. Embracing affordable carbon based energy can catalyze the growth of our private sector and develop at a State level on State land. We need to develop it on State land. If the federal government won't allow it. Low cost energy reduces the financial burden of businesses, making Alaska more attractive destination for investment and expansion. This, in turn leads to job creation and economic growth in the private sector. None of which green energy is currently capable of doing.

Long term, affordable carbon based energy in Alaska is the linchpin of our security and the driving force behind the private sector, ensuring a prosperous and resilient future for our State. Having energy options, from traditional fossil fuel to renewables empowers citizens to make choices aligned with their values and preferences, as long as they are not legally mandated. We should not pretend as if current ideology and forms of green renewable energy are in any way good for the environment. They take massive subsidies, they're very energy intensive to produce, all in an effort to push the idea to reduce CO₂, which is a harmless gas that makes up 0.04% of the atmosphere of which humans are only responsible for 3% globally for 0.4%. So

energy independence is really important to Alaska. It's important to our sovereignty. A gentleman prior was talking about the need for fertilizer. Well, the UN just announced that 800 million people will starve to death this year, one-tenth of the world's population. And we want to cut the use of fertilizer or the ability to make it. We're swimming on an ocean of oil and gas here in Alaska. And we want to play carbon credits and green energy. I'm only going to ask you this on my way out. I don't know who this board works for. I don't know if it works for the governor, for wealthy NGOs, energy companies, or the citizens of Alaska, but I urge you to consider that. Thank you for your time.

Vice Chair Thayer thanked Mr. Griffin for his comments. He wanted to clarify a couple of things. This Task Force is made up of 20 Alaskan volunteers from across the State of Alaska in various industries. Since the kick-off in April, we have met for over 200 hours, with some meetings held all day or two and three times a week. These meetings were all publicized and are part of the public record. The public was welcome to participate at any time during any one of the presentations. We scheduled these two meetings of the Task Force in October for public comment. And so we do apologize if some of you felt that the information was short. And you probably had to be on our website all the time to participate in sometimes six or seven meetings a week on this subject. And I do thank the Task Force members for doing that.

In talking with our chair, Lieutenant Governor Dahlstrom, even though we have the Governor's deadline to meet, he's allowed us to extend that deadline out. So we will take written comments until Monday, October 30th.

We will make sure and have everything up publicly and available to the Task Force members right up until the 30th, which is basically extending another six days. We understand that there's a lot to digest here. We've had some Task Force members that have been participating in almost all 200 hours of those meetings. And so we do take your comments seriously. I've actually all read through them this afternoon as they were coming in. So, again, thank you very much for that.

Vice Chair Thayer asked if any Task Force members wanted to add any comments.

Co-Vice Chair Koplín stated that he appreciates the volume of public testimony we received in this meeting. The first one was pretty lightly attended, and we had a lot of additional time available. But it just occurs to me in hearing all the testimony, if you just focused on the things that Alaskans don't want to move forward with or don't want to do, it pretty much encompasses everything across the board. And if we didn't do anything, that is not a good action for Alaska.

We are invested in natural gas. We've already made billions of dollars of investments, and that is a firm, stable power source. So assuring the fuel supply for that is responsible and speaks directly to the cost of energy and our current energy platform in the State. Any move away from those is going to be a transition. There's no bigger advocate of renewable energy that I know of than myself. What has been mentioned in the public testimony, affordability, reliability is critical and really speaks to the core of what we're working on. So I just like to extend my

appreciation to all the subcommittee members and members of the Task Force for their volunteer efforts and for the public participation we had throughout the process.

Vice Chair Thayer thanked Clay for his efforts. Not only did he serve as Co-Vice Chair, but also, he's been traveling from Cordova, where he works and resides, to be part of the Task Force. And so, again, thank you.

Vice Chair Thayer stated that at this point, we don't have anybody else signed up to speak or are identifying themselves online by raising their hands. So he will turn the meeting over to Lieutenant Governor Dahlstrom, Chair of the Task Force.

Lieutenant Governor Dahlstrom echoed that she appreciates all the comments that were shared with us, even those that stated they don't agree with anything that we're doing. We appreciate you listening, and reading, and paying attention. As Curtis stated, we are going to extend the deadline to receive written comments until 5:00 p.m., October 30, 2023.

Even though we had to limit the oral testimony to three minutes per person, you can write or type as much as you would like, send it to us and it will be added to the record. I'm anticipating we're going to have a lot of written testimony and I look forward to reading your comments.

4. Next Meeting Date - Tuesday, October 31, 2023, 9:00 a.m. via Teams

5. Adjourn

There being no further business of the Task Force, Chair Lieutenant Governor Nancy Dahlstrom adjourned Alaska Energy Security Task Force meeting at 5:58 p.m.