# Alaska Energy Security Task Force DRAFT MEETING MINUTES Tuesday, April 25, 2023 Anchorage, Alaska

### 1. Welcome and Introductions

Chair Lieutenant Governor Dahlstrom called the meeting of the Alaska Energy Security Task Force to order on April 25, 2023, at 2:02 pm.

Members present: Chair Lieutenant Governor Nancy Dahlstrom; Vice-Chair Curtis Thayer; Vice-Chair Gwen Holdmann; Jason Brune (Commissioner DEC); John Boyle (Commissioner DNR); Clay Koplin; Nils Andreassen; Isaac Vanderburg; John Simms; Andrew Guy; Karl Hanneman; Jenn Miller; Tony Izzo; Robert Venables; Duff Mitchell; Erin Whitney; Garrett Boyle; Keith Kurber (Commissioner); Representative George Rauscher; and Senator Click Bishop.

Members introduced themselves and provided brief comments.

#### 2. Governor's Remarks and Vision for the Task Force

Governor Dunleavy expressed appreciation to the members who have volunteered for this important Task Force for Alaska. He highlighted that this work could be the most significant effort contributed to Alaska. Governor Dunleavy discussed that Alaska and Hawaii are similarly unique in that they cannot wield power from other states to meet the power needs. Additionally, even if power could be wielded within Alaska, it would be difficult to meet the power needs of all communities due to the large geographical distances. Governor Dunleavy outlined the goal of the Task Force is to create three models, one for Coastal Alaska, one for Railbelt Alaska, and one for Interior and remaining areas of Alaska that will lower the cost of energy to 10 cents per kilowatt-hour (kWh) by 2030.

Governor Dunleavy noted that some people doubt this goal is achievable. He compared this goal to other goals that were doubted and yet were achieved. He discussed the example that people laughed at John F. Kennedy's goal in 1961 of going to the moon by the end of the 1960's. Governor Dunleavy emphasized the importance of believing the goal can be achieved. He believes that the Task Force can be creative in developing models that contain technologies of generation, storage, transmission, and distribution components that lead to 10 cents per kWh by 2030.

Governor Dunleavy conveyed that the members of the Task Force are not seeking to stop a certain type of generation, nor to stop a certain type of distribution or transmission, nor to stop a certain type of storage. Governor Dunleavy expressed that the Task Force is a leader in the country with intelligent members. The Task Force has a responsibility to

accomplish its mission. The Task Force members must be dedicated and focused in moving the goal forward because Alaska is behind the curve in addressing its energy issues. He discussed the existing concerns within the regions of Alaska. Governor Dunleavy explained that the Task Force is to review all options for generation, including nuclear, wind, solar, tidal, geothermal, biomass, and others. Similarly, the Task Force is to review all options for transmission and distribution, including the value of burying the transmission lines or adding small energy generators to sustain long-term inexpensive energy.

Governor Dunleavy indicated that the Task Force was not created for political reasons, and he is not up for reelection. The next couple of years will be dynamic for Alaska. The Task Force must believe that the goal can be achieved using technology and utilizing the knowledge and understanding of the members. This is the time to help Alaska solve many of its issues. Governor Dunleavy expressed his belief in Alaska and in the promise of Alaska. He considers Alaska's motto "North to the future" as inspirational and motivational.

Governor Dunleavy reiterated his faith in the Task Force to achieve the critical responsibility of producing the models, suggesting changes in regulations and legislation, and other efforts that will result in 10-cent power by 2030. He looks forward to working with the Task Force and to seeing the outcomes.

#### 3. Lieutenant Governor's Remarks

Chair Lieutenant Governor Dahlstrom thanked Governor Dunleavy for his comments. She discussed that the Governor is consistent in his message. Chair Lieutenant Governor Dahlstrom believes Governor Dunleavy has full faith, trust, and confidence in the Task Force reaching its goal. She looks forward to the efforts.

Chair Lieutenant Governor Dahlstrom requested Vice-Chair Thayer proceed with the next items on the agenda.

### 4. Discussion/ Feedback from Task Force Members (roundtable)

Vice-Chair Thayer agreed with the Governor's description of the purpose of the Task Force. He believes the Task Force needs to create a statewide energy plan, and to evaluate energy generation, distribution, transmission, and storage opportunities across Alaska. He discussed that there are many renewable opportunities, and the missing component is transmission. Vice-Chair Thayer gave the example that the transmission line from Bradley Lake to Anchorage is at capacity. In order to accept more power, the capacity of the transmission line must be increased. He noted that 17% of the Bradley Lake Power goes to Fairbanks.

Vice-Chair Thayer discussed the unique needs and cost structure of rural Alaska. He noted they are not connected by a grid, but rather maintain over 200 microgrids that primarily depend on diesel and bulk fuel. Vice-Chair Thayer informed that according to Alaska

Energy Authority (AEA), there is \$800 million in deferred maintenance of the microgrids and over \$300 million in deferred maintenance on the powerhouses, which prompts the question: What is a better way to deliver power to rural Alaska?

Vice-Chair Thayer highlighted that while it is important to uphold the overall goal for the state, it is necessary to understand that the different regions of Alaska will have unique goals. He explained that Power Cost Equalization (PCE) was established 30 years ago to help level the cost power in rural Alaska. The first 750 kWh of power would be the same rate as the weighted average of the rate in Anchorage, Fairbanks, and Juneau. He noted that every penny the rate is decreased on the Railbelt, translates to almost \$200 million to rural Alaska in additional PCE. This shows the correlation between the benefits to the Railbelt and to rural Alaska.

Vice-Chair Thayer informed that the proposed subcommittees are suggestions and review can occur to determine if changes need to be made. He asked for members to chair the subcommittees and invite experts and the public to be part of the process. Vice-Chair Thayer advised that <a href="mailto:info@akenergysecuritytaskforce.com">info@akenergysecuritytaskforce.com</a> is the email account. Public comments can be submitted. The website is akenergysecuritytaskforce.com. All Task Force information will be shared with the public.

Vice-Chair Thayer acknowledged John Espindola, Special Assistant to the Governor, for his instrumental efforts in the development of the Task Force.

Chair Lieutenant Governor Dahlstrom asked Vice-Chair Holdmann to provide opening comments. Vice-Chair Holdmann agreed that the Governor has given a bold challenge to the Task Force. She believes this is an opportunity for the State to aggregate the information regarding energy in the state and to find innovative ways to reach the goal of 10-cent power. She does not believe this can be achieved through incremental improvements to the current systems. A broad view perspective and creative approaches are required to achieve the goal. Vice-Chair Holdmann is excited to work with the diverse members of the Task Force who were selected because of their unique perspective and ability to contribute.

Vice-Chair Holdmann expressed hope that the Task Force can develop an organized process today to develop new approaches to existing concerns.

## 5. Organization of Task Force

- a. Task Force outcomes/products
- b. Meeting timeline
- c. Website / SharePoint
- d. Coordinating with existing working groups
- e. Resources
- f. Subcommittee Structure and Composition, Process for Nominating Members

- i. Discussion Subcommittees we want to form immediately
- ii. Regionally focused (Roadbelt, coastal, remote rural)
- iii. Alaska energy data gateway

Chair Lieutenant Governor Dahlstrom advised that the next Task Force meeting is scheduled for May 9, 2023. She requested Vice-Chair Thayer to discuss the subcommittee structures and process. Vice-Chair Thayer discussed the eight proposed subcommittees and gave brief examples of their focus: State Energy Data, Statutes and Regulations, Railbelt Generation, Railbelt Transmission and Storage, Rural Generation, Distribution and Storage, Coastal Generation, Distribution and Storage, Incentives and Subsidies (Federal and State), and Renewables.

A comment was made to include transportation costs within the Task Force's purview.

Chair Lieutenant Governor Dahlstrom discussed that the Task Force has a duty and responsibility to question all the processes that are ongoing, why they are ongoing, if they are successful, and what could make the processes better.

Commissioner Brune asked a member for a recommendation for a goal for all of Alaska and noted the many of the communities could have electric heat that is tied to the 10-cent power goal. The member agreed that an electric heat equivalent could be determined to be compared to 10-cent kWh power.

Mr. Venables suggested that review of the non-fuel costs for the energy that is borne by Alaskans is considered, and asked if this is included in the 10-cent kWh price.

Mr. Izzo expressed his understanding from conversations with the Governor, Mr. Espindola, and Mr. Thayer that the 10-cent kWh cost is the residential delivered price per kWh. In the Railbelt, more than half of residential rate payers have an energy component of under 10 cents. The price increase consists of all the other costs that are included. He gave the example based on Matanuska Electric Association (MEA) that seven cents of the average 20 cents per kWh is fuel. The utility has a base rate of approximately 12 to 13 cents. The base rate includes all other costs to operate the utility, including employee salary, healthcare, administrative, debt component, and outage repair. If the debt component was removed, Mr. Izzo believes that MEA could approach the 10-cent goal. This is one component.

Mr. Izzo reiterated that the Governor discussed the likely possibility of multiple scenarios to achieve the goal. Mr. Izzo noted that consideration needs to be given to the different constructs available. He discussed the concept of merging the operational aspects of all the utilities in the Railbelt while maintaining their individual identities. Mr. Izzo feels this option deserves review to determine what cost savings could be achieved, if any.

Mr. Hanneman commented that it is interesting that the Governor expressed a definitive

and specific numerical goal for the cost of power. Mr. Hanneman noted that with respect to energy security, his focus would be on availability, accessibility, affordability, and reliability. He believes that a broader context for energy could nurture the ability to reach a specific numeric goal. Mr. Hanneman discussed that integrating the utilities would be beneficial. Regarding the subcommittees, he does not agree that generation and transmission should be separate committees due to their inherent relation. Mr. Hanneman expressed support for the focus on the geographic regions. However, he believes that the generation, distribution, and storage should be integrated.

Mr. Mitchell agreed with Mr. Hanneman's comments that generation and transmission should be viewed holistically. He gave the example of British Columbia's successful low-cost generation. Mr. Mitchell believes that Alaska can determine a way to provide low-cost generation and wheeling to an end-user that will also create jobs. He noted that Alaska has less than ¼ of 1% of the nation's transmission. Additional infrastructure is necessary to improve the transmission constraints and bottlenecks, including the Bradley Lake issues. He commented that low cost generation and high cost transmission will not achieve the 10-cent per kWh goal.

Commissioner Brune commented that Alaska has five utilities in an area that serves less than 600,000 people. Whereas, in the Lower 48, there are individual utilities that serve millions of people. Commissioner Brune discussed that getting the power from Anchorage to Fairbanks is cost prohibitive and needs to be resolved. He expressed the difficulty in discussing the possibility of combining the five utilities into one utility. Commissioner Brune gave the example that projects like Pogo have significant benefits to lowering the cost of power to the people in Fairbanks, as well providing environmental benefits by not using diesel for power.

Mr. Izzo agreed that it is important to think outside of the box to reach a resolution. He suggested the possibility of establishing a generation and transmission (G&T) entity. He gave the example that the Railbelt might be viewed as urban Alaska. However, the power delivery system is less than first-world. Mr. Izzo discussed that the utilities are extremely limited and the system they have is the system they can afford because they are memberowned, rather than shareholder-owned. Communities today are shrinking, and fewer people are paying for the fixed costs.

Mr. Izzo discussed that on the transmission side, the utilities are applying for \$2.9 billion in grants for the necessary upgrades to the infrastructure highway. Those costs are fixed and are the same whether there is one combined utility or five utilities. Mr. Izzo commented that because of this, he can understand the proposed subcommittee separation of generation and transmission. The generation aspects must change in order to achieve energy security. It is imprudent for a utility to have one fuel supplier for 85% of its fuel coming across one line. Mr. Izzo noted that his excitement for the possibilities have expanded during today's meeting.

Commissioner Brune requested clarification of his understanding that the utilities do not have one fixed rate, but rather can charge different rates, based upon their specific operation costs. He discussed that the economics of power projects vary significantly, and that one utility may have more success with projects because the economics are better.

Mr. Izzo responded that it might be useful to delineate the rate structure during a subcommittee meeting. He explained that utilities can charge margins when power is moved between utilities. However, because the utilities are not for profit cooperatives, there is no return on equity. He noted that there is a cost to operate the segments of transmission. Studies would have to occur to determine the amount of efficiency that could be gained by combining the administration of the utilities.

Mr. Vanderburg recommended reducing the number of subcommittees, given the busy schedules of the members and the amount of members on the Task Force. He advocated that connectivity among the subcommittees is maintained and that members are active on as many subcommittees as possible to achieve that connectivity. Mr. Vanderburg commented on the timing of the subcommittees. He suggested the possibility of beginning the focus with a few subcommittees on generation, transmission, and storage, and then as those subcommittees develop, form the subcommittee on regulations and policies. Mr. Vanderburg expressed support for combining transmission and generation as one subcommittee, as well as including renewables as generation, rather than its own subcommittee. Mr. Vanderburg asked the process question regarding how to facilitate the sharing of information among the subcommittees to maintain connectivity.

Vice-Chair Thayer responded that a Sharepoint site will be created, and the Task Force members will have access to the documents. The documents will also be uploaded to the website.

Mr. Guy echoed Mr. Vanderburg's comments, considering the goal of 10 cents per kWh for the entire state. He believes that the proposed subcommittees will keep the status quo and will not be effective in reaching the goal. Rural Alaska, for instance, cannot continue with the status quo. Rural connectivity would be an effective focus in reaching the goal.

Chair Lieutenant Governor Dahlstrom responded that she will take the message to the Governor and offer it as a suggestion.

Ms. Miller agreed with Mr. Vanderburg's comments. She expressed the importance of setting the context and providing information and data to everyone concurrently. In terms of timing, it could be helpful to receive the current energy baseline data on generation types by community, and the current technologies of storage and transmission. Then review could occur regarding incentives and subsidies. She suggested that a funding model is included in that focus, as well as organizational structures and policies. After the context information is reviewed, the specific problem can be identified and the output would be the different solution models for rural, coastal, and Railbelt.

Vice-Chair Thayer requested Vice-Chair Holdmann to respond and discuss the scheduled Symposium Series that will provide the Task Force with common understanding of six thematic areas. Vice-Chair Holdmann agreed, and commented first on the subcommittee discussion.

Vice-Chair Holdmann believes the subcommittees need a purpose and she supports the idea of combining the subcommittees based on a regional focus. Vice-Chair Holdman likes the idea of including a financing focus within the subcommittees. She noted that the incentives and subsidies could be a staff task to review and report back to the subcommittee regarding federal and State incentives and subsidies. Vice-Chair Holdmann asked members to think of any questions that staff of AEA, Alaska Center for Energy and Power (ACEP), or other departments could research and report the information back to a subcommittee.

Vice-Chair Holdmann discussed that the Statutes and Regulations Reform Subcommittee could be formed later when a better understanding is gleamed for what the subcommittee needs to accomplish.

## 6. Discussion: Proposed Symposium Series

Vice-Chair Holdmann explained that the proposed symposium series is intended to "level up" members to provide a common understanding of the existing energy landscape and the available opportunities that could be applied in Alaska. She requested feedback from members regarding the thematic areas that could be discussed within the forum. The six thematic areas outlined would be presented by subject matter experts; existing and future technologies, the changing global energy landscape, overview of Alaska organizations that work on energy, Alaska energy policy, economics of energy in Alaska, and the history of power in Alaska. Vice-Chair Holdmann expressed that the symposium could also be a way to educate the public. She requested feedback regarding the format and timing of the symposium through a virtual series.

Vice-Chair Holdmann agreed with a previous comment that the members have very busy schedules. She discussed the possibility of an optional one or two-day visioning session that is facilitated to develop a strategic foundation and shared insight to help shape some of the scenarios. If there is interest, Vice-Chair Holdmann informed that the University could organize a visioning session in addition to the proposed symposium series.

Vice-Chair Thayer commented that conducting the symposium series in a webinar format would be useful and would allow the information to be reviewed at any time. The symposium series would not only provide foundational information for Task Force members, but it would also be available online for the public to access and understand the foundational information. Chair Lieutenant Governor Dahlstrom agreed.

Ms. Miller expressed support for the symposium series and its thematic areas. She requested that information is provided as to the cost per kWh of energy across the state and the cost per kWh for funding the different possible solutions for lowering the cost of power.

Mr. Hanneman commented that the proposed symposium series and topics are appropriate. He is supportive of an online webinar format for the initial overview. He believes that the Task Force will need additional specific documentation which could be provided as attachments to the symposium series.

Vice-Chair Holdmann responded that part of the purpose of the Sharepoint managed by AEA is to provide additional information that is either specifically requested or deemed useful. She indicated that her notes from today show a request for information on technologies in Alaska, in terms of the delivered costs. Vice-Chair Holdmann indicated the possibility that staff at the University and staff at the State level could research the request and provide that input and information.

#### 7. Roundtable – What does the committee need to be successful?

Vice-Chair Holdmann asked members if there is additional information that staff could assemble that would be useful for the subcommittees.

Mr. Hanneman followed up and commented on the ongoing efforts by the utilities and their tangible ideas and successes. He expressed the importance that this information is utilized and included in the data files.

Mr. Izzo commented that utilities are accustomed to capital intensive and long lead time scenarios. He noted that the goal of 2030 is both exciting and scary, in that it is just over six years away. Mr. Izzo believes the assignment is to develop a plan to reach the goal. He feels that initially, it would be best to keep the Task Force members together for meetings. Mr. Izzo would like to review a SWOT analysis of the strengths, weaknesses, opportunities, and threats of the possible solutions to reach the goal. He discussed that, for instance, options could be listed such as nuclear for the Railbelt, Susitna Watana, and a North Slope gas line. However, permitting any of those options would be a heavy lift within the six-year timeframe. Mr. Izzo suggested that a high level SWOT analysis could be completed with the full Task Force to narrow the scope and then disperse into subcommittees to resolve aspects of that focus.

Mr. Simms agreed with Mr. Izzo's comments. He expressed the benefits of understanding the issues as a group and learning from each other's experience and knowledge before breaking out into subcommittees. Mr. Simms expressed full support for the Governor's initiative of 10-cent power by 2030. He elaborated hope that the Task Force will go beyond the 2030 goal to develop a longer-term plan for Alaska, which includes the benefits of all the renewable resources available and that will plan for sustainable cheap energy for future

generations.

Chair Lieutenant Governor Dahlstrom agreed with Mr. Simms. She commented that each member of the Task Force was selected with the expectation they would consider the best interest for future generations beyond the 2030 stated goal.

Mr. Vanderburg responded to Vice-Chair Holdmann's request for members to advise what information would be helpful. He requested information regarding potential future export opportunities for Alaska's energy. He requested benchmark information on Alaska's performance compared to other states in terms of utility administration, and integration tariffs. This information could be used to set goals to reach the 10-cent power by 2030. Mr. Vanderburg requested the status of the Railbelt Reliability Council (RRC) and how they are performing with their charge of generation transition.

Vice-Chair Thayer discussed that information regarding the RRC will be included in the symposium series. He gave a brief background of the RRC. Vice-Chair Thayer commented that the Governor's Administrative Order asked for a report on October 31, 2023. This is a target for the Task Force. Vice-Chair Thayer expressed that the Governor realizes that the work of the Task Force will continue beyond that date, even though the specific format is unknown. He reiterated that the Task Force work will continue after the report is provided and will move into the implementation phase with the Task Force and with other stakeholders in the state.

Mr. Mitchell discussed that the Task Force is aiming for the goal of 10-cent power by 2030. He believes that creating an executable plan will put the state on a trajectory for success beyond 2030. Mr. Mitchell commented that the energy and effort expended within the next few months will pay continuous dividends. He echoed support that after the report is given in October, implementation and execution of the plans will continue for the benefit of all Alaskans.

Mr. Guy requested additional information on the current systems throughout the state. He noted that there are 50 communities within his region and most of the villages operate their own utility. He believes this contributes to the high cost of energy for individual communities. Mr. Guy commented that there are close to 200 utility companies in the state. The system is untenable and needs to change.

Chair Lieutenant Governor Dahlstrom requested Mr. Espindola to provide members with a list of all the utilities in the state, including the PCE communities. Mr. Espindola agreed. Chair Lieutenant Governor Dahlstrom responded to comments regarding the length of time these issues have been identified and discussed. She recalled conversations during her Legislature tenure in 2003 with representatives from Chugach Electric Association (CEA), Mr. Izzo, and Vice-Chair Thayer. She agreed it is time to formulate answers.

A brief at-ease was taken.

Chair Lieutenant Governor Dahlstrom reiterated that the next meeting is scheduled for May 9<sup>th</sup>. She asked that members email their specific information requests before the next meeting to info@akenergysecuritytaskforce.com in order to begin posting the information on the website. Chair Lieutenant Governor Dahlstrom advised that during the process in the next few months, there will be an opportunity for the public to comment to the Task Force during a recorded listening session. She noted that she will be available, as well as Vice-Chair Thayer and Vice-Chair Holdmann, and any other Task Force members who can attend.

Representative Rauscher expressed appreciation for the meeting discussion today. He noted that he Chairs the House Energy Committee and the goal is to support the Governor's vision for the future of Alaska. Representative Rauscher believes it is important to adhere to the Governor's topics regarding the Railbelt modeling the rural modeling, and the coastal modeling, as well as generation, transmission, storage, and export. Representative Rauscher commented that it will be incumbent on the Legislature to fund many of the initiatives that will be created to advance the goals. For approval in the House, 21 Representatives are needed to support the legislation, and for approval in the Senate, 11 Senators are needed to support the legislation.

Representative Rauscher discussed that microreactors will be part of the process and he is looking to the Task Force to provide input and feedback that he can take back to the committee that is reviewing the impending legislation.

Chair Lieutenant Governor Dahlstrom invited Representative Rauscher's legislative committee and all State legislators to watch the recordings of the Task Force learning sessions. She is aware that funding requests will need to be made, and noted that the Task Force will investigate all available funding sources.

Mr. Vanderburg appreciates the clarity of the Governor's goal of 10 cents per kWh by 2030. He emphasized that the goal is profound, challenging, and transformative. Mr. Vanderburg discussed that the visioning session suggested by Vice-Chair Holdmann could offer the opportunity to understand the gravity of achieving the goal, which he believes is a wholesale transformation, rather than an incremental change. Mr. Vanderburg asked Vice-Chair Holdmann if her suggestion for a visioning session included understanding the significance of 10 cents per kWh.

Vice-Chair Holdmann elaborated that each member comes to the Task Force with bias. She discussed that there is a natural tendency to want to make incremental improvements. However, the moonshot goal of 10-cent power cannot be achieved by conducting business as usual or incremental improvements in rural Alaska. Vice-Chair Holdmann noted that the goal requires substantive State investment and gave the example that the Apollo program for the moonshot was \$250 billion. She highlighted that studying the cost of this endeavor is essential.

Vice-Chair Holdmann believes it is important for the Task Force to have shared insight within a thoughtful process that is open to all ideas. It is necessary that the potential scenarios are considered from a big-picture perspective that is inclusive, rather than based upon preconceived notions or biases. Vice-Chair Holdmann explained that the visioning session could be utilized to establish a strategic foundation to clarify the thinking and the process for decision-making, which could then be refined by the Task Force as a whole and the subcommittees.

Vice-Chair Holdmann discussed that the visioning session could also provide a good opportunity for the members to become acquainted with each other. She noted that if the Task Force members would like to conduct a voluntary visioning session, she and Vice-Chair Thayer could generate a schedule and propose it to the Task Force.

A member commented and requested that the fiscal context is provided regarding 10-cent energy, delineating how many cents is energy generation, transmission, and debt structure.

A comment was made that the national average as of December 2022 was 16.7 cents per kWh, which is an increase of three cents per kWh since 2021. A comment was made that there are utilities in the northwest that provide power at close to 10 cents.

A question was asked if the 10-cent goal includes the use of PCE or is without PCE subsidies. Chair Lieutenant Governor Dahlstrom indicated that she does not have an answer to that question.

Mr. Guy commented that even with PCE, rural households pay approximately five times more than households in Anchorage. Currently, if Anchorage is paying 12 cents, rural households are paying more than 50 cents with PCE. Non-households pay an additional dollar in cost. Mr. Guy expressed support for a plan that can achieve rural parity with urban costs. PCE alone is not achieving parity.

Mr. Thayer explained that PCE is a great program that is 30 years old. The floor for PCE is established by the average market cost in Anchorage, Fairbanks, and Juneau, which is about 20 cents per kWh, and it caps at 75 cents per kWh. PCE subsidizes the difference for residential, but not for commercial. Mr. Thayer informed that there are communities in rural Alaska that pay \$1.75 per kWh. The State of Alaska subsidizes PCE at about \$40 million per year. Whereas, the State, through AEA, built the Intertie infrastructure from Willow to Healy to supply Golden Valley Electric Association (GVEA) and saves the Fairbanks rate payers about \$37 million per year. Mr. Thayer noted that discussions with the Legislature regarding PCE are necessary, but are difficult to begin because of the fear of jeopardizing the PCE program. Mr. Thayer conveyed that there are unintended consequences of PCE for high-cost energy communities with a debt structure, which is a disqualifier for PCE.

A comment was made that it may be best to incentivize the communities with high cost of power to lower their costs on their microgrids without losing PCE, and perhaps this savings could help them subsidize or initiate renewable energy, such as solar or wind. The member commented that discussions regarding PCE are complicated. He suggested that the Task Force could examine ways to optimize PCE to invigorate communities to reduce costs. PCE is important and he believes that communication and discussions can occur.

Chair Lieutenant Governor Dahlstrom invited Mr. Espindola to provide his comments on working groups. Mr. Espindola recommended that the Task Force consider the ongoing energy planning efforts of existing working groups, such as the Nuclear Energy Working Group and the Hydrogen Working Group. Mr. Espindola requested that members email the names of any other working groups that could be useful to the Task Force. The email is: <a href="mailto:info@akenergysecuritytaskforce.com">info@akenergysecuritytaskforce.com</a>. Staff will compile the information and present it to the Task Force for consideration. It is possible that the identified working groups could give a short presentation during the symposium series.

Chair Lieutenant Governor Dahlstrom thanked the members for accepting the invitation to serve on the Task Force and for serving Alaska. She reiterated that the Task Force will discuss all options that could benefit Alaska. Chair Lieutenant Governor Dahlstrom expressed that she and the Vice-Chairs welcome suggestions from members. Other information that is needed can be requested from <a href="mailto:info@akenergysecuritytaskforce.com">info@akenergysecuritytaskforce.com</a>. The next meeting is May 9, 2023.

There being no further business of the Task Force, the Alaska Energy Security Task Force meeting adjourned at 4:00 pm.