



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

ALASKA STATEWIDE COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS) 2022-2027

ENERGY-SPECIFIC GOALS & OBJECTIVES

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Energy Security Task Force
Energy Symposium Series
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Background

- Alaska Statewide CEDS 5-year update was funded by an Economic Development Administration (EDA) Statewide Planning Grant, one-time American Rescue Plan Act (ARPA) funding intended to fund economic development initiatives to help states recover from the pandemic.
- Existing 2017-2022 CEDS was due to expire in September 2022.



Project Team



The State of Alaska was ultimately responsible for the CEDS creation and adoption.



Contracted by the State of Alaska, UACED led research, meeting facilitation, and CEDS development.



Approximately 50 community and industry leaders critiqued, vetted, and contributed ideas to steer the CEDS.



Regional economic development organizations and partners guided outreach sessions in their regions.



Roles & Responsibilities

State of Alaska – DCCED and Governor's Office

- Managed grant that funded this effort. Ensured compliance with project scope.
- Composed CEDS Strategy Committee.
- Coordinated with economic development organizations to conduct regional outreach.
- Identified communities and industries critical for inclusion in engagement sessions.
- Reviewed, approved, and published final Statewide CEDS Report.

University of Alaska Center for Economic Development

- Compiled regional CEDS information.
- Researched and updated economic, demographic, and geographic data.
- Facilitated Strategy Committee meetings and regional and industry engagement sessions.
- Processed and refined objectives and action items identified through public engagement.
- Prepared draft Report. Incorporated public comment and graphic design into final Statewide CEDS Report.

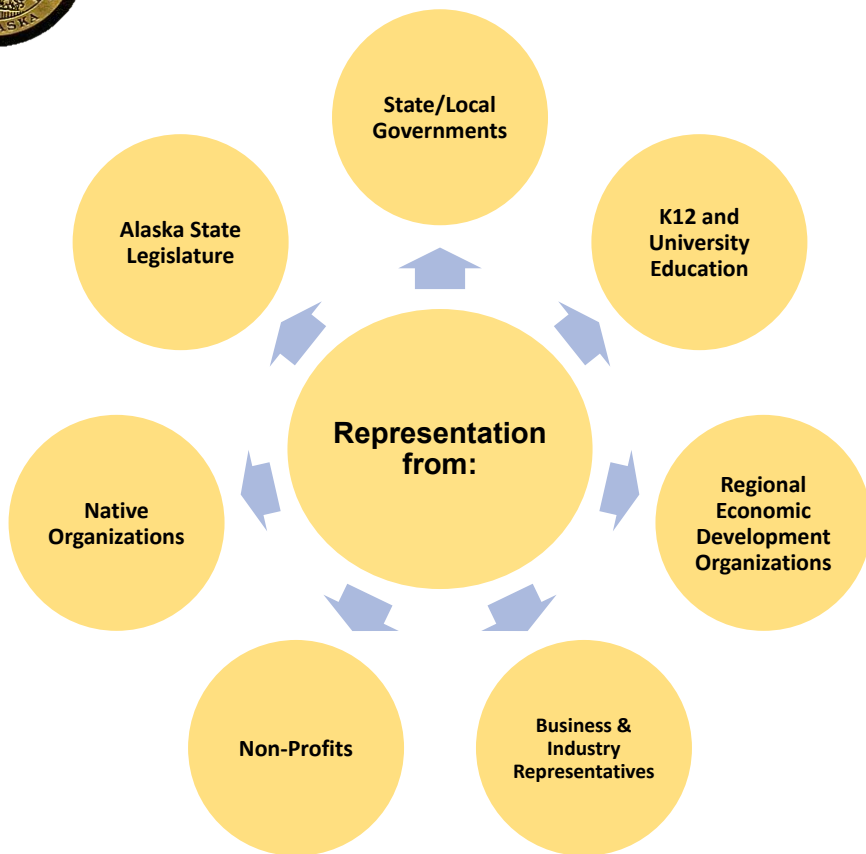


Timeline of 2022 CEDS Update Process





CEDS Strategy Committee



Areas of Expertise:

Aerospace
Agriculture
Banking
Business Development
Energy
Housing
Intellectual Property
Manufacturing
Resource Development
Seafood
Telecommunications
Tourism
Transportation
Workforce



Regional Outreach

Alaska Regional Development Organizations (ARDORs)

- Anchorage Economic Development Corporation
- Copper Valley Development Association
- Fairbanks North Star Borough Economic Development Commission
- Kawerak, Inc.
- Kenai Peninsula Economic Development District
- Northwest Arctic Borough Economic Development Council
- Prince William Sound Economic Development District
- Southeast Conference
- Southwest Alaska Municipal Conference





CEDS Goals



Goal 1: Strengthen Alaska's Economic Engines

Goal 2: Cultivate and Grow Emerging Sectors



Goal 3: A Strong Business Climate & Entrepreneurial Ecosystem

Goal 4: Build & Update Economic Foundations



Goal 5: Develop Alaska's Workforce & Human Capital

Goal 6: Build a Resilient Economy





CEDS Objectives

Strengthen Economic Engines

- ☒ 1.1: Regulatory
- ☒ 1.2: Oil & Gas
- ☐ 1.3: Stranded Resources
- ☐ 1.4: Mining
- ☒ 1.5: Alternative Energy
- ☐ 1.6: Military
- ☒ 1.7: Timber
- ☐ 1.8: Air Cargo
- ☐ 1.9: Seafood
- ☐ 1.10: Tourism

Cultivate and Grow Emerging Sectors

- ☐ 2.1: Mariculture
- ☐ 2.2: Aerospace
- ☐ 2.3: Agriculture
- ☐ 2.4: Maritime
- ☐ 2.5: Manufacturing
- ☐ 2.6: Minerals
- ☒ 2.7: Sustainable Energy

A Strong Business Climate & Entrepreneurial Ecosystem

- ☒ 3.1: University
- ☐ 3.2: Training
- ☐ 3.3: Start-Ups
- ☐ 3.4: Access to Capital
- ☐ 3.5: Technical Expertise
- ☐ 3.6: Inclusivity
- ☐ 3.7: Regulatory
- ☐ 3.8: Entrepreneurs
- ☐ 3.9: Promote Alaska

Build and Update Economic Foundations

- ☐ 4.1: Broadband
- ☐ 4.2: Ferries
- ☐ 4.3: Air
- ☐ 4.4: Housing
- ☐ 4.5: Marine Infrastructure
- ☒ 4.6: Affordable Energy
- ☐ 4.7: Affordable Health Care
- ☐ 4.8: Transportation Infrastructure
- ☐ 4.9: Recreation

Develop Alaska's Workforce and Human Capital

- ☐ 5.1: Workforce Coordination
- ☐ 5.2: Education
- ☐ 5.3: Workforce Attraction
- ☐ 5.4: Remote Workers
- ☐ 5.5: Childcare
- ☐ 5.6: WIOA
- ☐ 5.7: Infrastructure Bill Preparedness
- ☐ 5.8: Planning
- ☒ 5.9: Alternative Energy Workforce
- ☐ 5.10: Regulatory

Build a Resilient Economy

- ☒ 6.1: Resiliency Planning
- ☒ 6.2: Resilience Capacity
- ☒ 6.3: Resilient Infrastructure
- ☐ 6.4: Rural Resilience



Objective 1.2: Develop Alaska's North Slope natural gas and heavy oil for in-state and export markets.



Action Item

Attract private co-investment to build a natural gas pipeline and liquefaction facilities for export to the Lower 48 and abroad.

Potential Lead Entity:
AGDC

Potential Partners:
Governor's Office

Action Item

Where economically feasible, build infrastructure to supply natural gas to Alaska communities to reduce greenhouse gas emissions and energy costs.

Potential Partners:
AGDC
Gas utilities
Local governments

Action Item

Support research, pilot testing, development, and production of North Slope heavy oil using existing infrastructure.

Potential Lead Entity:
Governor's Office

Potential Partners:
Oil and gas producers
University of Alaska
Department of Natural Resources



Objective 1.5: Develop alternative, low emission uses for existing natural resources.



Action Item

Pursue public and private investment to utilize North Slope natural gas to produce hydrogen fuel.

Potential Partners:

Governor's Office
AGDC

Action Item

Continue R&D in the utilization of natural gas to produce hydrogen for world markets.

Potential Lead

Entity:
UAF

Potential Partners:

Governor's Office
AGDC

Action Item

Explore alternative uses for coal, such as gasification and hydrogen production.

Potential Partners:

University of Alaska
Mining companies

Action Item

Pursue carbon capture and sequestration to make existing resources cleaner.

Action Item

Develop and implement Hydrogen Roadmap for Alaska.

Potential Lead

Entity:
UAF

Potential Partners:

Governor's Office
AGDC
University of Alaska Center for Economic Development
ACEP



Objective 1.7: Revitalize Alaska's forest products industry.



Action Item

Support access to other resources and uses in National Forests, such as hydroelectric development.

Potential Partners:

Southeast Conference
Division of Forestry
National Forest Service
DCCED
Governor's Office

Action Item

Encourage utilization of local timber to meet in-state lumber and biomass needs, including from beetle-killed spruce.

Potential Partners:

Division of Forestry
ARDORs
Economic Development
Organizations
DCCED
Governor's Office



Objective 2.7: Develop Alaska as a global center of clean, sustainable energy innovation to attract and grow innovative firms.



Action Item

Adopt a clean energy portfolio standard that targets 80% clean energy while simultaneously reducing energy costs for users in the Railbelt by 2040.

Potential Lead Entity:

Governor's Office

Potential Partners:

REAP

Action Item

Deploy next generation renewable energy solutions throughout rural Alaska as legacy systems reach end of useful life, accounting for maintenance and training costs.

Potential Lead Entity:

AEA

Potential Partners:

ACEP
Launch Alaska
Alaska Power Association

Action Item

Execute pilot and demonstration projects for energy technology through entities such as AEA, Launch Alaska, and the National Laboratories.

Potential Lead Entity:

AEA

Potential Partners:

ACEP
Launch Alaska

Action Item

Deploy clean energy sources such as geothermal, tidal, and microreactors.

Potential Lead Entity:

AEA

Potential Partners:

ACEP
Launch Alaska

Action Item

Conduct and implement a statewide strategic plan for energy development.

Potential Lead Entity:

AEA

Potential Partners:

ACEP
Launch Alaska
REAP
Alaska Power Association

Action Item

Conduct a study on state level energy incentives programs across the U.S. with a goal of expanding energy incentive programs in Alaska.

Potential Lead Entity:

AEA

Potential Partners:

State of Alaska
Launch Alaska

Action Item

Support the establishment of an Alaska Hydrogen Hub and an Alaska Carbon Capture, Utilization and Storage (CCUS) Hub.

Potential Lead Entity:

Governor's Office

Potential Partners:

AEA
Governor's Office
Congressional delegation



Objective 3.1: Utilize the assets of the University of Alaska System to grow knowledge-economy firms in Alaska.



Action Item

Align university research with the R&D needs of Economic Engines and Emerging Sectors, especially in energy, Arctic technologies, resource development, ocean sciences, health care technologies, biosciences, and aerospace.

Potential Lead Entity:

University of Alaska

Potential Partners:

UAA Business Enterprise
Institute

UAF Center ICE

UA intellectual property offices

Alaska Blue Economy Center

UAF ACUASI



Objective 4.6: Reduce the cost of energy for industrial and residential use through any realistic means throughout the state.



Action Item

Build natural gas infrastructure to increase the supply of natural gas to the Interior, leveraging public and private investment.

Potential Lead Entity:
AGDC

Potential Partners:
FNSB
Interior Gas Utility
AIDEA

Action Item

Where feasible, install renewable energy systems such as wind, tidal, geothermal, and solar to reduce power costs in rural areas.

Potential Lead Entity:
AEA

Potential Partners:

Electric utilities
Local governments
Tribal governments
ACEP

Action Item

Use industrial access roads and bulk purchasing power to supply low-cost fuel to rural communities located near natural resource development sites.

Potential Lead Entity:
AIDEA

Potential Partners:

Local governments
Tribal governments
Alaska Native Corporations

Action Item

Expand transmission lines to connect outlying communities to the Railbelt (or other regional) grids wherever a cost-benefit analysis indicates a positive value.

Potential Lead Entity:
AEA

Potential Partners:

Local governments
Tribal governments
Electric utilities

Action Item

Utilize federal infrastructure funds to retrofit commercial and industrial buildings for greater efficiency.

Potential Partners:
AEA
AHFC
DCCED

Action Item

Build new, and upgrade existing hydroelectric facilities to provide low cost, low emissions power.

Potential Partners:

AEA
Electric utilities
Local governments
Tribal governments

Action Item

Fully implement Commercial Property Assessed Clean Energy (CPACE) financing to help commercial building owners increase energy efficiency and reduce costs at the local government level.

Potential Partners:

AEA
Local governments
Commercial lenders

Action Item

Establish a green bank to finance energy efficiency projects in partnership with the private sector.

Potential Partners:

AEA
AIDEA
Commercial lenders
Local governments
REAP

Action Item

Increase the reimbursement for Power Cost Equalization (PCE) from 500 kWh to 750 kWh.

Potential Lead Entity:
AEA

Potential Partners:

Governor's Office
State Legislature

Action Item

Upgrade Railbelt transmission lines to increase transmission capacity, per announced \$200 million capital plan.

Potential Lead Entity:
AEA

Potential Partners:

Electric utilities



Objective 5.9: Prepare the Alaska workforce for job opportunities in low and no emissions energy technologies, such as electric vehicles, renewable energy systems, and other



Action Item

Obtain federal grants under the IIJA to train mechanics and maintenance workers on electric and hydrogen vehicles.

Potential Partners:

University of Alaska
Training providers
Unions
Employers
K-12 system
Industry associations



Objective 6.2: Leverage Economic Engines and Emerging Sectors to promote the resiliency to supply chain disruptions, natural disasters, and external shocks.



Action Item

Develop in-state timber resources for construction lumber and biomass energy.

Potential Partners:

Division of Forestry
Southeast Conference
Southeast Sustainable Partnership
Private sawmills

Action Item

Utilize natural gas resources for power and heating needs.

Potential Partners:

AIDEA
Electric utilities
Gas utilities

Action Item

Incorporate decarbonization, climate change, and the energy transition into economic development efforts.

Potential Partners:

ARDORs
Economic Development Organizations
DCCED
Governor's Office
Tribal governments
Local governments



Objective 6.3: Build new, and upgrade existing, infrastructure capable of withstanding resiliency shocks such as natural disasters.



Action Item

Ensure power reliability for certain forms of infrastructure, such as ports and airports, which require an uninterrupted supply.

Potential Partners:

Local governments
Electric utilities
AEA

Action Item

Invest in redundancy for transmission lines and broadband fiber when feasible to continue service during interruption.

Potential Partners:

Alaska Broadband Office
AEA
Electric utilities
Telecommunication s companies

Action Item

Upgrade rural energy infrastructure such as power houses and bulk fuel farms.

Potential Lead Entity:
AEA

Potential Partners:

Denali Commission
Rural electric utilities

Action Item

Deploy clean energy systems to reduce dependence on diesel fuel, including renewable and micronuclear sources.

Potential Lead Entity:
AEA

Potential Partners:

U.S. Department of Energy
Electric utilities



Find the Statewide CEDS Online

DCCED homepage – www.commerce.alaska.gov



DCCED COVID-19 Relief Information & Programs

DCCED's COVID-19 Business Relief Programs website is intended to provide information on COVID-19 economic relief programs available to businesses at the State and Federal levels.

The AK-ARPA Business Relief Program application period is closed.

The Alaska Seafood Processors Pandemic Response Relief Program application period is closed and awards have been made.

Highlights

Governor's Food Security & Independence Task Force

Approximately 95% of the food Alaskans purchase is imported. Governor Dunleavy has put together this task force to address Alaska's food security and independence. Visit our [Food Security & Independence Task Force](#) page for more information.

Alaska SBIR/STTR Grant Program

State grant funds are available for businesses with a currently active Federal Small Business Innovation Research (SBIR) or Small Business Technology Transfer (STTR) award. For more information, visit our [Alaska SBIR/STTR Grant Program](#) page.

Community Development Quota (CDQ) Program

The CDQ Program is administered through NOAA's National Marine Fisheries Service. For more information on the State of Alaska's 2022 CDQ Decennial Review, visit our [Community Development Quota \(CDQ\) Program](#) page.

2022-2027 Statewide CEDS

The Final 2022-2027 Statewide Comprehensive Economic Development Strategy (CEDS) is now available.

Alaska SBIR/STTR Grant

PROJECTS

Food Security Task Force

2022-2027 Statewide CEDS

DIVISION LINKS

Commissioner's Office

Administrative Services

Banking and Securities

Community and Regional Affairs

Corporations, Business and Professional Licensing

Insurance

Investments

CORPORATE AGENCIES

Alaska Energy Authority

Alaska Industrial Development and Export Authority

Alaska Gasline Development Corp.

Alaska Railroad Corporation

Alaska Seafood Marketing Institute

Alaska Oil and Gas Conservation Commission

Alcohol & Marijuana Control Office

Alaska Broadband Office

Regulatory Commission of Alaska

State of Alaska / Commerce / Statewide Comprehensive Economic Development Strategy

STATEWIDE COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY 2022-2027

The Department of Commerce, Community, and Economic Development (DCCED) published a 5-year Statewide Comprehensive Economic Development Strategy (CEDS) in October 2022. Funded by the Economic Development Administration, this economic development strategy leveraged a locally based, regionally driven, state connected planning process. The 2022-2027 Statewide CEDS identifies the current state of the economy, addresses strategies to improve Alaska's economic resilience, and provides a roadmap for future economic growth.

DCCED partnered with the University of Alaska Center for Economic Development (UACED) to perform the background research, facilitate the public process, and draft the document, with the Alaska Development Team within the Governor's Office providing high-level direction and guidance. Public outreach for the CEDS took place between January and June 2022 and involved a wide range of stakeholders - local and regional leadership, industry and business representation, Tribal representation, learning institutions, and regional economic development organizations, including Alaska Regional Development Organizations (ARDORs). A Strategy Committee made up of state leaders from business, government, and the nonprofit sector provided strategic guidance throughout the CEDS development.

Many regions throughout Alaska have a CEDS or some version of a regional economic development strategy. The Statewide CEDS is not meant to replace any regional strategies. Instead, it provides a coordinated, high-level economic strategy for the entire state. Most of the state's industries span more than one region, as do its foundational gaps like affordable housing. In these cases, collaborative statewide strategies are necessary to make progress. Although developed by state government, the Alaska Statewide CEDS is designed to be used broadly by anyone working to strengthen the Alaska economy.

Click each link below for access to the 2022-2027 Statewide CEDS Report as well as supplemental Appendices A-H:

- 2022-2027 Alaska Statewide CEDS Report
- Appendix A: Goals and Objectives Matrix
- Appendix B: Economic Summary Background
- Appendix C: Economic Engines
- Appendix D: Emerging Sectors
- Appendix E: SWOT Analysis
- Appendix F: Survey Results
- Appendix G: Review of CEDS Across Alaska
- Appendix H: Evaluation Framework Sources

DIVISION LINKS

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Alaska Oil and Gas Conservation Commission

Alcohol & Marijuana Control Office

Alaska Broadband Office

Regulatory Commission of Alaska



Thank You

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