

Sponsor Statement for HB 492

AK Energy Auth & Bulk Fuel Loan Fund

An Act relating to powers of the Alaska Energy Authority, increasing the maximum amount of loans from the bulk fuel revolving loan fund operated by the authority, and providing immunity for the authority for technical assistance; and providing for an effective date.

Released: February 19, 2002
Contact: Representative Gary Stevens's office at (907) 465-4925

HB 492 will do the following: 1) increases the maximum loan amount to \$200,000 per borrower, 2) allows Alaska Energy Authority (AEA), to continue to provide technical assistance and training to rural utilities, but holds them immune from liability, and 3) amends AEA's powers of authority to allow them to enter into contracts for the construction of power projects and bulk fuel facilities and to make grants or loans.

With the high demand in rural communities to purchase bulk fuel, coupled with the rising cost of petroleum prices, this legislation will increase the maximum loan amount from \$100,000 to \$200,000 to accommodate the needs of the many borrowers.

This bill also continues the practice of providing assistance and training for power plant operators, utility clerks and bulk fuel operators, but holds AEA immune from liability in the case of injury or death.

Finally, this bill would amend the powers of AEA to expressly include the power to enter into contracts for the construction of power projects and bulk fuel storage facilities and to make grants or loans to municipalities and tribal entities.