



## REPRESENTATIVE BILL THOMAS

ALASKA STATE LEGISLATURE DISTRICT 5

e-mail: [Representative.Bill.Thomas@legis.state.ak.us](mailto:Representative.Bill.Thomas@legis.state.ak.us) webpage: [www.akrebublicans.org/thomas/](http://www.akrebublicans.org/thomas/)

State Capitol

Juneau AK, 99801-1182

907-465-3732

888-461-3732

FAX 907-465-2652

### **Sponsor Statement for** **HB 445 An Act Relating to the Alternative Energy Grant** **Fund and to Alternative Energy Grants.**

The cost of fuel in Alaska has made it increasingly difficult for Alaskan residents to exist. Home heating fuel and gasoline prices have skyrocketed in recent years leaving families, who already struggle to make ends meet, to prioritize between basic necessities of life: heat or food. This has a direct impact on Alaska's economy. When people are sinking such a large chunk of their income into purchasing fuel they have less money available to spend on travel, groceries, and other necessities.

The time has come to seriously explore alternative sources of energy. Many of our communities have already been thinking of other ways to secure energy but need funding to help them harness these new sources of power. HB 445 takes 10 cents of the revenue received from each barrel of oil produced by Alaska and places this money into a fund. This fund will be made available for Alaska's power utilities to use for developing alternative sources of energy. The Alaska Energy Authority will administer grants of up to \$20 million to power utilities who have shown both need and responsibility by securing some matching funds in furtherance of a clear plan.

Based on the Legislative Finance Division's estimate of the production rate for Alaska's oil, it is estimated that the Alternative Energy Fund would receive more than \$30 million over the course of a year creating an excellent source of funding for new and existing projects.

Further, these alternative energy grants will not only move Alaska's communities into the future, but they will also assist those still completely crippled by the rising costs of fuel. By reducing the cost of power in some areas with alternative energy projects, Power Cost Equalization funds will be available to go to other communities who are still experiencing exorbitant power costs.

Our communities have paid enough for Alaska's wealth, they are poised to take control of their future energy needs, and it is up to Alaska's government to give them the tools to do so. I urge your support for this crucial piece of legislation.