

Promote Energy Efficiency in Alaska

*One of Three Priorities for Enhancing Alaska's Quality of Life and
Protecting a Healthy Environment*

The Need

Despite the recent drop in oil prices, most Alaska residents still view the cost of energy as a major issue, especially given how volatile energy costs can be. High energy costs can negatively impact Alaskan homeowners, renters, businesses and industry. The 2008 *Energy Efficiency Program and Policy Recommendations* report, published by the Alaska Energy Authority (AEA) and Alaska Housing Finance Corporation (AHFC), highlights the fact that “[C]onservation and efficiency increases are by far the most effective means of reducing cost, reducing emissions and reducing fuel usage. The beauty of increasing efficiency is we can start today.” Unfortunately, as of 2006 Alaska ranked only 41st on the State Energy Efficiency Scorecard put out by the American Council for an Energy Efficient Economy. By failing to address the demand side of the energy equation, Alaska is failing to take advantage of the cheapest, cleanest and often simplest way to meet Alaska’s energy needs. However, progress has been made with a recent Alaska Department of Transportation and Public Facilities energy efficiency pilot program that saved the state \$567,000 in heating and lighting bills.

The AEA/AHFC report made a number of recommendations including statewide energy codes, residential and commercial electrical audits, financing programs for energy efficiency, and commercial energy efficient equipment rebates. Senate Bill 121 and Senate Bill 167 incorporate many of these recommendations. If passed, SB 121 will set energy efficiency goals for public buildings, while SB 167 adopts energy efficiency codes for residential, commercial and public buildings. Alaska’s existing energy efficiency policies and programs are located in over seven state agencies including AHFC, AEA, DEC, DOT/PF, OMB, UA and many others. Subsequently, there needs to be a central location in which to focus and coordinate the statewide effort for energy efficiency and where Alaskan residents, businesses and industries can easily find relevant efficiency programs.

The Proposal

ACA supports passage of Senate Bills 121 and 167 to address the demand side of Alaska's energy equation and to save Alaskans money on heating and lighting. ACA also proposes creating an Alaska Energy Savings Center to deliver a comprehensive array of renewable energy, energy efficiency and conservation programs and services to Alaska’s residential, commercial and industrial sectors. The Energy Savings Center would be responsible for public education and outreach, distribution of rebate and incentive programs, facilitating electrical energy audits, developing financing mechanisms and other effective best practices. A helpful model is the Energy Trust of Oregon, www.energytrust.org.

The Benefits

Passage of Senate Bills 121 and 167 and creation of an Alaska Energy Savings Center would:

- Provide research and information about renewable energy, energy efficiency and conservation programs and services for Alaska’s residential, commercial and industrial sectors.
- Alaskans will save money by reaching the energy efficiency goals set out in the AEA/AHFC Alaska Energy Efficiency Program and Policy Recommendations report.
- Create statewide building codes to improve the energy efficiency of Alaska's home and office buildings.

Contact

- Caitlin Higgins, Alaska Conservation Alliance, (907) 258-6174, caitlin@akvoice.org

2009 ACA Priority
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