

Alaska State Legislature

Senate Bipartisan Working Group News

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Senator Stedman Proposes Long-term Energy Funding for Southeast Alaska *State Investments in Electrical Generation and Transmission Anticipated*

(JUNEAU) – Senator Bert Stedman (R-Sitka) introduced legislation today that takes a major step towards securing a long-term energy supply for Southeast Alaska. Senate Bill 132 provides a funding mechanism for constructing power generation projects in Southeast and for completing the regional electrical grid.

“The state’s goal should be to provide low-cost, renewable energy to all Alaskans; natural gas doesn’t satisfy the needs of every region of the state,” said Senator Stedman, Co-Chair of the Senate Finance Committee. “As we contemplate investing huge amounts of public money to facilitate in-state gas for the Railbelt, it would be irresponsible not to also address the considerable needs in Southeast.”

The communities in Southeast have a long history of working towards energy independence by collaborating on power generation and transmission. However, most communities in the region are not on hydro power and the majority still burn oil to generate electricity and heat. In addition, many of the hydroelectric assets in Southeast are at or near capacity, which severely limits regional economic growth opportunities. While hydroelectric projects provide low-cost, renewable power over the long-term, they are extremely capital intensive. The state plays a critical role to play in capitalizing these projects. Completing the Southeast Alaska electric grid could cost as much as \$1.7 billion.

[SB 132](#) broadens the authority of the existing Southeast energy fund to provide funds to expand regional power generation and complete an electrical grid to interconnect Southeast communities. “The Railbelt Energy Fund has been a valuable source of funding for energy projects in Southcentral and Interior Alaska. The Southeast Energy Fund can play a similar role for Southeast Alaska” said Stedman.

Southeast Alaskans have spent years evaluating renewable energy options in the region. “These projects have been vetted through a public process,” said Senator Stedman. “Most of them were specifically authorized by Congress as part of the 2001 Southeast Intertie Plan in P.L. 106-511”.

The list of critical hydroelectric projects that may be funded through the Southeast Energy Fund includes:

- Ketchikan-Whitman Lake Hydroelectric Project
- Petersburg-Ruth Lake Hydroelectric Project
- Sitka-Takatz Lake Hydroelectric Project
- Metlakatla Intertie to Ketchikan
- Sitka-Blue Lake Hydroelectric Project
- Prince of Wales Island Intertie
- Reynolds Creek Hydroelectric Project
- Falls Creek Hydroelectric Project
- Kake-Petersburg Intertie
- Metlakatla-Triangle Lake Hydroelectric Project

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