Program Fact Sheet: The Alaska Affordable Energy Strategy (AkAES)

Current Status: Beginning to conduct research, identify and engage stakeholder groups and define collaborations. AEA worked internally and with our regional energy planning partners to design a process to achieve the AkAES goal. Preliminary work is being done to procure partners to implement the research plan. The AkAES project manager continues to coordinate with the AEA regional energy planning team to ensure the programs dovetail.

Program Background:
The Alaska Affordable Energy Strategy (AkAES) is a requirement of the 2014 Alaska gasline legislation that directs AEA to prepare a plan to develop infrastructure that will deliver affordable energy to areas in the state that will not have direct access to a North Slope natural gas pipeline. AEA is tasked with identifying the most cost effective means of generating, delivering, receiving, and storing energy for the targeted communities. In doing so, AEA must consider existing state energy policy (AS 44.99.115 and sec. 1, ch. 82, SLA 2010) and provide recommendations for funding, including financing options. The plan and any associated recommendations for legislation are due to the Alaska Legislature by Jan. 1, 2017.

Program Progress:
A program plan and budget has been developed to comprehensively investigate potential pathways, both infrastructure and non-infrastructure solutions, to long-term energy affordability. The program plan has outlined five general areas to investigate potential strategies for bringing more affordable energy to communities. Those general areas are (with approximate percent allocated of the total budget): end-use efficiency (20 percent); changes to generation, transmission, and distribution (30 percent); improvements for transportation of fuel and energy infrastructure (10 percent); management and ownership changes (15 percent); and a manner to directly underwrite energy costs (5 percent). The remaining budget will be used to compile, store, and analyze the necessary data, and ensure that it is available and useful for all groups of stakeholders.

A technical and economic model has been developed to assist in evaluating cost-effective options for communities and regions based on community-specific information. This model will be used in conjunction with the ongoing regional planning effort, which will help prioritize potential generation, storage and transmission construction, or energy efficiency action.

Potential partners and outside contractors have been identified to participate in research to support the development of required plan and recommendations. To date AEA has reached out to the Alaska Department of Labor and Workforce Development, the U.S. Army Corps of Engineers, the Institute of Social and Economic Research (ISER) at UAA, and the Alaska Center for Energy and Power (ACEP) at UAF to provide specific products.
Examples of these partnerships include an investigation of the potential cost-effective options for regional bulk fuel storage with the U.S. Army Corps of Engineers. Additionally, ISER and ACEP will be tapped to provide strategic support as well as specific technical and economic analyses.

In addition to the work already in progress, other outside assistance from, and collaboration with state and federal agencies, the University of Alaska, and private consultants will be integrated into all aspects of the AkAES research with the aim of strategically complementing AEA’s internal resources and expertise.