

March 25, 2011

The Honorable Gary Stevens
Senate President
State Capitol, Room 111
Juneau, Alaska 99801

The Honorable Mike Chenault
Speaker of the House
State Capitol, Room 208
Juneau, Alaska 99801

RE: Renewable Energy Fund —Revised Recommendations for Round IV Funding

Dear President Stevens and Speaker Chenault:

Attached are copies of the revised recommendations for the Renewable Energy Fund Round IV. The revised submittal recommends funding up to 74 projects totaling approximately \$36.6 million. The recommendations are color coded with Green indicating the top ranked up to a \$25 million amount, Yellow indicating second ranked, and White indicating those not recommended or withdrawn.

The Alaska Energy Authority (AEA) and the Renewable Energy Fund Advisory Committee (REFAC) first submittal, dated January 26th, 2011, recommended funding up to 75 projects totaling approximately \$37.3 million. However, on March 18th, Copper Valley Electric Association, Inc. withdrew their application #618 CVEA Silver Lake Feasibility. This project was originally ranked 12th among statewide projects, first among projects in the Copper River/Chugach Energy Region, and was recommended for full funding in the amount of \$637,500. As a result of the withdrawn application, AEA revised the statewide and regional rankings in accordance with the Alaska Renewable Energy Fund Methods for Proposal Evaluation and Grant Recommendation.

The following revisions are the result of the withdrawn application:

1. Two applications moved into the top ranked Green category: 1) #635 Grant Lake Hydroelectric which is recommended for partial funding in the amount of \$1,184,000 in the Railbelt Energy Region and 2) #647 Selawik Hybrid Wind Diesel System Turbine which is recommended for full funding in the amount of \$85,000 in the Northwest Arctic.
2. If the allocation is limited to \$25M, AEA recommends partial funding to the top ranked project within the Yellow which is #629 Reynolds Creek Hydroelectric Project in Southeast in the amount of \$355,372.
3. Adjustments relative to the above are reflected in the Ranking and Funding Allocation Statewide, by Energy Region and in the Geographic Spread and Regional Summary spreadsheets.

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In accordance with the applicable Alaska law including AS 42.45.045, the Authority respectfully submits the revised recommendations attached to this letter.

Please contact me at (907) 771-3012 or sfishergoad@aidea.org with any questions or concerns.

Sincerely,

ALASKA ENERGY AUTHORITY



Sara Fisher-Goad
Executive Director

Attachments

cc: Michael Felix, AEA Board Chairman
Commissioner Susan Bell, DCCED
Karen Rehfeld, Director OMB
Senator Stedman
Senator Hoffman
Representative Thomas
Representative Stoltze
Vince Beltrami, REFAC Member
Jodi Mitchell, REFAC Member
Chris Rose, REFAC Member
James Posey, REFAC Member
Brad Reeve, REFAC Member