

**Lake and Peninsula Borough - Alternative Energy  
Demonstration Project**

**FY2007 Request: \$100,000  
Reference No: 41942**

**AP/AL:** Appropriation  
**Category:** Development  
**Location:** Lake and Peninsula Borough  
**House District:** Bristol Bay/Aleutians (HD 37)  
**Estimated Project Dates:** 07/01/2006 - 06/30/2011  
**Project Type:** Planning  
**Recipient:** Lake and Peninsula Borough  
**Contact:** Samuel Thomas  
**Contact Phone:** (907)465-2506

**Brief Summary and Statement of Need:**

Initiation of a comprehensive energy program that complements and facilitates federal and state programs. This project will provide funding for a demonstration project with several components. This project contributes to the Department's mission of promoting a healthy economy and strong communities by providing economic growth through reduced energy costs.

<b>Funding:</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>	<b>FY2011</b>	<b>FY2012</b>	<b>Total</b>
Gen Fund	\$100,000						\$100,000
<b>Total:</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$100,000</b>

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input checked="" type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

**Project Description/Justification:**

The high cost of energy has been identified as a significant barrier to economic development and diversification in the Lake & Peninsula Borough. This is particularly true with respect to efforts to develop small scale, locally owned and operated, value-added fish processing plants. There are a number of federal, state, and local efforts to address this issue. The problem is that these efforts are disjointed and they do not focus specifically on the communities in the Borough. In addition, the Borough is very diverse and its three sub-regions have their own sets of energy needs and opportunities.

The Borough proposes to initiate a comprehensive energy program for its communities that complements and facilitates federal and state programs. This project would provide funding for Phase I of the program. Phase I is a feasibility study and demonstration project that has several components. They are: identify, compile and analyze all existing energy studies, identify gaps in existing research base and recommend additional studies as appropriate, provide subregional energy strategies, provide an implementation and funding strategy, and provide for small demonstration projects. This study will explore the entire range of alternative energy opportunities from setting up fuel/electric cooperatives to fuel cells to wind power.

Phase II is the full implementation phase and will focus upon the construction of major new energy infrastructure.

Benefits: Lower power costs. This will lower the cost of living and doing business.

Partners: All local governments and utilities in the Borough, State Division of Energy, USDA, Denali Commission.

Estimated Cost: \$500,000 (Phase I).

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Local Match: To be determined. It is anticipated that all local governments and utilities will participate in some manner. The Borough will provide in-kind services at a minimum. Assistance will also be requested from other partners listed above.

State Request: \$100,000.