

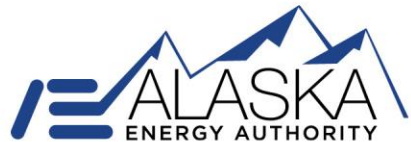
Alaska Affordable Energy Strategy and Alaska Affordable Energy Model:

Policy and tools for improving energy efficiency in Alaska communities

Neil McMahon
Energy Planning Manager

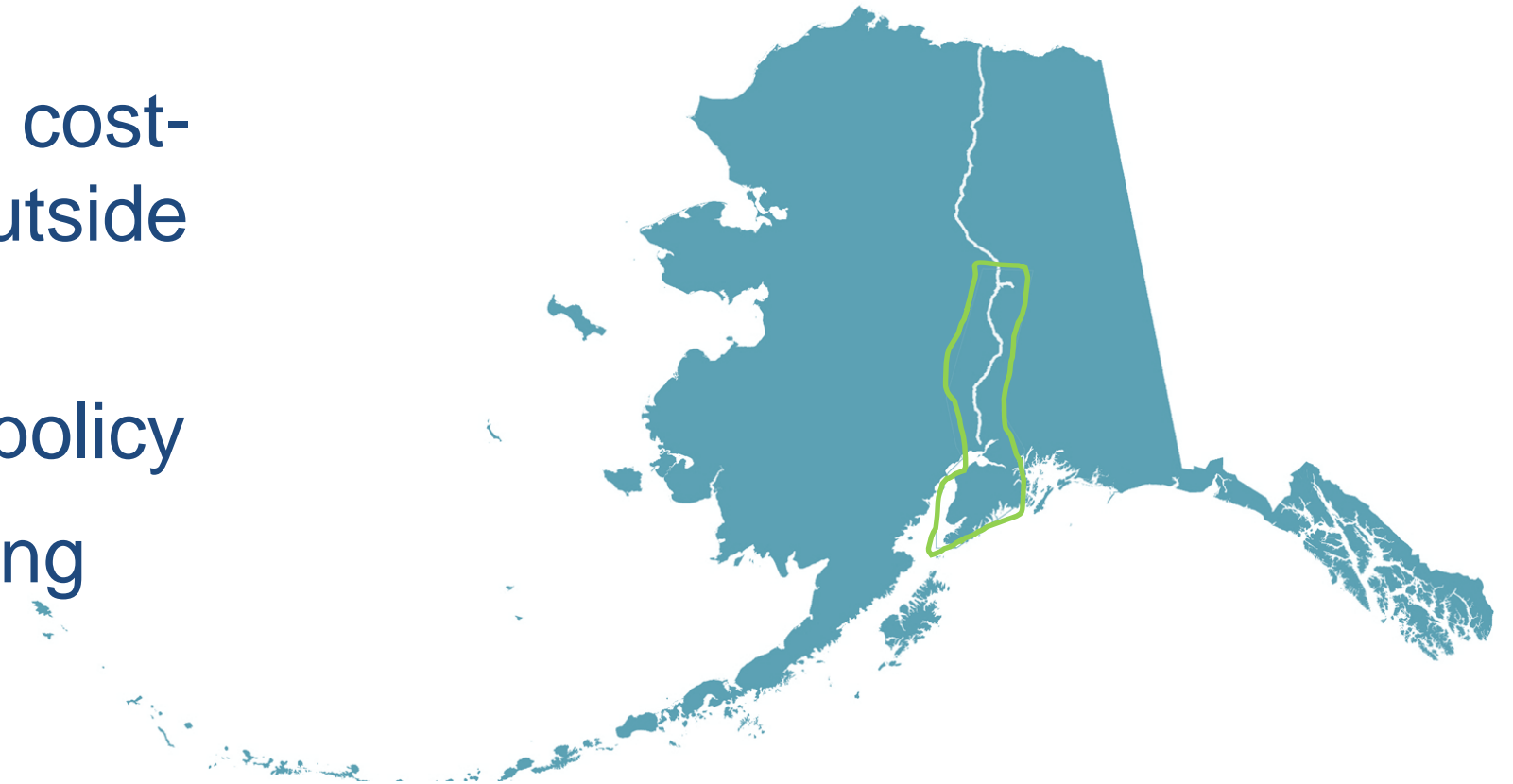
Energy Efficiency NOW Conference

March 29, 2017



In 2014, Senate Bill 138 tasked AEA to

- Develop a plan for cost-effective energy outside the Railbelt
- Consider existing policy
- Recommend funding mechanisms



The Alaska Affordable Energy Strategy (AkAES)

is a strategic plan to improve the methods by which the State works with **non-Railbelt communities and utilities** to identify, evaluate, develop, and maintain **cost-effective energy solutions.**

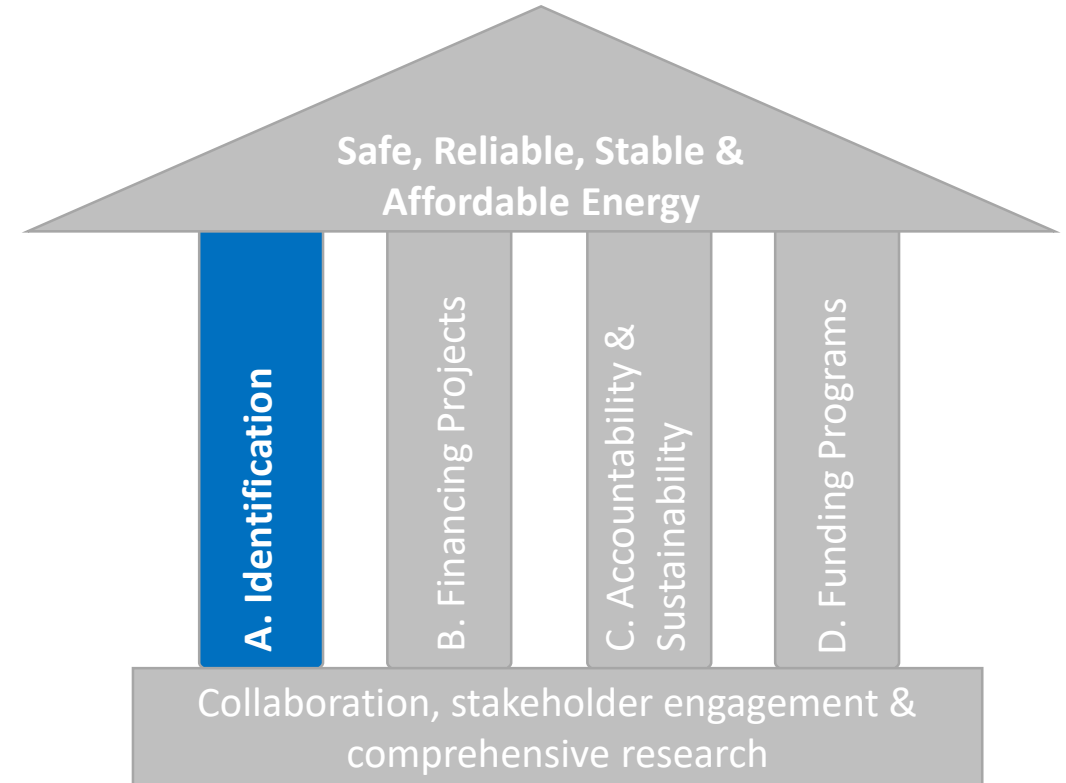
The AkAES is a framework to build safe, stable, reliable, and affordable energy systems



Policy, statutory, and regulatory changes can help transition Alaska to a more effective way of supporting critical energy services and programs despite limited public dollars.

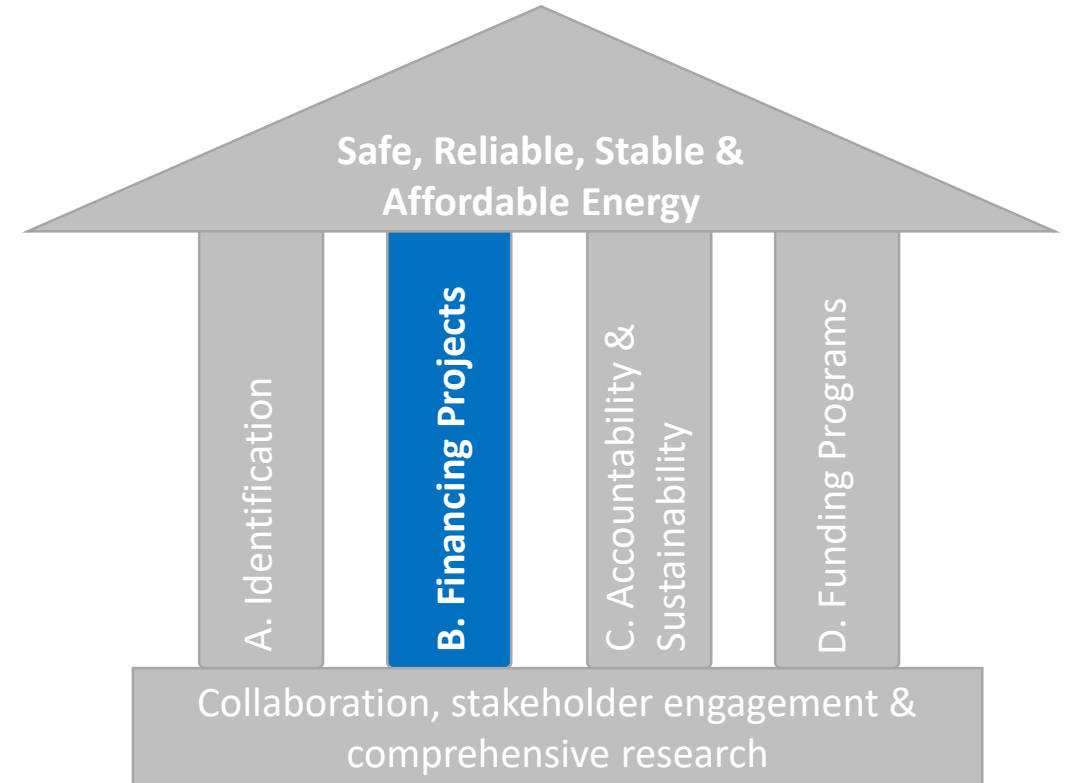
Recommendation A-3:

Establish residential and non-residential building energy codes



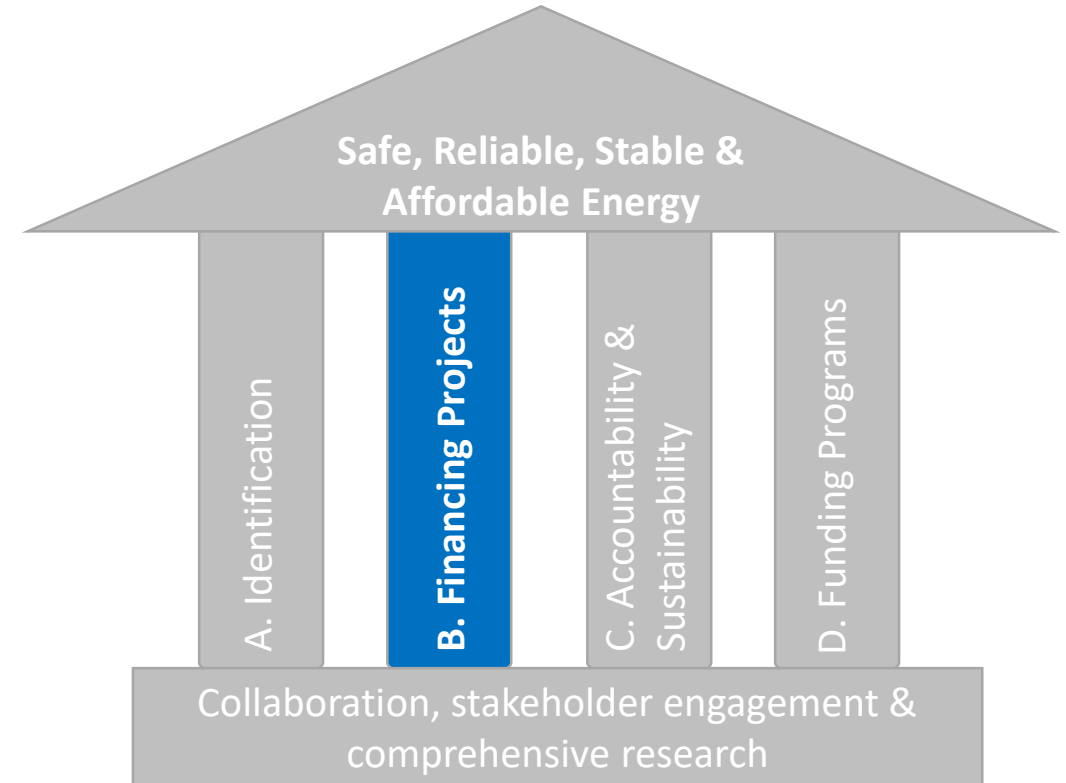
Recommendation B-2:

Create a one-stop-shop fund for communities that allows for segregated state, federal, and private grants and loans that could be blended to develop energy projects



Recommendation B-4:

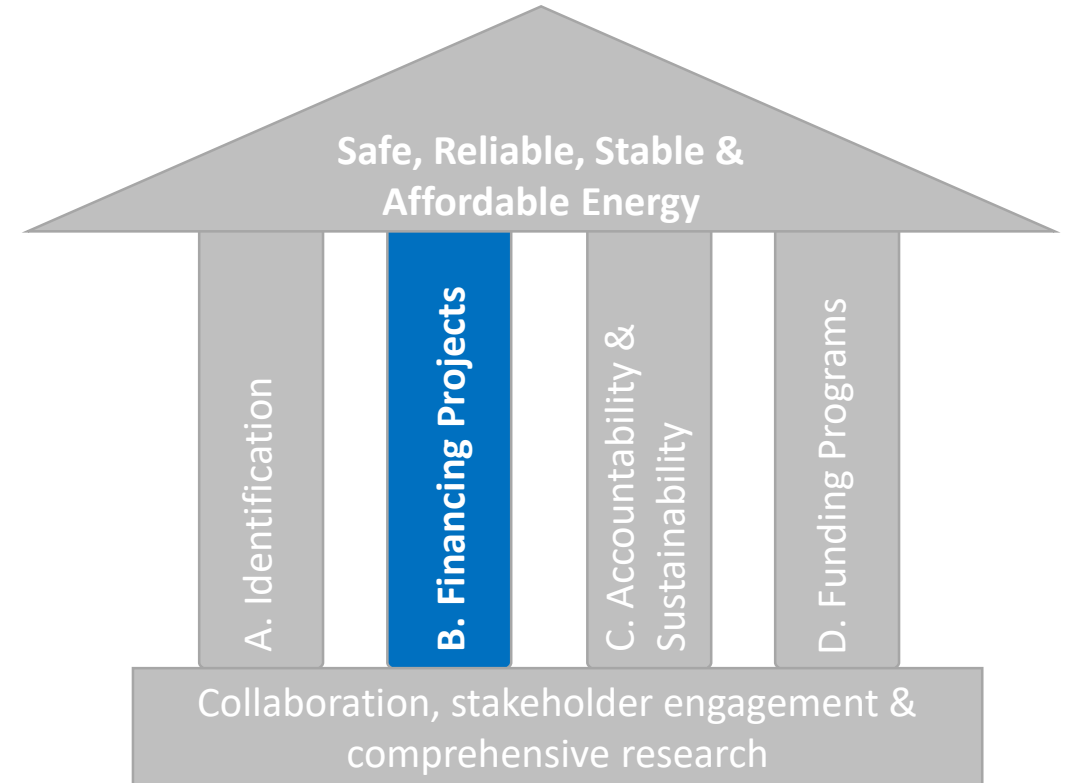
Statutorily allow voluntary on-bill financing and C-PACE



Recommendation B-5:

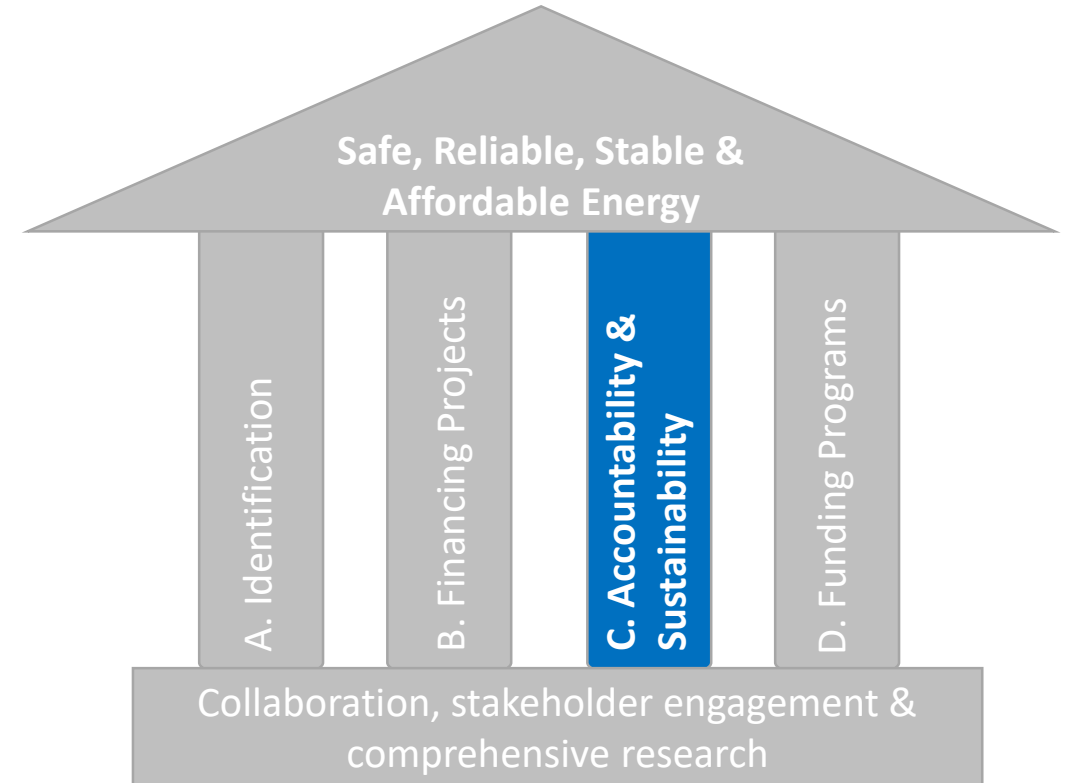
Stabilize State funding for residential Weatherization

Modify Home Energy Rebate rules to expand access to residential efficiency services



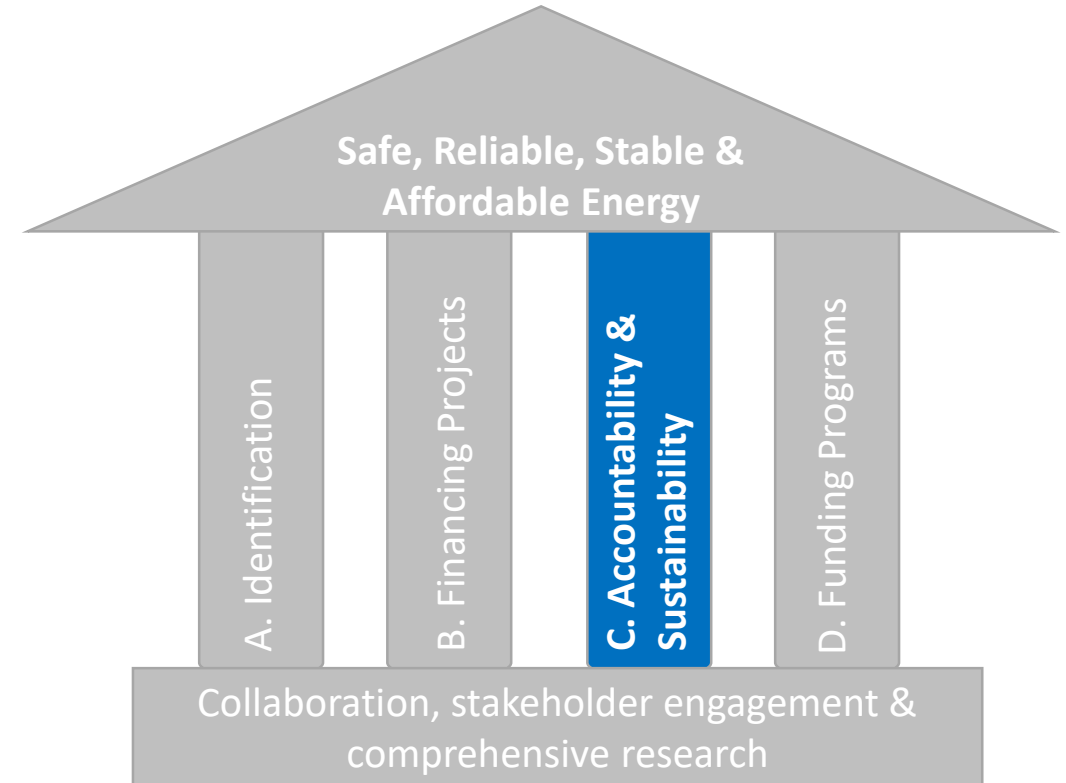
Recommendation C-2:

Draw on the State's partnerships with regional and statewide entities to more cost effectively provide needed assistance



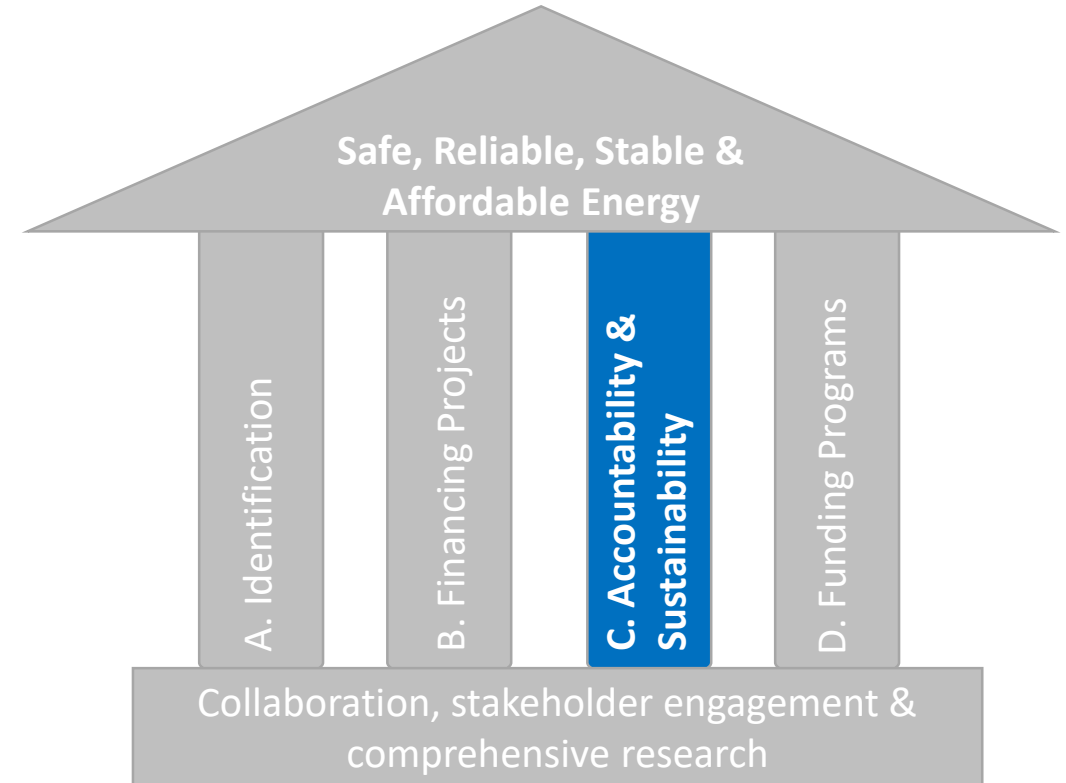
Recommendation C-4:

Require large non-residential buildings that receive PCE to have an energy audit and perform cost-effective retrofits



Recommendation C-6:

Enact a 1% per year fuel reduction target for electric utilities until cost effective gains have been realized



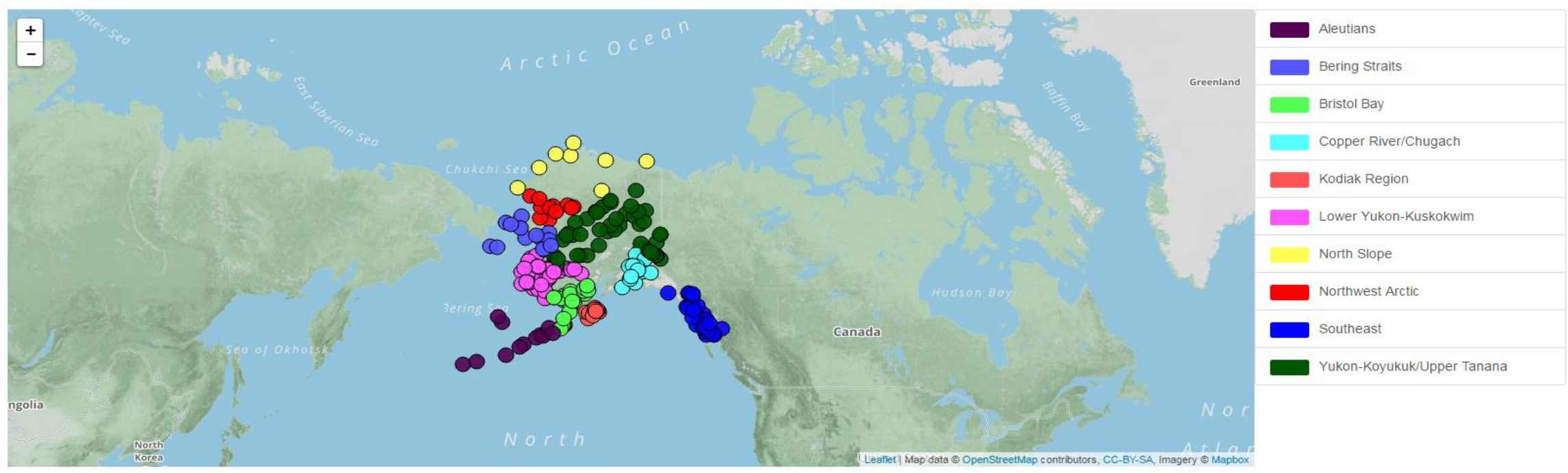
Alaska Affordable Energy Model

A tool for comparing potential project types in non-Railbelt communities

Alaska Affordable Energy Model

Message about data used for the model

The results presented here are generated from available data on population, consumption, generation, and information on technologies analyzed. For some communities this information may be incomplete. If you have, or know of a source of data that could help improve the model please contact The Alaska Energy Authority .



Generated from Model Version 0.22.2 and Data Version 0.22.2 on 2016-11-29

Community overview ▾

Demographics

Population (2010)	246
Households (2010)	100

Financial

Forecasted diesel fuel cost (2016)	\$2.40/gallon
Forecasted heating fuel cost (2016)	\$3.95/gallon
Forecasted electricity cost (2016)	\$0.57/kWh

Consumption

Total electricity consumption (2013)	1,029,853 kWh
Estimated residential heating fuel (2017)	52,455 gallons
Estimated non-residential heating fuel (2017)	64,160 gallons
Estimated utility diesel (2017)	100,177 gallons

Generation

Total generation(2013)	1,142,603 kWh
Average load(2013)	unknown
Generation from diesel(2013)	1,142,603 kWh
Generation from hydropower(2013)	0 kWh
Generation from wind(2013)	0 kWh
Diesel generator efficiency (2013)	13.09 kWh/gallons
Line losses estimated (2013)	9.87%

Tanana Consumption

- Overview
- Financial and Demographic
- Consumption
- Generation
- Potential Projects

Heating degree days ▾

Heating Degree Days per year

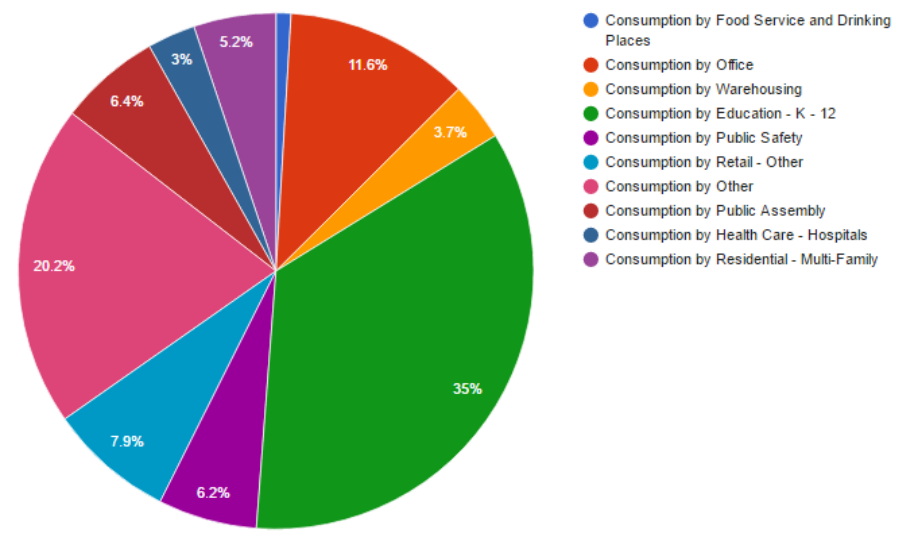
Residential buildings ▾

	Number Houses	Household Avg. Square Feet	Avg. EUI
BEES	4	1,767	0.22
Post-Retrofit	57	815	0.13
Pre-Retrofit	39	809	0.27

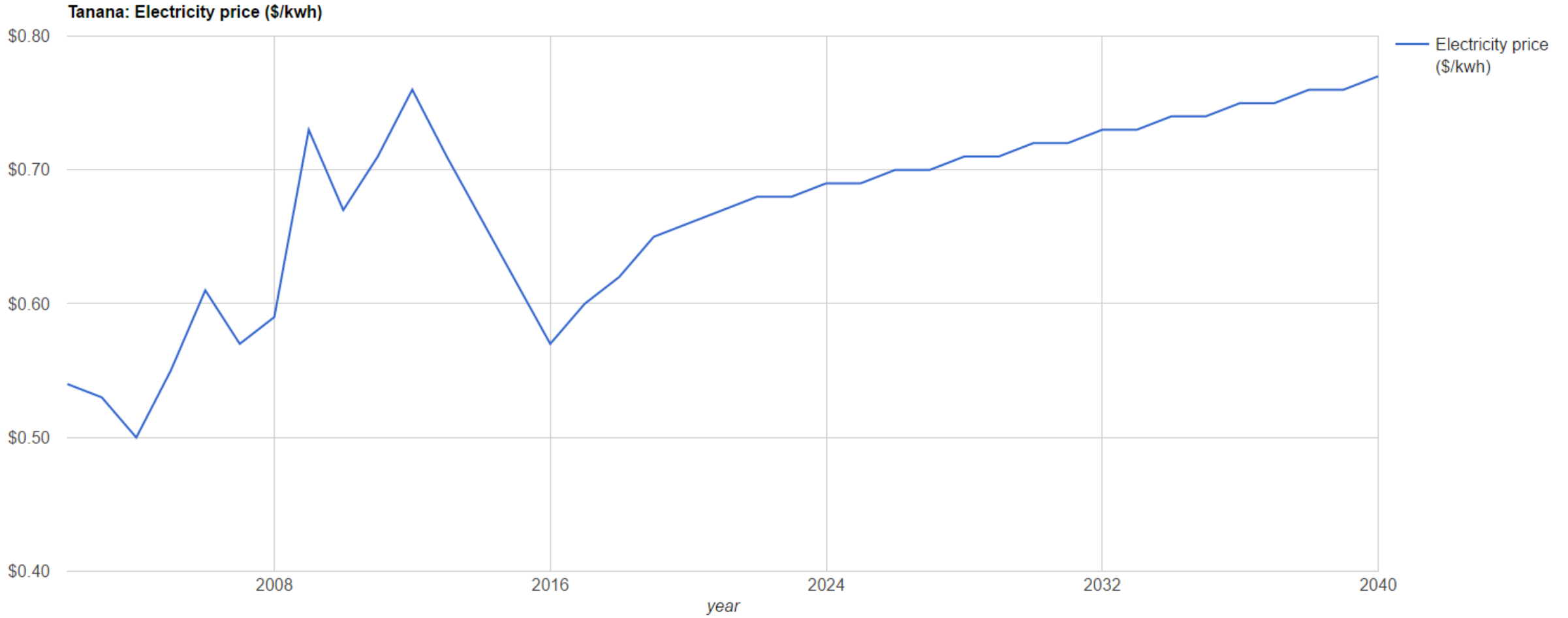
Non-residential buildings ▾

There is an estimated total of 66,118 square feet for the 28 non-residential buildings in this community. 100.0% of the buildings have been identified. The others are assumed to exist. 81.4% of the assumed square footage is from measured sources. The break down of heating fuel consumption by building type is presented in the pie chart

Tanana: Non-residential buildings



Electricity price (\$/kwh) ▾



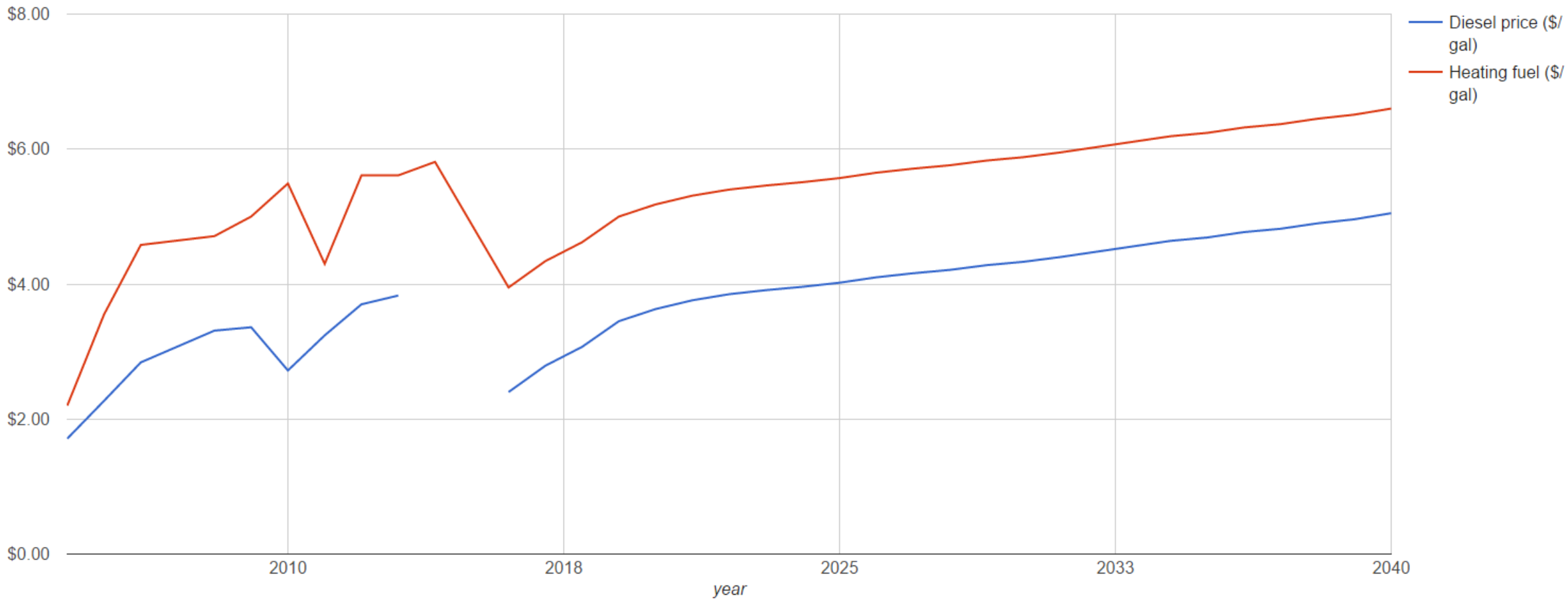
Plot/Table

Printable Plot

Table as csv

Fuel price ▾

Tanana: Fuel price



Plot/Table Printable Plot Table as csv

Technology/Project	NPV benefits	NPV cost	NPV net benefit	Benefit cost ratio	Levelized cost of energy: electricity (\$/kwh)	Levelized cost of energy: heating oil (\$/gal)	gallons fuel saved per year
Residential Energy Efficiency	\$1,129,554	\$547,324	\$582,230	2.1	N/A	\$1.88	20,189
Non-residential Energy Efficiency	\$1,266,733	\$595,196	\$671,537	2.1	\$0.13	\$2.17	14,220
Water and Wastewater Efficiency	\$457,306	\$123,075	\$334,231	3.7	\$0.17	\$1.59	3,330
Wind Power	\$709,560	\$2,254,559	-\$1,544,998	0.3	\$0.61	N/A	20,401
Solar Power	\$43,416	\$98,884	-\$55,469	0.4	\$0.78	N/A	1,044
Hydropower	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Transmission and Interties	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Diesel Efficiency	\$456,601	\$2,189,227	-\$1,732,625	0.2	\$145.15	N/A	8,028
Biomass for Heat (Cordwood)	\$505,640	\$533,108	-\$27,467	0.9	N/A	\$5.65	14,240
Biomass for Heat (Pellet)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Residential ASHP	-\$2,023,620	\$3,225,578	-\$5,249,198	-0.6	N/A	\$17.81	44,377
Non-Residential ASHP	-\$671,705	\$557,601	-\$1,229,306	-1.2	N/A	\$14.67	13,869
Heat Recovery	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Cost effective projects have a benefit cost ratio greater than 1.0.

Tanana Residential Energy Efficiency

Current system ▾

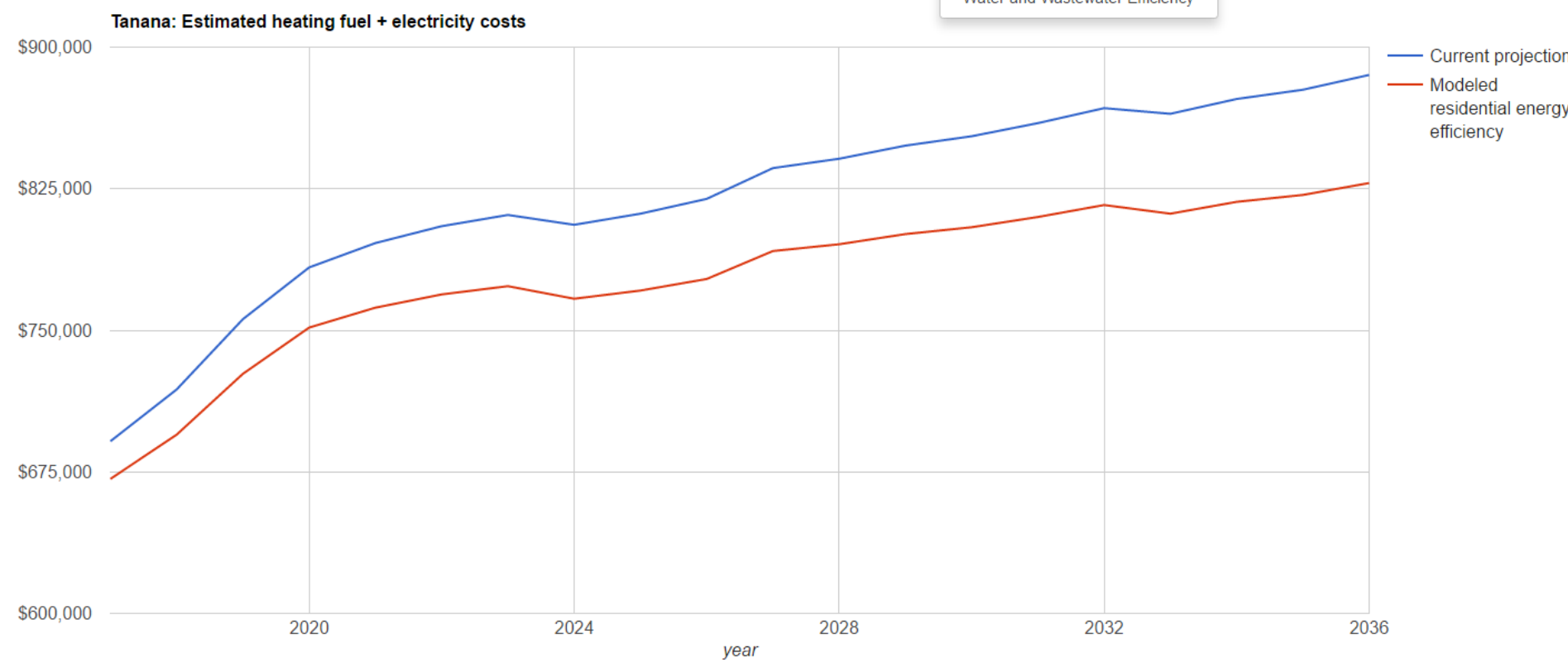
Households 2010: 100
 Estimated Total Households 2017: 100
 Estimated Households to be retrofitted 2017: 39

Modeled efficiency project ▾

Capital cost: \$547,324
 Lifetime savings: \$1,129,554
 Net lifetime savings: \$582,230
 Benefit-cost ratio: 2.1
 Estimated cost to refit household: \$15,400.00/home

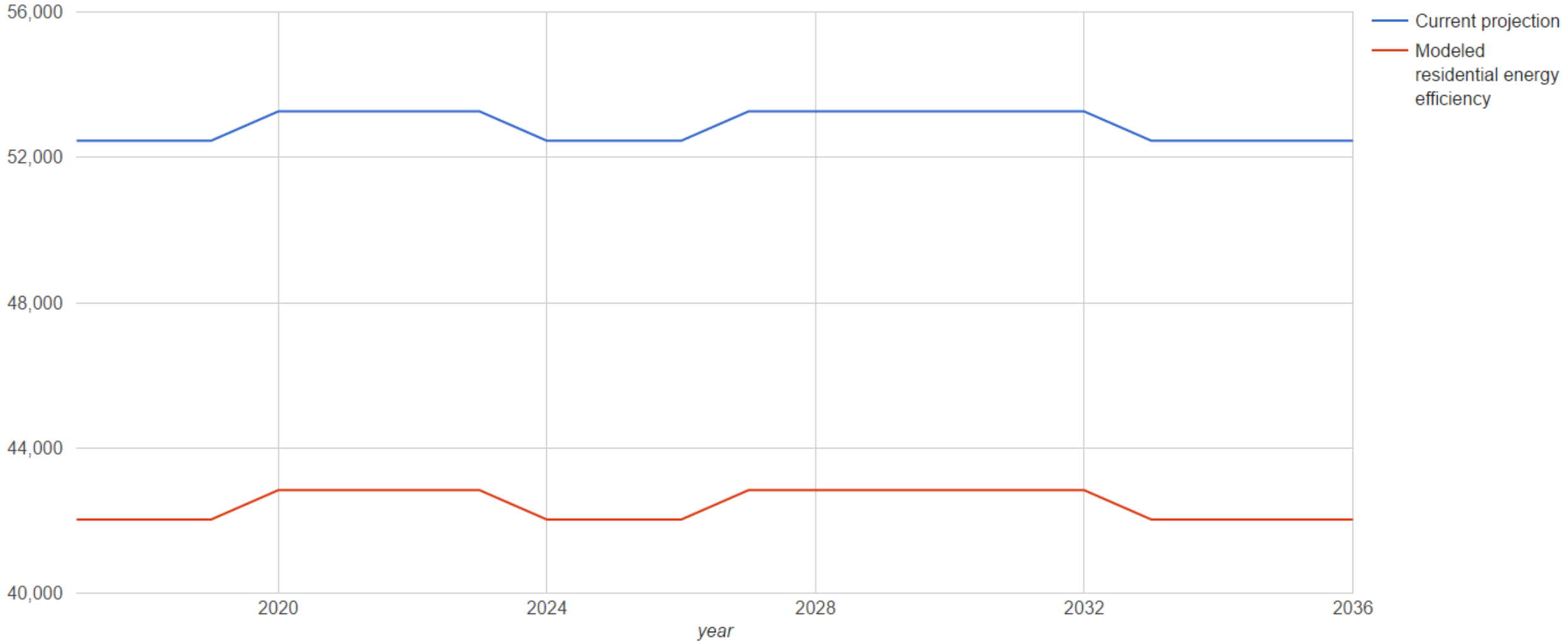
This component calculates the potential reduction heating oil by improving the efficiency re

- Residential Energy Efficiency
- Non-residential Energy Efficiency
- Water and Wastewater Efficiency



Plot/Table Printable Plot Table as csv

Tanana: Heating oil consumed



[Plot/Table](#) [Printable Plot](#) [Table as csv](#)

Current system ▾

Estimated Square Feet: 66,118

Modeled efficiency project ▾

Capital cost: \$595,196

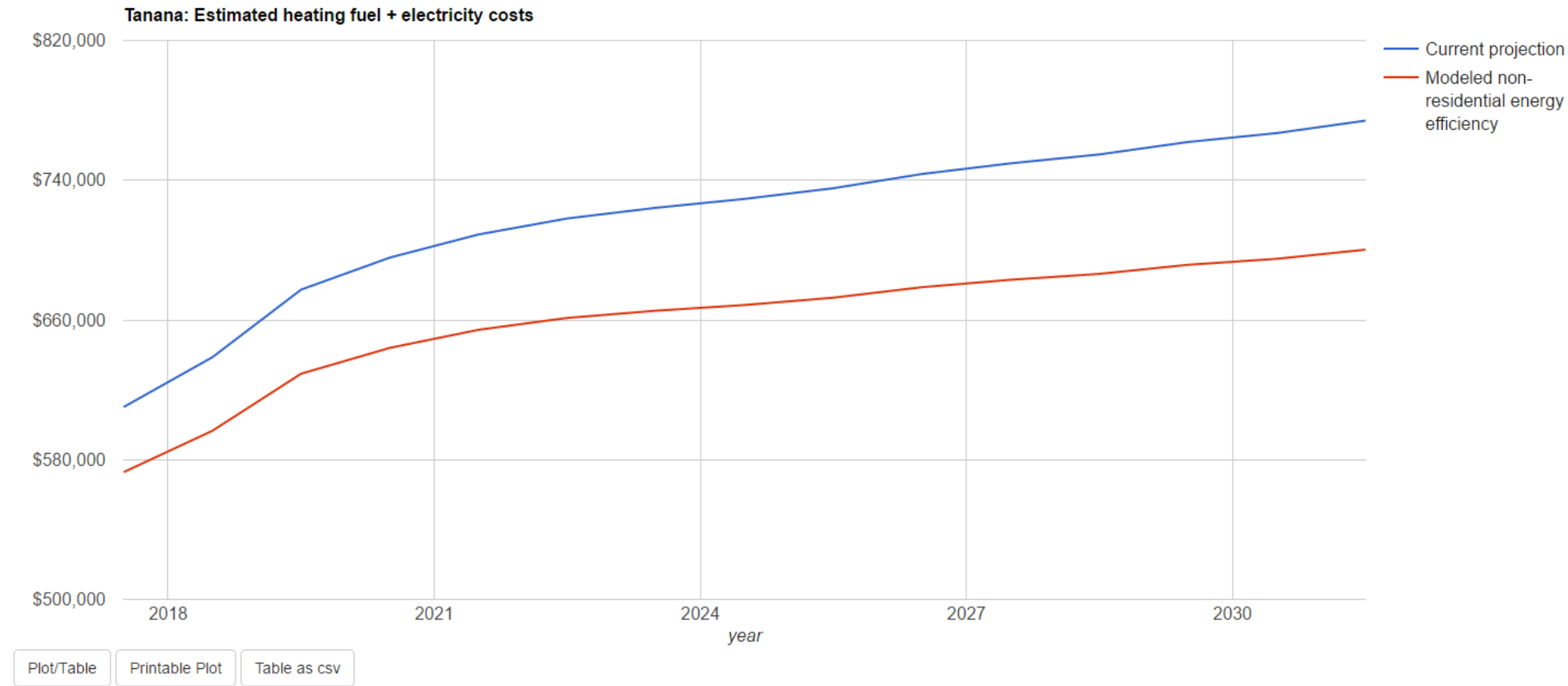
Lifetime savings: \$1,266,733

Net lifetime savings: \$671,537

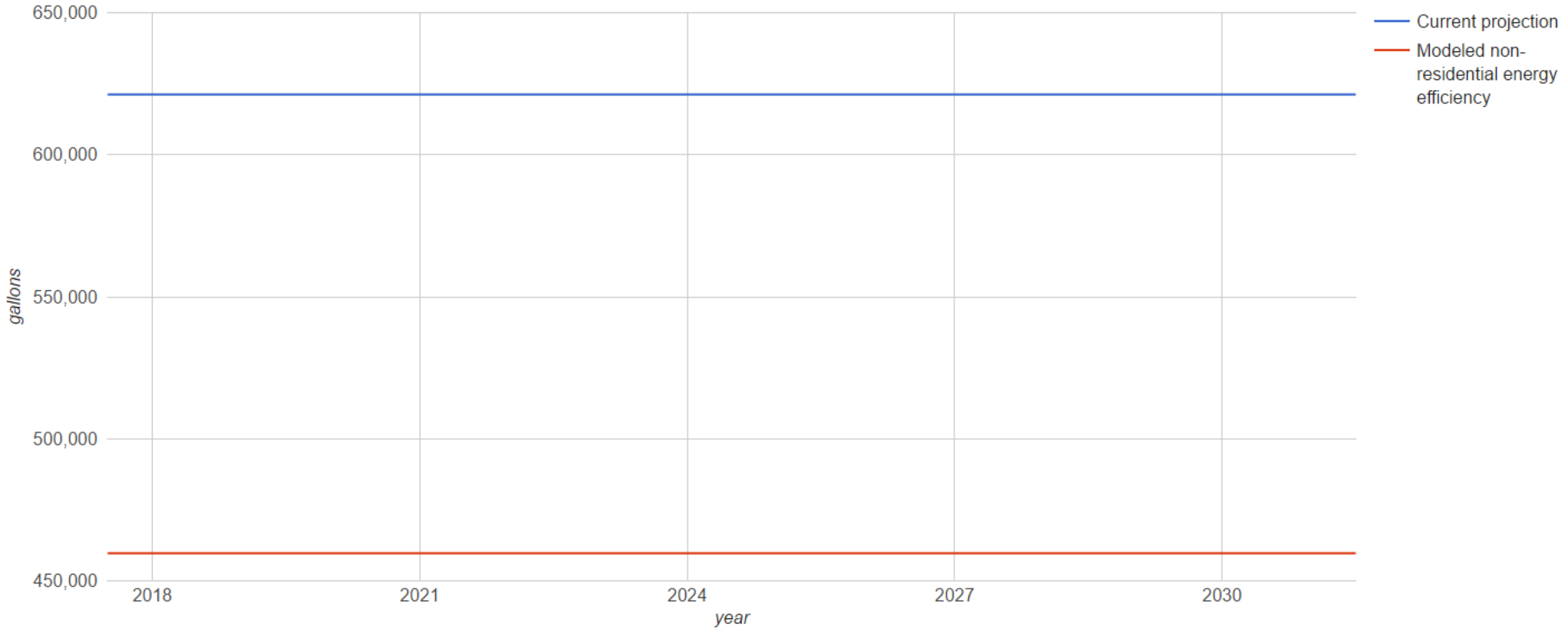
Benefit-cost ratio: 2.1

Refit cost rate: \$9.80/sqft

This component calculates the potential reduction in electricity and heating oil by improving the efficiency of Non-residential buildings

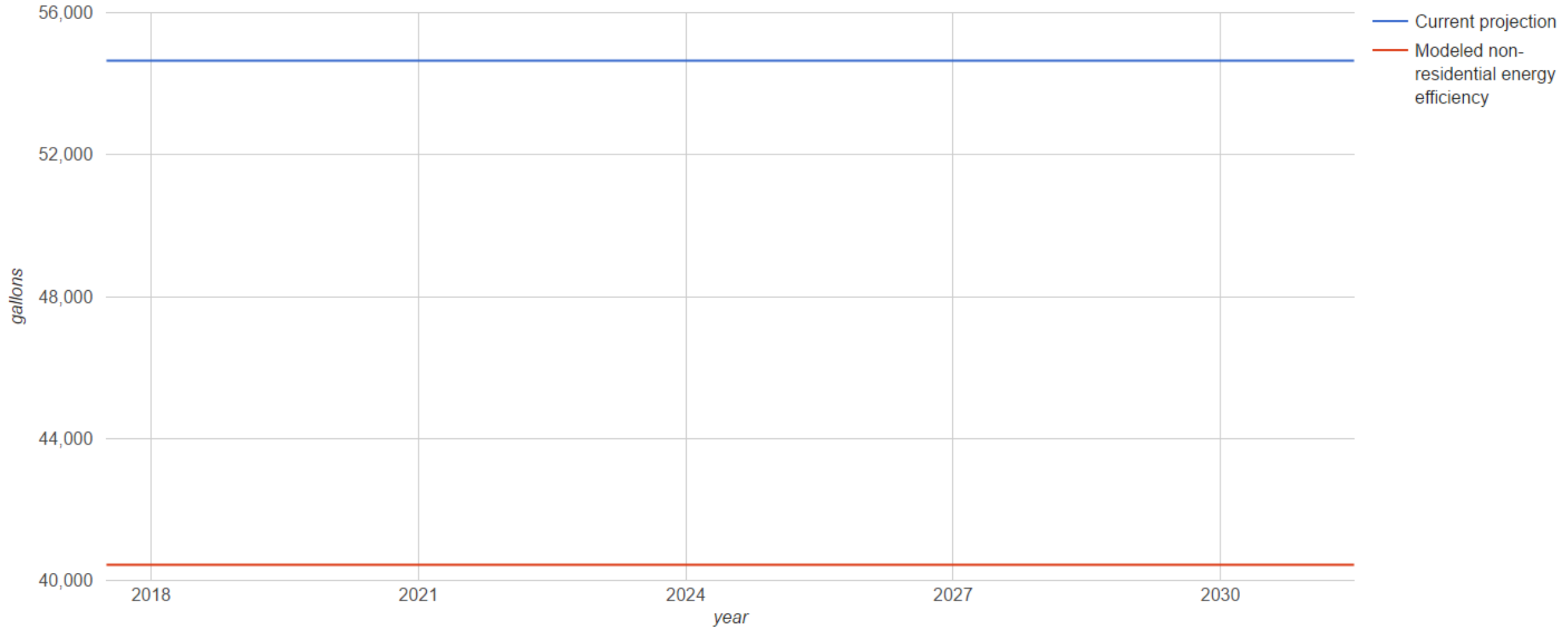


Tanana: Electricity consumed



[Plot/Table](#) [Printable Plot](#) [Table as csv](#)

Tanana: Heating oil consumed



[Plot/Table](#) [Printable Plot](#) [Table as csv](#)

Type	Number of communities with cost-effective projects	Investment needed for cost-effective projects	Lifetime net benefit of cost-effective projects	Annual diesel offset by generation &/or efficiency (gallons)	Annual heating oil displaced (gallons)	Extra capacity needed/offset (kW)
Non-residential efficiency	151	\$412,503,000	\$363,602,000	5,440,000	11,087,000	-17,000
Residential ASHP	18	\$461,364,000	\$240,417,000		17,879,000	30,000
Residential efficiency	192	\$470,715,000	\$298,852,000		9,436,000	
Hydro	16	\$362,432,000	\$191,459,000	5,900,000		
Non-residential ASHP	25	\$95,072,000	\$86,801,000		5,562,000	9,000
Wind	11	\$127,961,000	\$52,779,000	4,440,000		
Biomass--cordwood	34	\$32,341,000	\$13,165,000		1,204,000	
Water/wastewater efficiency	119	\$12,106,000	\$32,583,000	214,000	377,000	
Heat recovery	17	\$15,654,000	\$18,073,000		370,000	
Biomass--pellets	14	\$4,372,000	\$2,131,000		304,000	
Powerhouse replacement	1	\$17,528,000	\$1,919,000	288,000		
Solar	6	\$127,000	\$37,000	1,800		
Interties	1	\$614,000	\$588,000			

For more information about the Alaska Affordable Energy Strategy and the full texts of the reports, please see:

<http://www.akenergyauthority.org/Policy-planning/AlaskaAffordableEnergyStrategy>

For more information about the Alaska Affordable Energy Model and supporting documentation, please see:

<http://www.akenergyinventory.org/energymodel>



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AEA's mission: Reduce the cost of energy in Alaska.

