



AKsustainableenergycorp.us

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## ALASKA SUSTAINABLE ENERGY CORPORATION

### BOARD OF DIRECTORS – JOINT ANNUAL MEMBERSHIP AND BOARD MEETING

#### AGENDA

January 28, 2026

Anchorage

9:30 A.M.

#### I. ROLL CALL

#### II. APPROVAL OF AGENDA

#### III. APPROVAL OF MINUTES: August 27, 2025 Regular Board Meeting

Next Resolution: 2026-01

#### IV. PUBLIC COMMENTS

#### V. OLD BUSINESS: NONE

#### VI. MEMBERSHIP BUSINESS

A. Election of Directors

#### VII. BOARD BUSINESS

A. Board Members' Oath of Office

B. Election of Officers

C. Activity Update, including ASEC's FY2027 Budget

D. Consideration of a resolution accepting the annual statement of financial conditions for ASEC (2026-01)

#### VIII. ANY OTHER MATTERS TO PROPERLY COME BEFORE THE BOARD

#### IX. EXECUTIVE SESSION

Corporation's operational and personnel matters that may have an impact on the Corporation's financial matters. Board action related to this matter, if any, will take place in the public session following the Executive Session.

#### X. ADJOURNMENT

\*\*The Chair may announce changes in the Order of Business during the meeting



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**ALASKA SUSTAINABLE ENERGY CORPORATION  
BOARD OF DIRECTORS  
REGULAR MEETING MINUTES**

**August 27, 2025**

**Homer**

**9:30 a.m.**

The Board of Directors of the Alaska Sustainable Energy Corporation (ASEC) met August 27, 2025 in the Quarter Deck at Land's End, 4786 Homer Spit Rd, in Homer, Alaska, at 9:30 a.m. Board members present in the room and via teleconference were:

<b>BRENT LEVALLEY</b>	Chair Member of the Board
<b>JESS HALL</b>	Vice Chair Member of the Board
<b>ALLEN HIPPLER</b>	Member of the Board
<b>HEIDI HEDBERG</b>	Commissioner Department of Health Member of the Board
<b>SANDRA MOLLER</b>	Designee for Commissioner Department of Commerce, Community & Economic Development Member of the Board
<b>LLEWELLYN SMYTH</b> (telephonic)	Designee for Commissioner Department of Revenue Member of the Board

- I. ROLL CALL:** CHAIR LEVALLEY called the meeting to order. A quorum was declared present, and the meeting was duly and properly convened for the transaction of business.
- II. APPROVAL OF AGENDA:** CHAIR LEVALLEY asked for a motion and a second to approve the agenda. JESS HALL **moved** to approve the agenda as presented. ALLEN HIPPLER **seconded**. Hearing no objections, the agenda was **approved as presented**.
- III. APPROVAL OF JANUARY 29, 2025 MEETING MINUTES:** CHAIR LEVALLEY asked for a motion to approve the minutes. ALLEN HIPPLER **moved** to approve the January 29, 2025 meeting minutes as presented. JESS HALL **seconded**. Hearing no objections, the meeting minutes were **approved as presented**.

**IV. PUBLIC COMMENTS:** None.

**V. OLD BUSINESS:** There was no Old Business to come before the Board.

**VI. NEW BUSINESS:**

**A. Consideration of a Resolution to Authorize a Loan Agreement with Green Capital (2025-02)** – BRYAN BUTCHER introduced the item and MELANIE LUCAS-CONWELL presented to the board. Ms. Lucas-Conwell stated this resolution would authorize ASEC to enter into a loan agreement with Coalition for Green Capital (CGC). CGC is offering a secured term loan up to \$10 million with a 10-year maturity date. Ms. Lucas-Conwell explained that the EPA froze the funds that CGC would use for the loan however, they continue to generate loan agreements with hopes of the funds being released and that ASEC needs to enter into this agreement to access funding which requires board authorization. She continued noting that the risks to ASEC upon entering this agreement have been assessed and determined to be manageable and of low probability. CHAIR LEVALLEY asked if there were any questions. Hearing and seeing none, CHAIR LEVALLEY asked for a motion. ALLEN HIPPLER made a motion to **approve** Resolution 2025-02. JESS HALL **seconded**. Roll call vote was taken. **Motion passed 6-0.**

**VII. ACTIVITY UPDATE:** Melanie Lucas-Conwell stated that ASEC was selected by an entity called ICLEI USA for a \$250,000 reimbursable grant explaining the funds were received from the Coalition for Green Capital, the same as the loan. Ms. Lucas-Conwell also stated that ASEC is still in discussions with Alaska Energy Authority on their Department of Energy's Energy Efficiency Revolving Loan Fund program. On ASEC staffing, there are two vacant positions to fill, with plans to fill in the upcoming months.

**VIII. ANY OTHER MATTERS TO COME BEFORE THE BOARD:** None.

**IX. EXECUTIVE SESSION:** There was no Executive Session.

**ADJOURNMENT:** ALLEN HIPPLER **moved** to adjourn the meeting. HEIDI HEDBERG **seconded**.

CHAIR LEVALLEY adjourned at 9:42 a.m.

ATTESTED:

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Brent LeValley  
Board Chair

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Bryan Butcher  
CEO/Executive Director



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**ALASKA SUSTAINABLE ENERGY CORPORATION**  
**MEMORANDUM**

**DATE:** January 16, 2026  
**TO:** ASEC Membership  
**FROM:** Melanie Lucas-Conwell, ASEC Director  
**RE:** Election of Directors

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**Issue:**

Article II, Section 2 of the Alaska Sustainable Energy Corporation (ASEC) Bylaws provide for an election of Directors at each Annual Meeting of the ASEC Membership. The Articles of Incorporation and the Bylaws further provide that the ASEC Board of Directors shall be comprised of those individuals currently serving on the Board of Directors of the Alaska Housing Finance Corporation (as Sole Member of ASEC). Elected directors shall serve on the ASEC Board of Directors for a term concurrent with their service on the AHFC Board.

Current AHFC directors:

Mr. Brent LeValley

Mr. Jess Hall

Mr. Allen Hippler

Mr. David Pruhs

Commissioner Department of Health & Social Services (and designee)

Commissioner Department of Revenue (and designee)

Commissioner Department of Commerce, Community, and Economic Development  
(and designee)

**Recommendation:**

The Membership is requested to formally elect the above-listed directors to the ASEC Board of Directors, each of whom is currently serving on the AHFC Board of Directors.



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### **Board Member Oath of Office**

“I do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of Alaska, and that I will faithfully discharge my duties as a member of the Board of Directors of the Alaska Sustainable Energy Corporation to the best of my ability.”



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**ALASKA SUSTAINABLE ENERGY CORPORATION**  
**MEMORANDUM**

**DATE:** January 16, 2026  
**TO:** Board of Directors  
**FROM:** Melanie Lucas-Conwell, ASEC Director  
**RE:** Election of Officers

---

**Issue:**

Article V, Section 2 of the Corporation's Bylaws states that the Board of Directors, at its first meeting after each annual meeting of the Sole Member, shall elect a Chair of the Board of Directors from among the members of the Board of Directors and shall also elect a President and a Secretary.

In addition to the preceding, the Board of Directors shall, at such meeting or on such other occasion as it may deem appropriate, elect persons to serve in other officer positions, if any, that the Board shall have established by resolution. Any two officer positions may be held by the same person except the positions of President and Secretary.

In accordance with the Bylaws, the officers to be elected are as follows:

Chair  
Vice Chair  
President  
Vice President  
Secretary

ASEC may have one or more Vice Presidents, in accordance with the Bylaws.

**Recommendation:**

In accordance with the Bylaws, an election of officers is required at this time.



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**ALASKA SUSTAINABLE ENERGY CORPORATION**  
**MEMORANDUM**

**DATE:** January 16, 2026  
**TO:** Board of Directors  
**FROM:** Melanie Lucas-Conwell, ASEC Director  
**RE:** ASEC FY2027 Capital and Operating Budget

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**Background:**

Each year, the Alaska Sustainable Energy Corporation (ASEC) annual budget is prepared in conjunction with the annual budget of the Alaska Housing Finance Corporation (AHFC). As an instrumentality of AHFC, ASEC's administrative functions are performed by AHFC through a shared services agreement.

During the AHFC Board of Directors Meeting on October 21, 2025, the AHFC Board of Directors approved a resolution to authorize AHFC to submit the FY2027 Capital and Operating Budget for submittal through the Department of Revenue to the Governor's Office, which included ASEC's proposed FY2027 Operating and Capital Budget.

The Governor's FY2027 Proposed Budget was released on December 11, 2025. Attached to this memo are the Component Budget Summaries for ASEC's Capital and Operating budgets, as proposed by the Governor's Office to the State Legislature.

**Recommendation:**

No action required at this time; this memo is provided for context.

**AP/AL:** Appropriation**Project Type:** Energy**Category:** Development**Location:** Statewide**House District:** Statewide (HD 1 - 40)**Impact House District:** Statewide (HD 1 - 40)**Contact:** Amy Michel**Estimated Project Dates:** 07/01/2026 - 06/30/2031**Contact Phone:** (907)330-8356**Brief Summary and Statement of Need:**

Federal and statutory designated program receipts for Alaska Sustainable Energy Corporation, to apply for, and receive, federal and private funding for grants that result in low-cost financing for sustainable energy and energy efficiency projects in Alaska.

Funding:	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	Total
1002 Fed Rcpts	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000	\$180,000,000
1108 Stat Desig	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$30,000,000
Total:	\$35,000,000	\$35,000,000	\$35,000,000	\$35,000,000	\$35,000,000	\$35,000,000	\$210,000,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> Ongoing
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
<u>One-Time Startup:</u>	0	
Totals:	0	0

**Prior Funding History / Additional Information:****Project Description/Justification:**

This authorization allows the Alaska Sustainable Energy Corporation (ASEC) to apply for federal funding and private grants that result in low-cost financing for sustainable energy and energy efficiency projects in Alaska. Additionally, the statutory designated program receipts (SDPR) allow the ASEC to pursue revenue generating activities that will support operating expenses and future lending programs, forging a path for the corporation to become financially self-sufficient.

The ASEC was incorporated on November 5, 2024, as a nonprofit subsidiary of the Alaska Housing Finance Corporation (AHFC), pursuant to House Bill 273 of the 2024 Alaska Legislature. The ASEC was formed for the purpose set forth in AS 18.56.086(a), identified as financing or facilitating the financing of sustainable energy development in the State or delivering energy to the State.

To fulfill its statutory purpose, the ASEC has developed a pipeline of funding opportunities and projects needing financing, with the goals of lowering energy costs for Alaskans, increasing energy resilient buildings and new energy generation through low-cost financing. Additionally, these programs aim to support and de-risk private sector financing into sustainable energy developments

(as defined in AS 18.56). To do so, the ASEC must have sufficient capital resources for lending activities from education and origination, to underwriting, to servicing, and to fund recycling.

### **Projected Outcomes**

- Active pipeline of sustainable energy projects in Alaska that are ready for financing
- Private lender relationships leading to referral opportunities and to a healthy private capital ecosystem for sustainable energy developments in Alaska across residential, commercial, and community sectors
- New opportunities for revenue and lending capital, leading to financial self-sustainability
- Lower energy costs for Alaskans through low-cost financing solutions
- National recognition of Alaska as an economically viable market for sustainable energy project financing

# **State of Alaska**

## **FY2027 Governor's Operating Budget**

**Department of Revenue**  
**Alaska Sustainable Energy Corporation**  
**Component Budget Summary**

## Component: Alaska Sustainable Energy Corporation

### Contribution to Department's Mission

No mission statement.

### Major Component Accomplishments in 2025

- Hired first staff end of October 2024 and incorporated on November 5, 2024
- Applied for \$21 million in federal grant requests
- Identified a pipeline of \$177 million in potential projects, which totaled over \$400 million

### Key Component Challenges

- Establishing as a new entity took longer than anticipated.
- Federal grants initially identified during the legislative process were paused or cancelled, causing ASEC to shift its capital fundraising strategy.

### Significant Changes in Results to be Delivered in FY2027

No change in results delivered.

### Statutory and Regulatory Authority

AS 18.56.086(a) Creation and management of subsidiaries

#### Contact Information

**Contact:** Amy Michel, Budget Director  
**Phone:** (907) 330-8356  
**E-mail:** amichel@ahfc.us

**Alaska Sustainable Energy Corporation**  
**Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2026</u> <u>Management</u> <u>Plan</u>	<u>FY2027</u> <u>Governor</u>		
Full-time	2	2	Annual Salaries	150,687
Part-time	0	0	COLA	5,155
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	114,339
			<i>Less 0.92% Vacancy Factor</i>	(2,481)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>2</b>	<b>2</b>	<b>Total Personal Services</b>	<b>267,700</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Program Assistant	1	0	0	0	1
Program Manager	1	0	0	0	1
<b>Totals</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>

## Component Detail All Funds (1077)

### Department of Revenue

Component: Alaska Sustainable Energy Corporation (3520)

Non-Formula Component

RDU: Alaska Housing Finance Corporation (46)

IRIS AP Type:

	FY2025 Actuals (23426)	FY2026 Enrolled (23165)	FY2026 Authorized (23196)	FY2026 Management Plan (23225)	FY2027 Governor Adjusted Base (23490)	FY2027 Governor (23629)	FY2026 Management Plan vs FY2027 Governor
1000 Personal Services	0.0	259.3	259.3	259.3	267.7	267.7	8.4 3.2%
2000 Travel	0.0	25.0	25.0	3.5	3.5	3.5	0.0 0.0%
3000 Services	0.0	75.0	75.0	138.2	138.2	138.2	0.0 0.0%
4000 Commodities	0.0	43.5	43.5	1.8	1.8	1.8	0.0 0.0%
5000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
7000 Grants, Benefits	0.0	0.0	20,000.0	20,000.0	0.0	0.0	-20,000.0 -100.0%
8000 Miscellaneous	0.0	20,000.0	0.0	0.0	0.0	0.0	0.0 0.0%
<b>Totals</b>	<b>0.0</b>	<b>20,402.8</b>	<b>20,402.8</b>	<b>20,402.8</b>	<b>411.2</b>	<b>411.2</b>	<b>-19,991.6 -98.0%</b>
<b>Funding Sources:</b>							
1002 Fed Rcpts (Fed)	0.0	20,000.0	20,000.0	20,000.0	0.0	0.0	-20,000.0 -100.0%
1004 Gen Fund (UGF)	0.0	402.8	402.8	402.8	411.2	411.2	8.4 2.1%
<b>Funding Totals:</b>							
Unrestricted General (UGF)	0.0	402.8	402.8	402.8	411.2	411.2	8.4 2.1%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0 0.0%
Federal	0.0	20,000.0	20,000.0	20,000.0	0.0	0.0	-20,000.0 -100.0%
<b>Positions:</b>							
Permanent Full Time	0	2	2	2	2	2	0 0.0%
Permanent Part Time	0	0	0	0	0	0	0 0.0%
Non Permanent	0	0	0	0	0	0	0 0.0%

**Change Record Detail - Multiple Scenarios with Descriptions**  
**Department of Revenue**

**Component:** Alaska Sustainable Energy Corporation (3520)  
**RDU:** Alaska Housing Finance Corporation (46)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	PPT	NP
<b>***** Changes From FY2026 Enrolled To FY2026 Authorized *****</b>												
<b>Federal Receipts Authority to Support Green Bank Sec23(g) Ch10 SLA2025 P86 L4 (HB53) (FY2026-FY2028)</b>												
1002 Fed Rcts	Enrol(L)	20,000.0	0.0	0.0	0.0	0.0	0.0	0.0	20,000.0	0	0	0
1002 Fed Rcts		20,000.0										
* Sec. 23. ALASKA HOUSING FINANCE CORPORATION.												
(g) The sum of \$20,000,000 is appropriated from federal receipts to the Alaska Housing Finance Corporation, Alaska Sustainable Energy Corporation, to support green bank for the fiscal years ending June 30, 2026, June 30, 2027, and June 30, 2028.												
<b>FY2026 Enrolled</b>												
1004 Gen Fund	Enrolled	402.8	259.3	25.0	75.0	43.5	0.0	0.0	0.0	2	0	0
1004 Gen Fund		402.8										
<b>Align Grant Authority with Anticipated Expenditures</b>												
LIT		0.0	0.0	0.0	0.0	0.0	0.0	20,000.0	-20,000.0	0	0	0
Transfer authority from miscellaneous to grants for anticipated expenditures.												
Original language below (Sec23(g) Ch10 SLA2025 P86 L4 (HB53))												
*Sec. 23. ALASKA HOUSING FINANCE CORPORATION.												
(g) The sum of \$20,000,000 is appropriated from federal receipts to the Alaska Housing Finance Corporation, Alaska Sustainable Energy Corporation, to support green bank for the fiscal years ending June 30, 2026, June 30, 2027, and June 30, 2028.												
		<b>20,402.8</b>	<b>259.3</b>	<b>25.0</b>	<b>75.0</b>	<b>43.5</b>	<b>0.0</b>	<b>20,000.0</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>0</b>
<b>***** Changes From FY2026 Authorized To FY2026 Management Plan *****</b>												
<b>Align Authority with Anticipated Expenditures</b>												
LIT		0.0	0.0	-21.5	63.2	-41.7	0.0	0.0	0.0	0	0	0
Transfer authority from travel and commodities to services for anticipated expenses for the Alaska Sustainable Energy Corporation.												
		<b>20,402.8</b>	<b>259.3</b>	<b>3.5</b>	<b>138.2</b>	<b>1.8</b>	<b>0.0</b>	<b>20,000.0</b>	<b>0.0</b>	<b>2</b>	<b>0</b>	<b>0</b>
<b>***** Changes From FY2026 Management Plan To FY2027 Governor Adjusted Base *****</b>												
<b>Reverse Federal Receipts Authority to Support Green Bank Sec23(g) Ch10 SLA2025 P86 L4 (HB53) (FY26-FY28)</b>												
1002 Fed Rcts	OTI	-20,000.0	0.0	0.0	0.0	0.0	0.0	-20,000.0	0.0	0	0	0
1002 Fed Rcts		-20,000.0										
Technical reversal of an operating multi-year appropriation.												

**Change Record Detail - Multiple Scenarios with Descriptions**  
**Department of Revenue**

**Component:** Alaska Sustainable Energy Corporation (3520)  
**RDU:** Alaska Housing Finance Corporation (46)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	PFT	PPT	NP
<b>FY2027 Salary Adjustments</b>												
1004 Gen Fund	SaAdj	8.4	8.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0
Salary and benefit adjustments for FY2027: \$8.4												
Increase AHFC health insurance contributions from \$2,310.40 to \$2,450.00 per member per month: \$3.3												
AHFC cost of living adjustment 2.50%: \$5.1												
<b>Federal Receipts Authority to Support Green Bank Sec23(g) Ch10 SLA2025 P86 L4 (HB53) (FY26-FY28)</b>												
CarryFwd		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0
Zero-dollar transaction for carryforward tracking.												
* Sec. 23. ALASKA HOUSING FINANCE CORPORATION.												
(g) The sum of \$20,000,000 is appropriated from federal receipts to the Alaska Housing Finance Corporation, Alaska Sustainable Energy Corporation, to support green bank for the fiscal years ending June 30, 2026, June 30, 2027, and June 30, 2028.												
411.2		267.7		3.5		138.2		1.8		0.0		0.0
<b>***** Changes From FY2027 Governor Adjusted Base To FY2027 Governor *****</b>												
411.2		267.7		3.5		138.2		1.8		0.0		0.0

**Line Item Detail (1676)**  
**Department of Revenue**  
**Travel**

**Component:** Alaska Sustainable Energy Corporation (3520)

Line Number	Line Name		FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
2000	Travel		0.0	3.5	3.5
Object Class	Servicing Agency	Explanation	FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
		<b>2000 Travel Detail Totals</b>	<b>0.0</b>	<b>3.5</b>	<b>3.5</b>
2000	In-State Employee Travel	In-state travel cost associated with business operations	0.0	3.5	3.5

**Line Item Detail (1676)**  
**Department of Revenue**  
**Services**

**Component:** Alaska Sustainable Energy Corporation (3520)

Line Number	Line Name		FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
3000	Services		0.0	138.2	138.2
Object Class	Servicing Agency	Explanation	FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
		<b>3000 Services Detail Totals</b>	<b>0.0</b>	<b>138.2</b>	<b>138.2</b>
3011	Other Services	Contractual services associated with operations of the Corporation.	0.0	138.2	138.2

**Line Item Detail (1676)**  
**Department of Revenue**  
**Commodities**

**Component:** Alaska Sustainable Energy Corporation (3520)

Line Number	Line Name		FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
4000	Commodities		0.0	1.8	1.8
Object Class	Servicing Agency	Explanation	FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
		<b>4000 Commodities Detail Totals</b>	<b>0.0</b>	<b>1.8</b>	<b>1.8</b>
4000	Business	Office supplies, materials and postage	0.0	1.8	1.8

**Line Item Detail (1676)**  
**Department of Revenue**  
**Grants, Benefits**

**Component:** Alaska Sustainable Energy Corporation (3520)

Line Number	Line Name		FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
7000	Grants, Benefits		0.0	20,000.0	0.0
Object Class	Servicing Agency	Explanation	FY2025 Actuals	FY2026 Management Plan	FY2027 Governor
		<b>7000 Grants, Benefits Detail Totals</b>	0.0	20,000.0	0.0
7001	Grants	Federal pass-through grants received by ASEC	0.0	20,000.0	0.0

**Revenue Detail (1681)**  
**Department of Revenue**

**Component:** Alaska Sustainable Energy Corporation (3520)

Revenue Type (OMB Fund Code)	Component	Comment	FY2025 Actuals	Management Plan	FY2027 Governor
Revenue Source					
<b>5002 Fed Rcpts (1002 Fed Rcpts)</b>	5019 Federal - Miscellaneous Grants	Receipt authority for federal grants including Department of Energy and Environmental Protection Agency.	0.0	20,000.0	0.0

## Personal Services Expenditure Detail (1445)

Department of Revenue

**Scenario:** FY2027 Governor (23629)

**Component:** Alaska Sustainable Energy Corporation (3520)

**RDU:** Alaska Housing Finance Corporation (46)

Status PCN	Job Class Title	Time RetireBarg			Salary Sched	Range / Steps	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	UGF Amount
		Status	Code	Unit Location										
04601X	Program Manager	FT	5	-- Anchorage	99	22	12.0	94,536	3,234	0	64,240	162,010	162,010	
04602X	Program Assistant	FT	5	-- Anchorage	99	15	12.0	56,151	1,921	0	50,099	108,171	108,171	
		<b>Total Positions</b>		<b>New</b>		<b>Deleted</b>						<b>Total Salary Costs:</b>	150,687	
		Full Time Positions:	2	0		0						Total COLA:	5,155	
		Part Time Positions:	0	0		0						Total Premium Pay:	0	
		Non Permanent Positions:	0	0		0						Total Benefits:	114,339	
		<b>Positions in Component:</b>	2	0		0						<b>Total Pre-Vacancy:</b>	270,181	
		Total Component Months:	24.0									Minus Vacancy Adjustment of 0.92%:	(2,481)	
												Total Post-Vacancy:	267,700	
												Plus Lump Sum Premium Pay:	0	
												<b>Personal Services Line 100:</b>	267,700	

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1004 Unrestricted General Fund Receipts	270,181	267,700	100.00%
<b>Total PCN Funding:</b>	<b>270,181</b>	<b>267,700</b>	<b>100.00%</b>

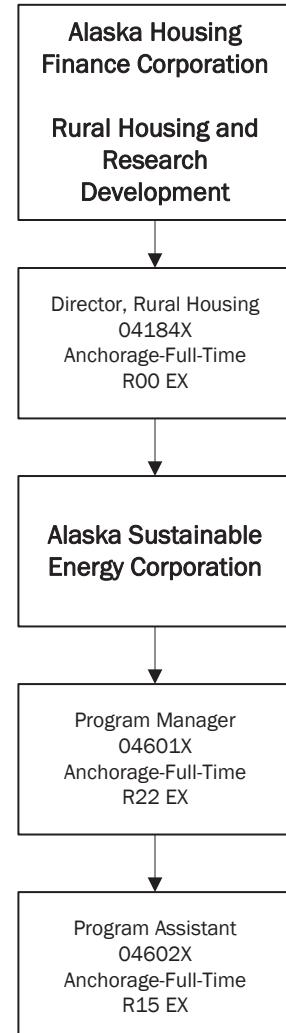
Note: If a position is split, an asterisk (\*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (\*\*) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

## Department of Revenue

Alaska Sustainable Energy Corporation - ASEC

FY2027 Governor's Budget

Position Totals: 2 PFT / 0 PPT / 0 NP





AKsustainableenergycorp.us

4300 Boniface Parkway  
Anchorage, Alaska 99504

P: (907) 330-8126  
F: (907) 330-8124

**ALASKA SUSTAINABLE ENERGY CORPORATION**  
**MEMORANDUM**

**DATE:** January 16, 2026  
**TO:** Board of Directors  
**FROM:** Melanie Lucas-Conwell, ASEC Director  
**RE:** Resolution Accepting the Annual Statement of Financial Conditions for the  
Alaska Sustainable Energy Corporation

---

**Background:**

The Alaska Sustainable Energy Corporation (ASEC) (the “Corporation”) was incorporated in November 2024, under the authority of AS 18.56.086. Its purpose is to finance or facilitate the financing of sustainable energy developments in Alaska.

Article III, Section 10 of the Bylaws of ASEC requires the Corporation to deliver an annual report certified by a firm of independent public accountants covering assets, liabilities, expenses and revenues of the Corporation for each fiscal year.

The most recent completed audited financial statements for ASEC were prepared and delivered to ASEC by the firm Eide Bailly on October 30, 2025. This annual report covers fiscal year 2025 and is attached to this memo.

**Recommendation:**

The attached resolution will fulfill the requirements of the Bylaws to prepare an annual report of financial conditions for ASEC.

Staff recommends approval of Resolution 2026-01.



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## BOARD RESOLUTION OF ALASKA SUSTAINABLE ENERGY CORPORATION

### RESOLUTION 2026-01

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**WHEREAS**, Article III, Section 10 of the Bylaws of the Alaska Sustainable Energy Corporation (the “Corporation”) require preparation of an annual report for the Corporation covering assets, liabilities, expenses and revenues; and

**WHEREAS**, the annual report shall be certified and prepared by a firm of independent public accountants in accordance with generally accepted accounting principles; and

**WHEREAS**, on October 30, 2025, the firm Eide Bailly delivered an audited financial statement for the Corporation, meeting the requirements of said section of the Bylaws;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Alaska Sustainable Energy Corporation that it accepts the FY2025 financial statements for the Corporation, prepared by Eide Bailly, dated October 30, 2025, as fulfillment of the requirements of Article III, Section 10 of the Bylaws of the Corporation.

**PASSED AND APPROVED** by the Board of the Alaska Sustainable Energy Corporation this 28<sup>th</sup> day of January, 2026.

---

Jess Hall – Board Chair



# Alaska Sustainable Energy Corporation

(A component unit of the State of Alaska)

## Financial Statements And Independent Auditor's Report

June 30, 2025

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## Independent Auditor's Report

To the Board of Directors  
Alaska Sustainable Energy Corporation  
Anchorage, Alaska

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities and each major fund of the Alaska Sustainable Energy Corporation (the Corporation) a blended component unit of the State of Alaska, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Corporation, as of June 30, 2025, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities of the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities of the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 4 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United

States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is fluid and cursive, with "Eide" and "Bailly" connected by a single stroke, and "LLP" in a smaller, separate area.

Boise, Idaho  
October 30, 2025

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis is an overview and analysis of the financial activities of Alaska Sustainable Energy Corporation (the "Corporation") for the eight month period from inception ended June 30, 2025. This information should be read in conjunction with the Independent Auditor's Report, financial statements and accompanying notes. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

The Corporation is a governmental fund of the State of Alaska (the "State").

## FINANCIAL HIGHLIGHTS

- The Corporation was incorporated on November 5, 2024
- During the fiscal year ended June 30, 2025, \$450,000 was received from the State for funding the Corporation's operation.
- As of June 30, 2025, \$208,000 total expenditures were incurred by the Corporation.

## CONDENSED FINANCIAL INFORMATION

	<u>2025</u>
Total Assets	\$ 306
Total Liabilities	304
Total Net Position	<u>\$ 2</u>
Total Revenues	\$ 210
Total Expenses	208
Change in Net Position	2
Beginning Net Position	-
Ending Net Position	<u>\$ 2</u>

## OVERVIEW OF THE FINANCIAL STATEMENTS

The Corporation's annual financial statements consist of two parts: Management's Discussion and Analysis and the Basic Financial Statements. The financial statements are intended to facilitate and enhance the understanding of the Corporation's financial position and results of operations for the current year. The Basic Financial Statements include Government-wide Presentation, Governmental Fund Presentation and Notes to Financial Statements.

The government-wide financial statements of the Corporation, which include the *Statement of Net Position* (Exhibit A) and the *Statement of Activities* (Exhibit B), display information about the Corporation as a whole, using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

The governmental fund financial statements of the Corporation, which include the *Governmental Funds Balance Sheet* (Exhibit A), and the *Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balances* (Exhibit B) are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available to finance expenditures in the current period and expenditures are recorded when a liability is incurred.

There are no reconciling differences between the government-wide and governmental fund financial statements.

The *Statement of Net Position / Governmental Fund Balance Sheet* (Exhibit A) answers the question, "How is the Corporation's financial health at the end of the year?" This statement includes all assets and liabilities. Over time, changes in net position may serve as a useful indicator of whether the financial position of the Corporation is improving or deteriorating.

The *Statement of Activities / Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance* (Exhibit B) accounts for all of the revenues and expenses. This statement measures the success of the Corporation's operations over the past year and can be used to determine whether the Corporation has successfully recovered all of its costs through its revenue sources. This statement helps answer the question "Is the Corporation as a whole better off or worse off as a result of the year's activities?"

The *Notes to Financial Statements* provide additional information that is essential to obtain a full understanding of the data provided in the government-wide financial statements.

**GENERAL FUND**

The general fund is the operating fund of the Corporation and represents all of the Corporation's activities.

**CONTACTING ALASKA SUSTAINABLE ENERGY CORPORATION'S FINANCIAL MANAGEMENT**

For inquiries about this report or to request additional financial information please call (907) 330-8270 or email [mlucas-conwell@aksustainableenergycorp.us](mailto:mlucas-conwell@aksustainableenergycorp.us).

**ALASKA SUSTAINABLE ENERGY CORPORATION**

(A Component Unit of the State of Alaska)

**GOVERNMENTAL FUNDS BALANCE SHEET / STATEMENT OF NET POSITION**

As of 6/30/2025

(in thousands of dollars)

**EXHIBIT A**

	General Fund	Statement of Net Position Total
<b>ASSETS</b>		
Cash	\$ 306	\$ 306
Total Assets	<u>306</u>	<u>306</u>
<b>LIABILITIES</b>		
Unearned Program Revenue	242	242
Due to Alaska Housing Finance Corporation	<u>62</u>	<u>62</u>
Total Liabilities	<u>304</u>	<u>304</u>
<b>FUND BALANCES</b>		
Fund balances:		
Restricted	<u>2</u>	
Total Fund Balances	<u>2</u>	
Total Liabilities and Fund Balances	<u><u>\$ 306</u></u>	
<b>NET POSITION</b>		
Restricted	<u>2</u>	
Total Net Position	<u><u>\$ 2</u></u>	

*See accompanying notes to the financial statements.*

**ALASKA SUSTAINABLE ENERGY CORPORATION****EXHIBIT B**

(A Component Unit of the State of Alaska)

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES /  
STATEMENT OF ACTIVITIES**From Inception, Period from November 5, 2024 to June 30, 2025  
(in thousands of dollars)

	<b>General Fund</b>	<b>Statement of Activities</b>
<b>REVENUES</b>		
Program Revenues from the State of Alaska	\$ 208	\$ 208
Interest Income	2	2
<b>Total revenues</b>	<b>210</b>	<b>210</b>
<b>EXPENDITURES/EXPENSES</b>		
Contractual Services	84	84
Personnel	118	118
Travel	3	3
Supplies	3	3
<b>Total expenditures/expenses</b>	<b>208</b>	<b>208</b>
Excess (deficiency) of revenues over (under) expenditures	2	2
Net change in fund balances	2	2
Change in net position		2
<b>FUND BALANCES and NET POSITION</b>		
Beginning of year	-	-
<b>End of year</b>	<b>\$ 2</b>	<b>\$ 2</b>

*See accompanying notes to the financial statements.*

**ALASKA SUSTAINABLE ENERGY CORPORATION**

(A Component Unit of the State of Alaska)

**STATEMENT OF CASH FLOWS**From Inception, Period from November 5, 2024 to June 30, 2025  
(*in thousands of dollars*)**Exhibit C****CASH FLOWS FROM OPERATING ACTIVITIES**

Operating receipts	\$ 452
Operating disbursements	(146)
<b>Net cash provided by (used for) operating activities</b>	<b>306</b>
Net Increase (decrease) in cash	306
Cash at the beginning of year	-
<b>Cash at the end of period</b>	<b>\$ 306</b>

**Reconciliation of operating income (loss) to net cash provided by (used for) operating activities**

Operating income (loss)	\$ 2
<i>Adjustments:</i>	
Increase in Unearned Program Revenue	242
Increase in Due to AHFC	62
<b>Net cash provided by (used for) operating activities</b>	<b>\$ 306</b>

*See accompanying notes to the financial statements.*

Notes to Financial Statements

**FOR THE EIGHT MONTHS ENDED JUNE 30, 2025**

**NOTE A: ALASKA SUSTAINABLE ENERGY CORPORATION**

The Alaska Sustainable Energy Corporation (the “Corporation”) is a non-profit corporation. It was incorporated on November 5, 2024, under the Alaska Nonprofit Corporation Act and provisions of the Alaska Statutes creating the Alaska Housing Finance Corporation, as amended. The Corporation was formed as an affiliate of Alaska Housing Finance Corporation (“AHFC”) pursuant to House Bill No. 273 of the 2024 Legislature. The Corporation is legally independent and separate from AHFC, and there is no financial accountability between the Corporation and AHFC.

The Board of Directors of the Corporation and AHFC are one and the same. The Corporation is a government instrumentality of the State of Alaska (“the State”), but has legal existence independent of and separate from the State. The Corporation is a component unit of the State and is presented as a component of the State’s financial statements.

The Corporation was formed for the purpose set forth in amended AS 18.56.086(a) identified as financing or facilitating the financing of sustainable energy development in the State or delivering energy to the State.

**NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Presentation***

The Corporation’s annual financial statements include a Management’s Discussion and Analysis (MD&A) section and basic financial statements. The basic financial statements include a Governmental Funds Balance Sheet / Statement of Net Position, a Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balances / Statement of Activities, and Notes to Financial Statements.

The Statement of Net Position and the Statement of Activities report information on all of the activities of the Corporation. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are provided for governmental funds.

***Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred.

There are no reconciling differences between the government-wide and governmental-fund financial statements.

## Notes to Financial Statements

**NOTE C: ASSETS, FUND BALANCES, AND NET POSITION*****Cash***

Cash consists of demand deposits. The carrying amount of the Corporation's cash is restricted by contractual and statutory agreements. As of June 30, 2025, the Corporation's bank balance of \$306,000 were insured and collateralized with securities held by the pledging financial institution's trust department or agent.

***Fund Balances and Net Position***

The Corporation's financial resources are used for the specific purpose established when it was incorporated, that of financing or facilitating the financing of sustainable energy development or delivering energy to the State. To identify the constraints on the funding, the General Fund has fund balance categories of Non spendable or Restricted (items not available for spending until legislation approval), Committed (appropriations yet to be distributed to recipients), and the remainder is Unassigned until a project is decided with further legislation. Net position is separated into restricted and unrestricted. There is no formal policy for the order in which the Corporation spends restricted, committed, and unassigned funds.

**NOTE D: DUE TO ALASKA HOUSING FINANCE CORPORATION**

The Corporation utilizes AHFC's cash disbursement system to pay for costs incurred. As a result, the outstanding balance is the net result of payments made by AHFC to vendors on behalf of the Corporation.