Alaska Energy Justice Snapshot

National Association for the Advancement of Colored People, Environmental and Climate Justice Program
5/1/2017
ALASKA ENERGY JUSTICE SNAPSHOT

SUMMARY
Access to clean energy is not just an environmental issue, but also a civil right. Communities of color bear a disproportionate share of the burdens of a fossil fuel based energy economy. This is why the NAACP Environmental and Climate Justice Program stands for just energy policies that will help protect our communities from harmful energy production processes and provide equitable access to clean and renewable energy and the energy economy.

This Snapshot profiles Alaska's energy portfolio, compares key state energy policies to NAACP recommendations, documents utility disconnection policies, and outlines opportunities in the clean energy economy for Alaskans of color. As a resource rich state with unique geographic and sociopolitical landscapes, energy is often at the fore of state policy debates. With this in mind, it is critically important that NAACP leaders actively engage in these debates to ensure that our community’s needs motivate just energy policies. This snapshot will provide information that will inform NAACP members on avenues for engagement.

STATE ENERGY PROFILE
While Alaska currently relies predominantly on fossil fuels to supply its energy needs, the state is uniquely endowed with a range of renewable energy generating opportunities including wind, tidal and wave, low-impact hydroelectricity, geothermal, and solar energy. This section outlines Alaska's current energy portfolio, highlights key state energy policies, and indicates potential clean energy infrastructure and policy solutions.
Energy Portfolio

Differing from the energy infrastructure typical in the lower 48, Alaskans are not linked to a single interconnected grid through transmission and distribution lines. Although an interconnected grid serves the most populous portion of the state from Fairbanks to south of Anchorage, most of Alaska’s rural communities have no grid access and rely on consumer-owned electric cooperatives.

Natural gas is Alaska’s primary energy source. Alaska is among the top crude oil producing states in the nation and has five operating refineries. Petroleum supplies one-eighth of utility-scale net electricity generation. Many rural communities in Alaska rely primarily on diesel electric generators for power. Alaska is also rich in coal deposits and has one operating surface coal mine, the Usibelli mine, which produces about 1.5 million tons of coal per year.

Hydropower is the state’s primary source of renewable electricity. There is significant potential to develop new forms of hydropower such as tidal energy or small-scale hydropower in streams and rivers. A very small percentage of electricity in Alaska is generated from non-hydropower renewable sources. Wind resources are abundant along the coastline and the state has significant geothermal potential. Despite the state’s high latitude, Alaska also has solar energy potential, especially in remote, off-grid locations. Small-scale renewable energy projects, which tend to be located in remote communities, include wind, biomass, and solar. Further development of small-scale renewable projects could help address energy-poverty experienced in Alaska’s rural communities.¹
## State Energy Policies

<table>
<thead>
<tr>
<th>Policy Type</th>
<th>NAACP Recommended Policy Standards</th>
<th>Alaska Policy Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Metering</strong></td>
<td>Net Metering Standards require utility companies to provide retail credit for new renewable energy produced by a consumer.</td>
<td>Alaska has a mandatory net metering policy requiring electric utility companies to provide retail credit for ratepayers with <strong>system capacities of up to 25kW per system</strong> and 1.5% of average retail demand. This should be strengthened by requiring electric utility companies to provide retail credit rates for ratepayers with capacities up to 2,000kW per system.</td>
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</tbody>
</table>

**Capacity Limit Recommendation:** 2,000 kW (minimally), per system  
**Mandatory/Voluntary:** Mandatory |

| **Renewable Portfolio Standard (RPS)** | A RPS requires electric utility companies and other retail electric providers to supply a specific minimum among of customer load with electricity from eligible renewable energy sources. | Alaska has a **voluntary renewable energy standard** of 50% by 2025. While this is an ambitious and laudable goal, Alaska must make the RPS mandatory to advance a clean energy future for the state and should focus on expanding solar, wind, geothermal, and ocean/wave energy sources. |

**Recommended Standard:** Minimally 25% renewable by 2025  
**Mandatory/Voluntary:** Mandatory  
**Allowable Sources:** Wind, solar, geothermal, ocean/wave energy |

| **Energy Efficiency Resource Standard (EERS)** | A EERS establish a requirement for utility companies to meet annual and cumulative energy savings targets through a portfolio of energy efficiency program. | To date, Alaska has **no energy efficiency standard**. Alaska must establish an energy efficiency policy that meets the recommended standard of 2% annual reduction of each previous year’s retail electricity sales. |

**Recommended Standard:** Minimally 2% annual reduction of each previous year’s retail electricity sales.  
**Mandatory/Voluntary:** Mandatory |

| **Local Hire Provision** | Extra renewable energy credit multipliers for in-state installation and in-state manufactured content  
Renewable energy credits for utility providing incentives to build a plant in-state  
Renewable energy credit for utility that makes an investment in a plate located in-state  
Quota for government assisted construction project employers to hire a percentage of workers locally  
Bidding Preferences for companies that hire a percentage of their employees in-state for state-funded public works projects and service contracts | There is a local hire provision for land conservation projects in Alaska. Establishing a local hire provision that encompasses energy projects would significantly increase the amount of tax dollars reinvested into the local economy and provide local jobs to enable people to work near where they live. |

| **Disadvantaged Business Enterprise** | Provide training opportunities  
Notify DBEs of state business opportunities  
Set-aside funds for DBEs | Alaska has a DBE policy for water projects. Alaska must expand an improved DBE model to encompass all sectors, including its energy industry. |
Alaska is known for severe winters, but its climate varies significantly from north to south and across seasons. Temperatures range from 100°F to minus 80°F in Alaska’s interior. In recent years, Alaska has experienced warmer temperatures for longer periods. Without protection from utility services, Alaskans are vulnerable to life threatening extreme conditions.

### Utility Disconnection Policies

<table>
<thead>
<tr>
<th>Notice</th>
<th>Customers receive an initial notice fifteen days before scheduled disconnection, and a second notice is provided in person, by telephone, or by posting three days before a disconnection.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date Based Protection</td>
<td>None</td>
</tr>
<tr>
<td>Temperature Based Protection</td>
<td>None</td>
</tr>
<tr>
<td>Payment Plan</td>
<td>Deferred payment agreements are available with utility to pay outstanding balance in installments over a period of time not exceeding 12 months</td>
</tr>
<tr>
<td>Reconnection Fee</td>
<td>Yes</td>
</tr>
<tr>
<td>Disconnection Limitations</td>
<td>Disconnections may occur Monday-Thursday between 8:00am-5:00pm. No disconnections on Fridays, Weekends, or days preceding legal holidays.</td>
</tr>
<tr>
<td>Other Protections</td>
<td>A customer who is elderly, ill, dependent on life support or disabled can have their disconnection postponed fifteen days.</td>
</tr>
</tbody>
</table>

Action steps: Meet with the Public Utilities Commission or your local utility company to advocate for the adoption of the following:
- Temperature based protections
- Date based protections
- Restriction on reconnection and disconnection fees
- Expanded protection for vulnerable populations

Utility shut-offs have a disproportionate impact on low-income and African American communities. Check out the [NAACP report](https://www.naacp.org/article/lights-out-in-the-cold) for more information.

More disconnection policy details are available at the [Regulatory Commission of Alaska](https://rca.alaska.gov/RCAWeb/ForConsumers/Electric.aspx) webpage.
DEVELOPING THE BLACK-GREEN PIPELINE

African Americans are inadequately represented in the clean energy sector. It is the goal of the NAACP Black-Green Pipeline Initiative that African Americans will have increased representation across all sectors of the clean energy economy. The Black-Green Pipeline Initiative promotes the equitable inclusion of communities of color into the green economy in order to address unemployment in our communities and to increase the voices and influence of our communities in the green economy.

To subscribe to the Black-Green Pipeline Initiative Weekly Digest send a blank email to: naacp-bg-p-subscribe@yahoo groups.com

The Green Labor Market and Communities of Color

Alaska has a disproportionately high concentration of energy employment, with 21,027 traditional energy workers statewide. The traditional energy sector in Alaska is 6.6% of total state employment, a significantly higher percentage than the 2.4% of national employment. Oil and natural gas are key components of Alaska's economy, and these industries employ over half of all traditional energy jobholders. iv

Unemployment

In 2015 the gap between the U.S. unemployment rate and the rate for African Americans was 4.3 percentage points. In Alaska, however, the unemployment rate in 2015 for African Americans was actually 1.9 percentage points below the state average.

2015 National Unemployment Rate: 5.3%
2015 Alaska Unemployment Rate: 6.5%
2015 National African American Unemployment Rate: 9.6%
2015 Alaska African American Unemployment Rate: 4.6%

It's important to note the great potential for job creation with the expansion of renewable energy. Clean energy jobs can be found in both the public and private sectors and can range from entry-level to upper-level professional positions. In order to expand clean energy jobs in Alaska, energy justice advocates must pave pathways for engagement, including providing the appropriate training opportunities for local people to get jobs in the renewable energy sector. Visit https://energy.gov/eere/education/clean-energy-jobs-and-career-planning for more information.

Action step: The Alaska Workforce Investment Board focuses on training and preparing Alaskans for the workforce and growing the Alaskan economy. Lobby state legislatures to require that a portion of the Workforce Investment Board's initiatives go to improving the quality and quantity of renewable energy workforce training.
TAKE ACTION

Alaska might only have two NAACP branches, but the state has been a leader in the NAACP Environmental and Climate Justice Program. Alaska NAACP leaders released the Alaska Just Energy Policies Report, which among other things evaluates the state of Alaska’s key clean energy policies and advocates for the focal policies outlined in this snapshot. Both the Anchorage and Fairbanks NAACP branches have been environmental justice leaders in their respective communities, engaging with local coalition of likeminded advocates and championing the NAACP energy justice platform. Listed below are avenues for continued engagement:

Host a Bridging the Gap: Connecting Black Communities to the Green Economy Roundtable

- The NAACP ECJ Program is committed to advancing a meaningful dialogue and concerted action on engagement of communities of color in the green economy.
- To start taking action, organize a multi-stakeholder roundtable with socially responsible energy business leaders, historically black colleges and universities, environmental groups, civil rights organizations, labor unions, and others to discuss developing and implementing a strategy to ensure that policies/laws/regulation, research initiatives, community level practices, corporate social responsibility measures, etc. are in place to ensure greater engagement of communities of color in the green economy.

Implement a demonstration project such as a community solar garden or rooftop solar project

- Interested in taking a direct role in implementing clean energy practices in your community? Install rooftop solar or community solar.
- There are several rebates and incentives available to Alaskans interested in pursuing renewable energy projects. Visit energy.gov for a list of renewable energy incentive program available on the state and federal levels.

Launch a Just Energy Policies Campaign

- Identify one or more of the focal policies outlined in this snapshot and documented more extensively in the Just Energy Policies to champion.
- Build a coalition with likeminded energy justice advocates and other local and state allies to build power and momentum.
- Host a town-hall to educate the community about the policy and get input from members on their needs, priorities, and perspectives.
- Launch an intentional campaign to advocate that Alaska adopts the recommended policy standard.
- Set up lobby trainings and coordinate a lobby-day with elected officials.

Make public the NAACP energy justice platform and engage the public through media

- Develop and place an op-ed by NAACP Unit President or ECJ Chair in a local newspaper
- Participate in a radio interview, TV interview, podcast
- Be quoted in a local newspaper
- Post an article or blog to an online platform
REAP: Renewable Energy Alaska Project is a coalition of organizations with an interest in developing Alaska’s vast renewable energy resources.

Alaska Center for the Environment: Alaska’s largest, statewide conservation advocacy organization, supported by thousands of individuals and families.

Anchorage Economic Development Corporation: A private nonprofit that aims to encourage growth and diversity in the Anchorage economy, promote a favorable business climate, and improve the standard of living.

Sierra Club, Alaska Chapter: The local branch of the national group that advocates for renewable energy, healthy communities, sustainable resource use, and conservation.

North Alaska Environmental Center: Promotes environmental conservation and sustainable resource stewardship through education and advocacy.

Alaska Center for Energy and Power: Energy research program based at the University of Alaska in Fairbanks.

Alaska Community Action on Toxics: A statewide environmental health and justice organization.

Alaska Institute for Justice: Nonprofit organization dedicated to protecting human rights of Alaskans including environmental and social justice issues.

Black Mesa Water Coalition: A group dedicated to preserving and protecting Mother Earth and the integrity of Indigenous Peoples’ cultures with a vision of building sustainable and healthy communities.

Climate Justice Alliance: A coalition of organizations united for a just transition to a clean energy economy.
CLOSING

Today there is unprecedented urgency for climate action and a just transition to clean renewable energy. Over the past 60 years, the average temperature across Alaska has increased by approximately 3°F, an increase that is more than twice the warming seen in the rest of the United States. According to the EPA, warming in the winter in Alaska has increased by an average of 6°F. Annual warming in Alaska is twice that of the rest of the United States. As the climate continues to warm, average temperatures and precipitation are projected to increase during all seasons. As Alaskans already know, the state is uniquely vulnerable to the impacts of climate change, and even seemingly minor changes can have widespread implications.

Energy Leaders should advocate on behalf of a strong Renewable Portfolio Standard, Energy Efficiency Resource Standard, and Net Metering standards. In addition, Alaska should ensure that policies are in place to ensure equity in energy enterprise such as local hire provisions and disadvantaged business enterprises.

Alaska's vast and diverse renewable energy potential compliments the unique energy needs. NAACP energy justice advocates can play a key role in facilitating a just transition to clean, renewable, locally owned and controlled energy.

Need additional support, resources, or other assistance?

Contact: ecjp@naacpnet.org

With strong economic and political ties to the fossil fuel industry, Alaska has common and vigorous debates about energy. And while Alaska is rich in fossil fuels, it is also uniquely endowed with a full range of renewable energy opportunities that are healthier for the people and planet alike. Embracing a transition to clean, renewable energy sources will not only provide significant environmental and health benefits for Alaskans, but will also diversify and strengthen the state's renewable energy economy. NAACP Just
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i "Alaska State Profile and Energy Estimates," United State Energy Information Administration, last modified on 20 October 2016,
ii "Programs," DSIRE, accessed 11 July 2017,
http://programs.dsireusa.org/system/program?fromSir=0&state=AK.
iii Jacqueline Patterson, Marcus Franklin, Caroline Kurtz, Mike Alksnis, Lorah Steichen, Chiquita Younger, "Lights Out In the Cold: Reforming Shut-Off Policies as if Human Rights Matter," NAACP Environmental and Climate Justice Program, March 2017,