



S. 2012. THE ENERGY POLICY MODERNIZATION ACT

A BIPARTISAN MEASURE TO POWER ALASKA AND EMPOWER ALASKANS

On April 20, 2016, the U.S. Senate passed S. 2012, the Energy Policy Modernization Act, under the leadership of Chairman Lisa Murkowski. Featuring a wide array of provisions that she wrote, the bill will help Alaskans produce energy, save energy, pay less for energy, and provide sportsmen with access to federal lands – all without raising taxes or adding to the deficit. Specific benefits include:

Critical Minerals – Reduces America’s dependence on foreign suppliers for minerals that are critical to manufacturing, defense, and other industries. Substantive permitting reforms, increases for geological surveying, and related steps will help Alaskans produce more of our world-class mineral base without suffering needless project delays.

Hydropower Improvements – Ensures federal permitting decisions for new hydropower projects are made in a timely manner to reduce unnecessary delays and costs. The reforms in this provision could help projects proposed in dozens of towns throughout Southeast, Southwest, Southcentral and Interior Alaska.

Sportsmen’s – Includes Senator Murkowski’s bipartisan Sportsmen’s Act, which will require federal agencies to expand and enhance sportsmen’s opportunities on federal lands, make “open unless closed” the standard for federal lands administered by the Forest Service and Bureau of Land Management in Alaska, and clarify procedures for commercial filming on federal lands.

Alaska Gasline Project – Allows for the rerouting of a portion of the proposed gasline through a section of Denali National Park and Preserve in order to avoid a seismic fault. This will continue to protect the park, reduce development costs, and ensure there are no major federal hurdles for this job-creating project.

Liquefied Natural Gas Permitting – Requires the Secretary of Energy to make a decision on any LNG export application within 45 days after completion of environmental review. This will ensure that Alaska’s efforts to market its stranded natural gas can proceed in a timely manner without undue federal delay.

State Loan Eligibility – Clarifies that the Department of Energy may provide federal loan guarantees to states such as Alaska to support efforts to deploy new energy systems and efficiency improvements. This eligibility will allow the state to continue its work to reduce the high cost of energy and create more sustainable economies throughout rural Alaska.

Reauthorization of the Weatherization Assistance Program – Continues the program that provides the state with funding to improve the energy efficiency of low-income families' homes. The program supports hundreds of jobs across Alaska and has substantially reduced energy bills for thousands of residents. Continued federal funding is particularly important given constraints on the state's budget.

Reauthorization of State Energy Program (SEP) – Continues the program that provides funding directly to the state to invest in energy efficiency, renewable energy, energy emergency preparedness, and other priorities. SEP funding allows the state to leverage energy-related programs across Alaska.

Alaska Native Energy Development – Changes the definition of Indian tribes to include Alaska Native Corporations (ANCs), allowing them to have the opportunity to apply for hydro licenses, for example; expands eligibility for biomass demonstration projects to include tribes and ANCs in Alaska; and allows Alaska tribes to apply directly for home weatherization funding.

Terror Lake Hydroelectric Project – Authorizes the expansion of the Terror Lake hydroelectric project in Kodiak. This will allow Kodiak and the largest Coast Guard base in the United States to continue to receive reliable, emissions-free energy.

Mahoney Lake Hydroelectric Project – Authorizes a stay of the hydroelectric license for Mahoney Lake in Ketchikan. This will allow the Southeast Alaska Power Association (SEAPA) to consider this renewable project for up to ten additional years. If the stay is lifted within that time frame, the licensees have an additional six years to begin construction of the hydroelectric project.

Swan Lake Hydroelectric Project – Directs the Bureau of Land Management to correct a survey error and convey up to 25.8 additional acres of land to the SEAPA. This will allow SEAPA to expand the Swan Lake dam and generate additional electricity to continue powering Ketchikan and Southeast Alaska.

Hybrid Microgrid Systems – Facilitates the development of hybrid microgrid technologies for isolated communities, including the integration of renewable resources in rural communities that currently depend on diesel for electricity generation, and promotes the kind of research being conducted at the University of Alaska's Center for Energy and Power in Fairbanks.

Methane Hydrates – Reauthorizes federal research at Prudhoe Bay to continue the development of Alaska's vast resources of frozen methane hydrates, which have significant promise as a secure, long-term source of American energy.

State Oversight of Oil and Gas Programs – Directs the Bureau of Land Management to coordinate with state agencies – like the Alaska Department of Natural Resources – on land management plans surrounding oil and natural gas production to ensure the federal government takes into account Alaska's proven track record of safe, responsible production.

Jay S. Hammond Wilderness Area – Renames 2.6 million acres of an existing wilderness area within the Lake Clark National Park and Preserve to honor Governor Hammond and commemorate his homestead on Lake Clark.

Geothermal Energy – Reauthorizes federal research critical to the development of Alaska's geothermal resources, which could benefit up to one-fourth of the communities in the state.

Marine Hydrokinetic – Reauthorizes research to advance the development of electricity from ocean and river currents, tides, and waves. This could advance demonstration projects showcasing new technologies like those proposed at Igiugig, Yakutat, south of Kenai, and along the Yukon River.

Federal Land Management – Establishes a single inventory of federal property and land. With the federal government controlling more than 60 percent of the land in Alaska, a single federal inventory will ensure that agencies can better identify and prioritize environmental cleanups, land utilization, and land transfers.

Geomatic Mapping – Requires federal agencies to consider environmental data collected remotely, such as through remote sensing or aerial surveys. This is particularly important for Alaska, as remote projects are often difficult and expensive to survey from the ground or in person.

E-Prize Competition Pilot Program – Authorizes the Secretary of Energy to establish a prize competition for entities to develop and verifiably demonstrate technology that reduces the cost of electricity or space heat in high-cost regions by at least 25 percent. This is a novel way to promote energy affordability that could reduce rural energy costs across the state.

Grid Storage – Directs the Department of Energy to conduct research to advance grid storage technology. This program will improve the efficiency and affordability of power delivery for rural communities that are not connected to larger power systems, and could boost storage projects that are already under development in Kotzebue and Kodiak.

Energy-Water Nexus – Promotes collaboration between the public and private sectors to promote new technologies that increase efficiency and better management of water resources.

Energy Workforce Pilot Grant Program – Helps build a strong energy workforce in Alaska to ensure continued resource production well into the future by instructing the Secretary of Energy to set up a job training pilot program.

Grid Reliability – Requires agencies to consider the reliability impacts of a proposed rule before it is adopted. The reliability of energy systems is essential to protecting the lives and property of Alaskans and this provision will help ensure that federal regulators protect our state's interests.

Code Maintenance – Cleans up the U.S. Code by repealing many of the Department of Energy's redundant, overlapping, and outdated authorities. This will help ensure that federal activities align with Alaska's current priorities, not obsolete instructions from decades past.