

Cost of Energy to the Community October 10 and 12, 2006

The meeting was called to order by the committee chairman, Steve Haagenson, at 7:00 A.M.

Steve requested the committee to focus on completing the evaluation ranking matrix by the end of the meeting.

The committee agreed on using the following items in the matrix comparison: wind power, spur gas line, bullet gas line, biomass-extraction, biomass-combustion, nuclear, enriched gas line, consumer flexibility-conservation, consumer flexibility-public transportation, consumer flexibility-bike paths, coal bed methane, import North Slope gas-LNG, other Alaska gas, coal gasification, coal power production, hydro-in stream, hydro-storage, geothermal, and solar.

Each item was evaluated with the following criteria.

Energy Service - How much energy can the alternative provide annually (in billion btu's/year)? This is limited by the maximum size of system.

Prerequisites For Success – What must happen before the alternative can be successful?

Startup Date – When will alternative start providing energy?

Capital Investment – What is the capital investment needed to implement the alternative?

Annual Cost Reduction – What is the estimated annual savings to interior Alaska?

Monthly Bill – How much will monthly residential bills change due to alternatives?

Uncertainty – How much uncertainty is there in the success of the alternative?

Environmental – What are the potential unmitigated environmental impacts?

Alaskan Citizens – What is the potential impact on Alaska citizens?

Overall Ranking – Combination of results of individual items.

Committee members worked on each evaluation until a committee consensus was reached. Steve compiled the results and provided an updated ranking.

The committee was asked to reevaluate the results and be prepared for finalizing the matrix at the next meeting. John Davies volunteered to complete a recheck of the model. The meeting was adjourned at 10:20 A.M.