



**Alaska State Legislature**  
**Senator Hollis French**  
**Representative Pete Petersen**  
**Representative Chris Tuck**  
**Representative Les Gara**  
**716 W. 4<sup>th</sup> Avenue, Anchorage, Alaska 99501**

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September 3, 2009

Re: Contingency Plan to Avoid Danger of Natural Gas Cut-Offs This Winter

Dear Governor Parnell:

Recent discussion, including at this week's House Energy Committee hearing, has highlighted the danger that Alaskans on the Railbelt energy grid might be cut off from heat and electricity this winter. The chance of such a dangerous outage appears realistic, though small. We are writing to make sure the state has taken all appropriate action to avoid such an event, and to protect our energy security so that residents don't lose heat and electricity during a severe cold spell this winter.

Experts note that residential or non-residential consumers might be cut off from power and heating in the event of infrastructure failure, or an excessive demand for natural gas during a protracted winter cold spell. We have been informed that while the utilities have some contingency plans to help avoid a cut off, those may, in the worst case, not be adequate. Obviously, the long term solution is a more stable supply of energy, and a long term energy plan – things the House and Senate Energy Committees have been holding hearings and doing good work on. We look forward to working together on those matters.

By this letter we wish to make sure residents are protected this winter, in the short term as well. That requires an immediate, effective plan by relevant state, utility and municipal officials, and we are concerned one may not be in place. To date we've called a number of state officials at the Department of Transportation and elsewhere, and have not received an answer whether the State has any effective plan in place for state facilities to immediately cut energy use if needed to prevent a power shortage. The non-state officials we have spoken with also do not know of a state plan in this regard.

Work needs to be done to ensure the Railbelt has a ready-to-implement plan that can quickly secure an immediate voluntary reduction of power use if the need arises. Experts note such a plan would decrease the risk of consumer power and heating supply loss if current contingency plans prove inadequate.

The State also can play a productive role in helping coordinate government and non-government users along the Railbelt to ensure consumers don't use heat and electricity if energy supplies are overtaxed during a long cold spell (it is not clear that Fairbanks consumers would be part of such a plan given the mechanics of the Railbelt energy grid). At a House Energy Committee hearing this week, the CEO of Chugach Electric Association noted that an enhanced state role could make implementation of any plans to avoid a power blackout more effective, and a proactive state effort seems wise.

Railbelt utilities and Municipality of Anchorage (and we understand, other local governments) are beginning planning to try to ensure consumers respond by scaling back unnecessary power and heating use. But we are not aware that there is an effective, coordinated area wide plan in place along the Railbelt. The State can help ensure we have an effective plan that can be immediately implemented if it becomes necessary.


While we do not presume to have the best ideas for such a plan, the following components seem reasonable for consideration:

1. The State likely needs a comprehensive, effective plan along the Railbelt to make sure we lighten the load on gas demand during periods when there's danger of a rolling blackout this winter during periods of prolonged, excessively cold temperatures. The plan can't just be on paper, it needs to be practiced. State facility managers, and other governmental and industrial facility managers have to be on board so that, upon notification, they can take immediate action to scale back their heating and energy use where possible. Money from the State Energy Program piece of the federal stimulus could be used to help make state buildings more efficient, leaving more energy in the grid for residents.
2. There should be an effective notification system for consumers, and education of residents so those who are able can scale back our energy use, in short order, if needed. That would involve media advertising – including on the most highly viewed and listened-to media outlets. Effective notification needs to involve more than literature that consumers may or may not receive or read. The State should support and add to efforts already being undertaken in this regard by the Municipality of Anchorage and utilities.
3. There likely needs to be an agreement with the greatest non-residential users (state facilities and buildings, the University of Alaska, large private and local government facilities, building operators) to scale back energy use, where safe and possible, immediately upon notification.
4. All local governments on the Railbelt Grid should be coordinated in their approaches.
5. At least one test at the beginning of the winter before the weather gets cold, to assess the effectiveness of this effort, and any needed modifications. Judy Brady, who is leading the Municipality of Anchorage's Task Force on this subject has promoted this suggestion at the local level.

We would like an assurance that an effective plan will be in place before this winter, and would request an update on the status of any state plan, and that one be effectively pursued before winter sets in. We know you are interested in reducing the risk of a rolling blackout as well, and would agree to help as you might suggest. Unless you advise us otherwise, it appears this part of the solution can be implemented without legislation.

Thank you for your consideration of this issue, for the effort it will take to effectively implement an energy outage prevention plan along the Railbelt, and for joining the Legislature to accept Alaska's share of the federal energy efficiency stimulus funds, which can help as part of a needed solution.

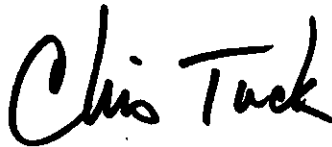
Sincerely,



Senator Hollis French



Representative Pete Petersen



Representative Chris Tuck



Representative Les Gara

Cc: Municipality of Anchorage Energy Task Force  
Chairs of Senate and House Energy Committees