

Capacity and Rural Community Development



Alaska Rural Energy Conference

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Doing More and More (and More)

Southeast Conference Mission

- Southeast Conference is the “Alaska Regional Development Organization” (ARDOR) and the “Federal Economic Development District” (EDD) for southeast Alaska.
- The Conference mission is to help develop strong economies, healthy communities and a quality environment in Southeast Alaska.
- Our vision for Southeast Alaska is to reduce, to the maximum extent possible, the use of diesel as a primary fuel source for the generation of electricity, space heat and transportation.

- Continue to participate in and facilitate discussions with project proponents in region, State, Yukon and B.C.
- Seek opportunities to increase capacity at the individual, organizational and community level.
- Work with Statewide and Regional partners to insure all Energy is Utilized to its highest and best use.

Southeast Conference is Committed to Community and Economic Development



Alaska's Energy Plans



Completed Energy plans: (AEA-funded, most often working with ARDORs)

- Railbelt and Southeast Integrated Resource Plans
- Aleutian and Pribilof Islands Regional Energy Plan
- Bering Strait Regional Energy Plan
- Bristol Bay Regional Energy Plan
- Copper River Regional Energy Plan
- Interior Alaska Regional Energy Plan
- Kodiak Regional Energy Plan
- NW Arctic Regional Energy Plan
- Prince William Sound Energy Plan

AEA Advisory Role:

- Lower Yukon-Kuskokwim
- North Slope

Regional Planning Process



- Community-driven process with AEA project management and policy guidance and oversight
- Regional priorities not reliant on state funding
- **Phased process:**
 - **Phase I: Information gathering and working draft development**
 - **Phase II: Stakeholder engagement and feedback**
 - **Phase III: Technical and economic analysis**

Focusing on Communities



- Emphasizing community-based approach to projects
- Technical assistance, regional planning and project management facilitated by AEA
- Provide synergy between planning, projects and funding sources with utilities involved
- Assist communities to move to project-ready status



Regional Energy Planning

- Regional plans to be considered “living documents” updated by regions
- Address unique challenges while capitalizing on regional resources
- Locally driven and community-vetted blueprint for sustainability
- Provide specific, actionable recommendations
- Identify means of providing stable and affordable electric, heat and transportation energy from renewable and fossil fuels
- Build capacity at local and regional level to enable stakeholders to continue planning process

Success Story: Thorne Bay Biomass



- School biomass boiler
 - Feasibility funded through Alaska Wood Energy Development Task Group
 - Design & construction funded by REF
- Displaces 9,000 gal. diesel/year
- Parents and students raise money for activities by splitting and stacking wood
- Heats greenhouse; students grow vegetables; served in school lunch; extra sold locally
- Part of curriculum, economic development, local health, local jobs, local energy



Thorne Bay Biomass and Greenhouse
Photos courtesy of Dan Bihn

The Program Office Model

The road to a sustainable
energy project

**“An approach to design and build energy projects,
with best practices design, project management,
financial control, and quality control concepts”**

Regional Energy Planners Meeting
January 15, 2016

Content developed by Jim Strandberg and Robert Venables

- The “Program Office” is a management concept that may or may not involve a separately staffed office.
- It is a concept of “capacity” to successfully complete and place into operation a high capital cost energy project

Whenever ratepayer funds are a part of project's finance plan, (be it grants or loans)

it is a prudent approach to utilize a system of project management approaches to lower design and construction costs and risks, and thus financial risks.

The road to a sustainable energy project

- Define “Capacity”....
- It is the concept of the project’s developer having three major skill sets to successfully complete and place into operation a high capital cost energy project

The road to a sustainable energy project

1. Technical Skill Set

Having a deep bench for project engineering, development of design documents (plans, specifications, construction cost estimate, and project schedule) and ability to either bid or negotiate construction contracts.

The road to a sustainable energy project

2. Managerial Skill Set

Having the capacity to “control the work”, to “maintain design and construction schedule”, and to “control costs”.

The road to a sustainable energy project

3. Financial Skill Set

Having the capacity to “manage project funds”, to “pay for all reasonable project costs”, and to “manage budgets” and “control costs”.

The road to a sustainable energy project

Thank You!



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