Lessons from Norway: Controlling its Destiny

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Renewable Energy Alaska Project (REAP) is:

- Since 2004, Alaska's first *education and advocacy* group for renewable energy and energy efficiency.
- An Alaskan coalition of small and large electric utilities and utility interests, environmental groups, consumer groups, businesses, Alaska Native organizations and energy agencies with the goal of "increasing the production of renewable energy in Alaska."

REAP Board of Directors

Chugach Electric Association (CEA)
Municipal Light and Power (ML & P)
Golden Valley Electric Association (GVEA)
Homer Electric Association (HEA)
Kotzebue Electric Association (KEA)
Alaska Village Electric Cooperative (AVEC)
TDX Power
Alaska Power Association (APA)
Alaska Power and Telephone

Sierra Club
Alaska Center for the Environment
Alaska Conservation Alliance

Alaska Public Interest Research Group (AkPIRG)
Rural Alaska Community Action Program (RurALCAP)
Green Star

Chena Hot Springs Resort
Ocean Renewable Power Company (ORCP)
ABS Alaskan

Bering Straits Native Corporation
Yukon River Inter-Tribal Watershed Conference
Cook Inlet Region Incorporated (CIRI)

Oslo

19
Trafikanten
REAL TASTE
OSLO 31 AUG

Orientation

Knowledge

Building Social Capital

- After oil was discovered Norway made developing national expertise a priority and today its energy service industry is a significant export
- University education has been strengthened
- Free education and health care in Norway is supported by income taxes and a value added tax (VAT)

Tromsa

The Petroleum Sector

- Oil discovered in 1969, production peaked in 2000
- All oil and gas activity is offshore
- Evolved away from a royalty system to SDFI
- Marginal tax rates almost identical to Alaska (28% on profits and 50% special tax)
- Leases to the *best* bidder, not the highest
- Over 65 companies from around the world

Investment

- Invests 100% of its oil and gas revenues in its sovereign wealth fund now worth $540 billion
- Earns revenues from Statoil, taxes and SDFI
- Uses approximately 4% to fund 10% of budget
- Estimates $2-3 trillion will be in the fund by the time oil and gas production ends

SDFI

- State Direct Financial Investment
- Allows the state to co-invest in the best fields at the leasing stage
- Firewalls set up within government for regulation

Innovation

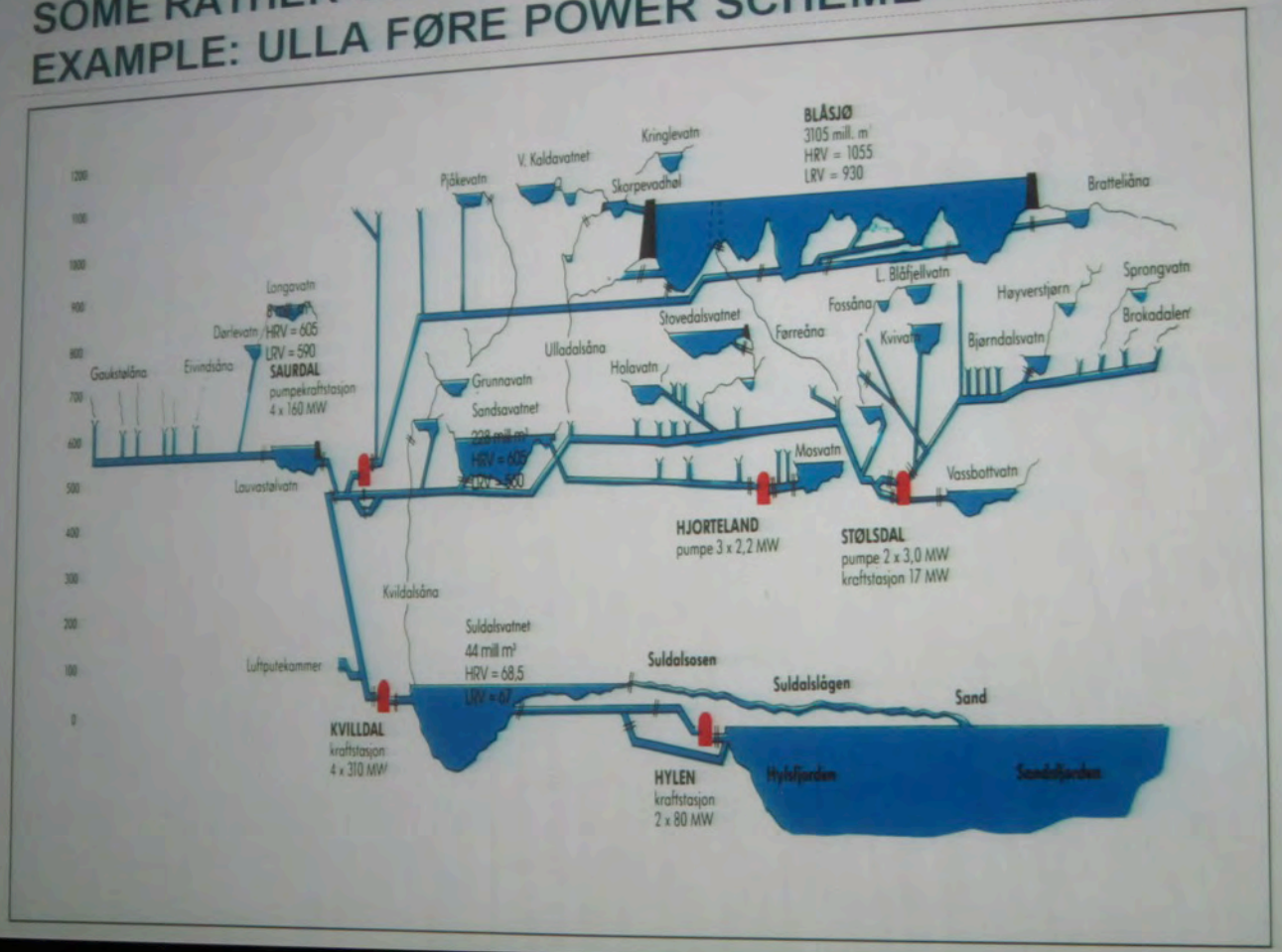
98% Renewable Heat and Electricity from Hydro

Statkraft is a European renewables leader

International offshore wind and hydro

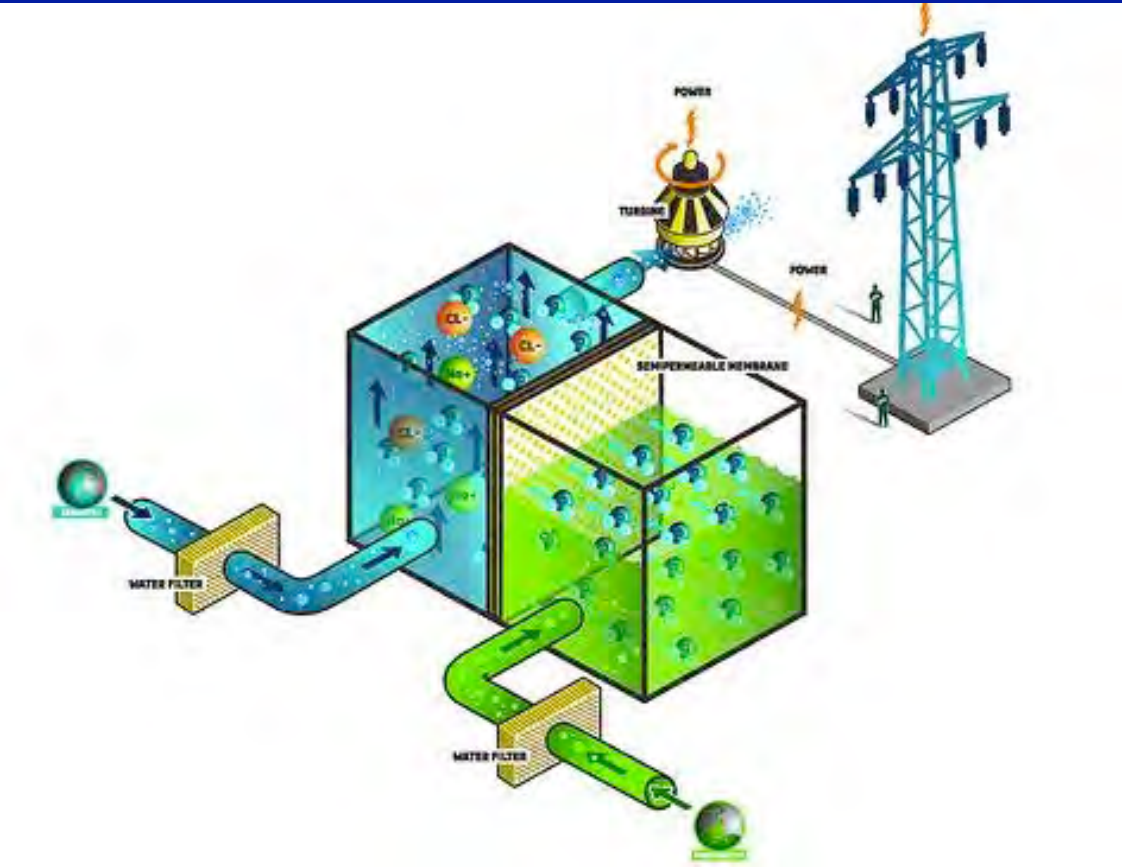
Renewable energy projects as foreign aid

SOME RATHER COMPLICATED SYSTEMS
EXAMPLE: ULLA FØRE POWER SCHEME



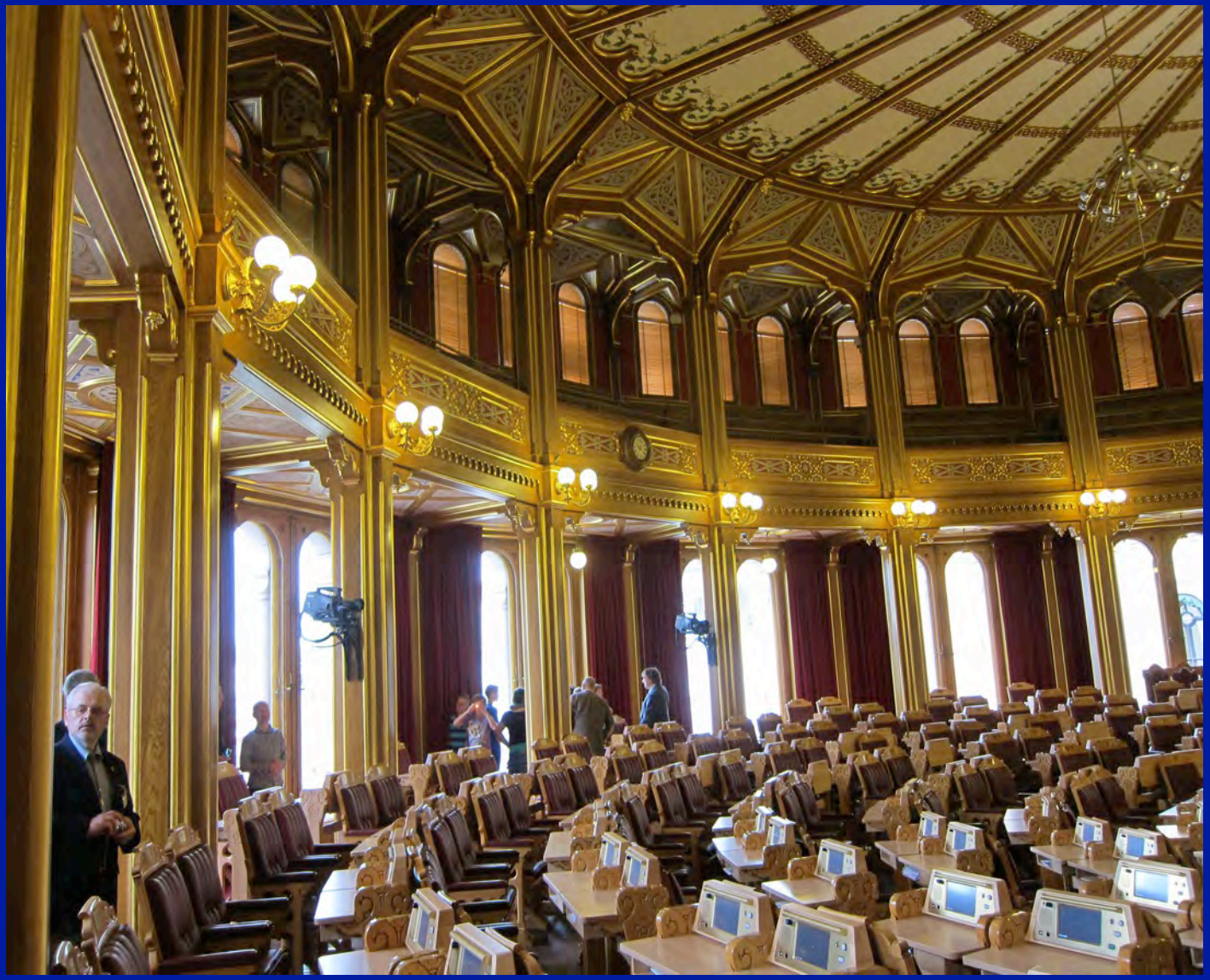
Statkraft

Osmotic Power



Culture

Politics



Resilience

VG
VG-lesernes møte med handlingslammet politi
HENLAGT
AP-PRINSER I EU-KAMP
SALG
77
sene redningen

Conclusions

- Norway has taken control of its own destiny and takes intergenerational equity seriously
- Norway has aligned its interests with industry to promote a more collaborative environment
- Norway has a long-term vision of where it's going, and will likely get there