

April 4, 2013

Senate Finance Committee State Capitol Room 532 Juneau, AK 99801

Dear Senator Kelly, Senator Meyer, and other members of the Senate Finance Committee:

Thank you for the opportunity to provide input on the FY 2014 Capital Budget. NANA's mission is to improve the quality of life for our people by maximizing economic growth, protecting and enhancing our lands, and promoting healthy communities with decisions, and behaviors inspired by our Iñupiat Illitquisiat values consistent with our core principles. Today NANA has more than 13,200 shareholders who are the decedents of the Iñupiat of northwest Alaska. For the last 40 years NANA has worked to build a strong stable company through investment in the Red Dog Mine and our other business in NANA Development Corporation to achieve its mission and provide direct benefits back to NANA shareholders. Though NANA is a for-profit company, much of our work is about maximizing our resources through direct investment or building partnerships to maximize economic growth in our region. It is imperative for NANA and for the NANA region that we have a strong Alaskan economy and a strong local economy.

The Village Economic Development Committee, created in (2008), traveled to the 11 villages in the NANA region and has evaluated the largest barriers to economic growth in these villages. The Committee found that the largest barriers to growing our economy are energy costs and lack of infrastructure. NANA has been working to build partnerships with both private and public entities (NovaCopper, AVEC, and RurAL CAP Energy Wise Program) to find short, medium, and long term solutions to energy costs in the NANA region. Through the Northwest Arctic Leadership Team (NWALT), NANA supports the priorities of the other NWALT members to improve the health and wellbeing of villages, workforce preparedness, and efforts to improve infrastructure and reduce the cost of energy.

For fiscal year 2014, NANA is supporting the following capital project requests for the NANA region:

- City of Kotzebue: \$10 million to complete the Cape Blossom Regional Port road
- Maniilaq Association: \$9.6 million for a Kotzebue Clinic
- Northwest Arctic Borough: \$5.3 million to complete the Kivalina Evacuation and Access Road; and \$2.5 million for the Cosmos Hills Hydroelectric Project
- Northwest Arctic Borough School District: \$12 million for the Star of the Northwest Residential Dorm

NANA also supports the inclusion of Roads to Resources funding for the Alaska Industrial Development and Export Authority in the Governor's proposed budget to keep progressing this critical. Background on each of these projects is provided in the enclosed NWALT packet. Though these are tight budget times, we urge the Alaska State Legislature and the Governor to continue to invest in rural communities so that we can become an even stronger part of the Alaskan Economy. These priorities address the health, wellbeing and preparedness of our workforce as well as seek to address some of the strongest infrastructure and energy cost reduction projects for the NANA region. Thank you for your time and consideration.

Sincerely,

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Marie N. Greene President and CEO

Enclosure: 2013 NWALT Priority Packet

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