

**Resolution #01-2015-03**

**A RESOLUTION OF THE SAXMAN CITY COUNCIL SUPPORTING THE ALASKA COMPETITIVE ENERGY ACT OF 2015, AND ENCOURAGING THE STATE OF ALASKA TO TAKE ACTION TO ADDRESS PRESSING ELECTRICAL INFRASTRUCTURE NEEDS BY FOSTERING INCREASED PRIVATE INVESTMENT.**

**WHEREAS**, Alaska has an abundance of world-class energy resources, including abundant wind, solar, geothermal, hydroelectric, tidal, wave, and biomass, as well as oil, gas, and coal; and

**WHEREAS**, Many of Alaska's energy resources are located on lands belonging to Alaska Native Claims Settlement Act (ANCSA) corporations, tribes, and rural governments, which desire to develop these resources for the benefit of their constituencies, shareholders, and all ratepayers; and

**WHEREAS**, Despite our abundant energy resources, Alaskans pay some of the highest rates for electricity in the nation – 48% to 140% more than the national average; and

**WHEREAS**, Alaska ranks 49<sup>th</sup> of 50 states in production of energy by independent power producers, with independent power production at 4.2%, trailing far behind the national rate of 38%, and even behind communist China's rate of 6%; and

**WHEREAS**, Alaska's job-creating industries (mining, fish processing, forest products, the military, shipbuilding, etc.) are energy-intensive and require low-cost power; and

**WHEREAS**, the Alaska Competitive Energy Act of 2015 (hereinafter "ACEA") will improve opportunities for energy project development, capital investment, and job creation by independent power producers, and will stimulate production of affordable energy on ANCSA, tribal, and local government lands; and

**WHEREAS**, ACEA will help utilities to access to lower-cost power than they can produce themselves, driving Alaska's energy rates lower; and

**WHEREAS**, New private investment in energy will generate new tax income for State and local governments; and

**WHEREAS**, ACEA will attract and protect new private investment in infrastructure, helping to reduce the State's need to subsidize inefficient monopolies, and allowing the State to shift significant project development costs and risks to private entities best able to manage those risks; and

**WHEREAS**, ACEA will encourage free enterprise, innovation, and investment by Alaskan entrepreneurs; and

**WHEREAS**, ACEA will prompt utilities to operate more efficiently through healthy, free-market competition of the type which other US states have been benefitting from for years; and

**WHEREAS**, ACEA will help streamline regulatory processes and remove barriers; and

**WHEREAS**, ACEA will help drive down costs for ratepayers, diversify energy sources, and improve energy security; and

**WHEREAS**, ACEA will help the State of Alaska, Alaskan municipalities, Alaskan utilities, ANCSA corporations, tribal governments, and rural communities achieve their energy development and policy goals; and

**WHEREAS**, ACEA will help ANCSA corporations, tribes, and rural communities realize the economic benefits of their land base, through assurances of non-discriminatory energy market participation; and

**WHEREAS**, ACEA is not a new or revolutionary concept; rather, it creates a competitive energy market environment which is consistent with the legal/regulatory environment that other states in the US have been benefitting from for decades; and

**WHEREAS**, ACEA empowers Alaskan utilities, governments, investors, and Alaska Native entities to use their available resources as efficiently as possible for the benefit of Alaskan families and businesses; and

**NOW THEREFORE BE IT RESOLVED BY THE CITY OF SAXMAN AS FOLLOWS:**

**Section 1.** – The City of Saxman hereby endorses the Alaska Competitive Energy Act of 2015, and urges the Alaska State Legislature to adopt this legislation expediently.

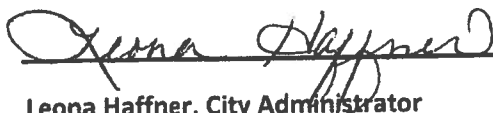
**Section 2.** – The City of Saxman urges the State of Alaska to share energy infrastructure project development costs and risks to a greater extent with the private sector, and to take action to support and protect this investment.

DATED THIS 21<sup>st</sup> DAY OF Jan. 2015

**ATTEST:**



Sylvia Banie, Mayor



Leona Haffner, City Administrator