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March 16, 2015

Senator Cathy Giessel Senate Special Committee on Energy and Resources State Capitol Building Juneau, AK 99801

Dear Senator Giessel:

The Alaska Miners Association thanks you for the opportunity to submit comments on SB57, an act relating to state emission standards in accordance with the Clean Air Act.

AMA is a non-profit membership organization established in 1939 to represent the mining industry in Alaska. We are composed of more than 1,800 members that come from seven statewide branches: Anchorage, Denali, Fairbanks, Juneau, Kenai, Ketchikan/Prince of Wales, and Nome. Our members include individual prospectors, geologists, engineers, vendors, suction dredge miners, small family mines, junior mining companies, and major mining companies. We look for and produce gold, silver, platinum, molybdenum, lead, zinc, copper, coal, limestone, sand and gravel, crushed stone, armor rock, and other materials.

In 2014, the Environmental Protection Agency (EPA) proposed a ruling under the Clean Air Act outlining greenhouse gas emission reductions and mandating States to develop implementation plans to achieve those reductions. On the statement that power plants are responsible for the largest source of carbon pollution in the United States, the EPA has assigned Alaska with a 26% emission reduction goal. However, power generation plays a minimal role in Alaska's carbon emissions - a fact that EPA did not consider. EPA also did not consider Alaska's unique energy challenges when assigning the broad target applied to multiple other states. The rule is expected to be finalized in June of this year (2015), and if so, States (in Alaska, under the Department of Environmental Conservation) will be required to submit their plans to the EPA by June 30, 2016.

AMA is gravely concerned about the proposed and expected finalized rule. Alaska's geographic location, and the location of the majority of our communities, limits options for meeting the new standards. Our already staggering energy costs will just go higher; negatively impacting Alaskans without actually benefitting the environment. This will compound on Alaska's mines, energy-intensive operations that often are located in remote areas without infrastructure and affordable energy options.

While ADEC will be required to submit an implementation plan to EPA next year, it is important that such a plan is created with consideration of economic impacts to Alaskans. This should include the cost and availability of energy to households and businesses, jobs in the energy and fuel sector, state and local revenues, and more. SB57 has thoroughly outlined those important considerations, and we encourage the Alaska Legislature to pass the bill this Session.

Thank you for the opportunity to provide comments on this important issue.

Sincerely,

Deantha Crockett Executive Director