Senate Special Committee on Energy

Verbal Testimony April 2, 2015

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Good morning, Senator Micciche, Senator Bishop and other distinguished members of this Committee. I want to begin by thanking you for the opportunity to speak with you today about the Weatherization Program.

My name is Etta Kuzakin. I am the President of the Agdaagux Tribe of King Cove. I am also the tribal board representative for the regional non-profit, Aleutian Pribilof Islands Association.

Perhaps most important for today's presentation, I am a recipient of the Weatherization Program and am proud to have this opportunity to share briefly how important this program has been not only myself and my family, but to so many other families and communities across Alaska.

Let me start by telling you a little bit about the great community of King Cove.

I have lived in King Cove all my life and I am currently employed by the school as a Site Tech. I married my high school sweetheart, also a life-long King Cove resident. Together we are raising our three beautiful daughters.

King Cove is located on the south side of the Alaska Peninsula, 625 miles southwest of Anchorage. Like many other Alaskan communities, King Cove has an active, federally recognized tribal government, an active and progressive municipal government, and a successful ANCSA village corporation. King Cove is also home to the federally recognized tribe of Belkofski.

King Cove is accessible only by plane or boat. Flights are served by a state-owned 3,500' long by 100' wide gravel runway. Gale force crosswinds are common, as the airport lies in a valley between two volcanic peaks.

Our economy depends primarily on the year-round commercial fishing and seafood processing industries. Although a mainstay of the local economy, as all of you are probably aware, the fishing industry has a history of severe economic "ups and downs" and many in my community, like most rural communities, struggle year to year to make ends meet.

Let me shift gears and take a few moments to give you my perspective on the Weatherization program.

It's AWESOME! I don't know how else to sum it up. I believe this perspective would be repeated by recipients and community leaders across the cross the state if they were given this

same opportunity to be with us today. I don't think you can underestimate how important the program has been to so many who have actually been able to benefit from it.

Sixty-one (61) homes have been weatherized in King Cove since the program began. Many of the homes received new high efficiency heating systems, doors, windows, improved ventilation and of course air sealing. The results have been incredible! Little did most of us realize how such a relatively small investment could have such a large impact in terms of energy efficiency, cash savings, comfort and improved health and safety.

For small communities with limited economies and financially struggling residents, this has been the ultimate "gift that keeps on giving!" In essence, this program has, for rural communities, been our mega-project when it comes to energy. While I can appreciate the pressing need to address the significant energy needs of those on the road system and in our large population centers, for rural off-road communities this has been the equivalent of our gas line project; or our Susitna dam project. Once a home is served the positive results are immediate and long-lasting.

Although precise numbers are still being calculated, it appears that average savings in diesel fuel not consumed and dollars staying within families and the community at-large has averaged around 35%. The \$80,000 to \$100,000 that was previously being spent annually solely on diesel fuel, is now available to our families to spend on other critical needs. This savings continues year after year. When multiplied by more than 16,000 homes the program has serviced across the state the overall statewide result is a staggering.

Another great program success in my region is Atka. Atka is a small, very remote community near the end of the Aleutian chain. Atka very carefully documented its 12 month preweatherization community fuel use and expenditures and 12 month post-weatherization use and expenditures for serviced homes (see Appendix). The result was an average of 43% savings in gallons consumed and dollars spent. Approximately \$4,100 per household on average!! Because of the high cost of living, Atka is struggling to keep families with children in the community. This program could be the difference between the community keeping the school open, or being forced to close it for lack of students.

When the local employment opportunities, job training, reduction in loss of residents, particularly families with children struggling with the high cost of living, and other secondary benefits are added to this direct community economic impact, it is hard to overestimate the importance of the program or imagine a program that has had a more direct significant impact on so many households and communities across the state.

Up on the screen is a picture of Agnes Gould. Agnes is a handicapped elder in my community whose home was weatherized this last year. She and her family are so grateful for the program. She has expressed to me not only how grateful they are for the reduction in utility bills, but how much more comfortable she is, how she feel healthier and basically, how her quality of life has been improved by the program.

She stated that "before the work was done on my home, I was going through 200 gallons of fuel a month. After they installed the new heating system, windows and insulation, I now use about half of that."

These sentiments are shared not only by the other (60) King Cove residents who have received weatherization, but I am sure by the thousands of other recipients across Alaska. As Janet Wilson, a weatherization client from Sand Point has stated: "This program, in these bad economic times, is a Godsend."

In closing, I fully realize and appreciate the severe financial crisis the state is in, but in my humble opinion as a recipient of the program and a community leader, this is one program that needs to be prioritized and viewed as a critical and necessary investment by the state even in tough economic times. Continuing a strong, sustainable Weatherization Program, as documented in the ISER report, is sound economic and public policy.

Thank you for your time and this opportunity to discuss what I believe to be an amazingly successful program for the state. Thanks for your courage and wisdom to implement such a program in the first place. I only hope that you and your colleagues can find a way to continue the program at a level that allows the thousands of Alaskans still waiting patiently to be served the opportunity to receive the same benefits that I, Agnes and so many others have been so fortunate to receive. Again, thank you.

Atka, Alaska - Pre & Post Weatherizatinon Analysis

10 Client Representative Sampling

_	Pre Weatherization			Post Weatherization			Savings					
Wx Client No.	Annual Usage (gallons)	Annual Cost	Cost per gallon	Annual Usage (gallons)	Annual Cost	Cost per gallon	Annual Fuel Saving in gallons	Annual Cost Savings	Wx \$\$\$ Investment	Years to Break Even	5 Year Savings	10 Year Savings
15	885	\$7,071.00	\$7.99	583	\$3,964.40	\$6.80	302	\$3,106.60	\$16,164.93	5.20	-\$631.93	\$14,901.07
13	805	\$6,432.00	\$7.99	350	\$2,380.00	\$6.80	455	\$4,052.00	\$16,418.19	4.05	\$3,841.81	\$25,340.97
6	1,200	\$9,588.00	\$7.99	525	\$3,570.00	\$6.80	675	\$6,018.00	\$15,179.03	2.52	\$14,910.97	\$45,000.97
2	1200	\$9,588.00	\$7.99	620	\$4,216.00	\$6.80	580	\$5,372.00	\$17,119.29	3.19	\$9,740.71	\$36,600.71
12	1100	\$8,789.00	\$7.99	300	\$2,040.00	\$6.80	800	\$6,749.00	\$15,681.59	2.32	\$18,063.41	\$51,808.41
11	835	\$6,671.65	\$7.99	410	\$2,788.00	\$6.80	425	\$3,883.65	\$17,317.39	4.46	\$2,100.86	\$21,519.11
10	900	\$7,191.00	\$7.99	350	\$2,380.00	\$6.80	550	\$4,811.00	\$17,137.14	3.56	\$6,917.86	\$30,972.86
8	691	\$5,521.09	\$7.99	425	\$2,890.00	\$6.80	266	\$2,631.09	\$15,404.85	5.85	-\$2,249.40	\$10,906.05
7	712.5	\$5,692.86	\$7.99	510	\$3,468.00	\$6.80	203	\$2,224.86	\$16,538.25	7.43	-\$5,413.95	\$5,710.35
6	800	\$6,392.00	\$7.99	525	\$3,570.00	\$6.80	275	\$2,822.00	\$15,179.03	5.38	-\$1,069.03	\$13,040.97
							Total					
10	9,129	\$ 72,937	\$7.99	4,598	\$31,266.40	\$6.80	4,531	\$41,670.20	\$162,139.69	3.9	\$46,211.31	\$255,801.47
Average												
	912.85	\$7,294		460	\$3,126.64		453	\$4,167.02	\$16,213.97		\$4,621.13	\$25,580.15

Summary	Per Household	Community Total		
Average Weatherization Investment	\$16,213.97	\$162,139.69		
Average Annual Savings	\$4,167.02	\$41,670.20		
5-year Savings Average	\$4,621.13	\$46,211.31		
10-year Savings Average	\$25,580.15	\$255,801.47		

^{*} Appendix