



**GENERAL
TEAMSTERS
LOCAL 959
STATE OF ALASKA**

Affiliated with the International Brotherhood of Teamsters

Rick Boyles, Secretary-Treasurer

520 E. 34th Ave., Suite 102, Anchorage, Alaska 99503

Phone (907) 751-8501 • Fax (907) 751-8599

March 16, 2015

Honorable Cathy Giessel
Senator District N
State Capitol
120 4th Street
Juneau, AK 99801

Re: Senate Bill 57 – Development of State Emission Standards in accordance with the Federal Clean Air Act

Teamsters Local 959 represents about eighty (80) employees at Usibelli Coal Mine (UCM) and has done so for roughly forty (40) years. We thank you for introducing SB 57 referenced above.

In June of 2014, the Environmental Protection Agency (EPA) released a PROPOSED rule to regulate emissions from power generators. If the rule is finalized, Alaska will have to meet a 26% reduction of CO2 by the year 2030.

Currently, there are six (6) coal fired plants in the Alaska interior. The EPA lists five (5) plants in Alaska that would be subject to the new rule. We are very concerned that the coal plants will be unfairly targeted. Since 1943, UCM has provided a fuel source relied on in Interior Alaska at a reasonable and affordable cost to the communities. UCM's DIRECT payroll is \$14.7 million in year round employment. If you include indirect, induced and power plant jobs wages exceed \$48.5 million. The interior alone relies on about 30% coal for its generation mix. UCM also provides coal as an export, which the Alaska Railroad Corporation transports as freight at about 20% of their revenue.

We are concerned that some or all of UCM coal production could be negatively impacted by this rule. Our members and others could see job losses. Interior Alaska could see a huge cost increase in their fuel source.

SB 57 requires the Department of Environmental Conservation (DEC) to seek a waiver or similar exemption from the Environmental Protection Agency's (EPA) proposed rule, known as "Existing Source Performance Standards under section 111(d) of the Clean Air Act." The bill also provides very important guidance to the DEC, should the rule go into effect, regarding the development of a state implementation plan.

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We ask both Senate and House legislators to seriously consider passage of this bill. It is important to all Alaskans directly, and indirectly, that we have a plan in place ready to execute if the EPA rule is finalized. Your time and consideration regarding this matter is greatly appreciated.

Sincerely,

A handwritten signature in cursive script, reading "Rick Boyles". To the right of the signature is a circular stamp containing a stylized monogram, possibly "RB".

Rick Boyles
Secretary Treasurer

RB:jk

c: Christy Baily, International Brotherhood of Teamsters
Barbara Huff-Tuckness, Teamsters Local 959