



CITY OF NORTH POLE

"Where the Spirit of Christmas Lives Year Round"

125 Snowman Lane • North Pole, Alaska 99705-7708

E-mail: mayor@northpolealaska.com • Website: www.northpolealaska.com

March 2, 2012

Representative Steve Thompson
State Capitol Building
Room 428
Juneau, Alaska 99801-2186

Via E-mail Representative_Steve_Thompson@legis.state.ak.us

City Hall
907-488-2281
Fax: 907-488-3002

Mayor
907-488-8584

City Clerk
907-488-8583

Police
Department
907-488-6902

Fire
Department
907-488-2232

Utilities
907-488-6111

Director of
City Services
907-488-8593

Finance
907-488-8594

RE: Supporting HB 289

Dear Representative Thompson:

As you know, North Pole residents, and Interior Alaska as a whole, are in dire need of switching to an affordable energy source. We have a terminal cycle that, if kept on the present trajectory, will end up as an economic disaster not just for the Interior but also for all Alaska, both economically and the drain on general fund budget to provide a massive social services safety net.

The cycle starts with the expense of refining and electric generation: the cost of oil is crippling the cost of refining heating oil, and other petroleum products, and generating electricity, which in the Interior is 30% driven by petroleum derivatives but which accounts for a doubling of the cost to the consumer. The cycle impacts the average consumer whose disposable income has been spent by having to pay energy costs to heat and light their home and drive to work (to afford paying the bills!) and who often maxed out their credit cards just to stay afloat for another winter. Some residents have already packed up and moved Outside! The cycle then hits the businesses, who not only have to pay for ever increasing energy costs just to keep the business open, but then often has less customers willing to part with money due to their own budget crisis.

We need help! HB 289 will provide some of the assistance we need by making it possible to deliver lower cost natural gas to Interior Alaska—which will dynamically change the cost of providing space heating and electricity to the consumer, which hopefully will bring the necessary relief to consumers and businesses and ending the tyranny of a currently unbreakable cycle.

Natural gas storage is also necessary to ensure that we have adequate reserves to ensure a steady supply of natural gas to our homes, providing for a reliable alternative to burning wood, coal or other substances which prevent us from attaining the air quality standards which currently put us at risk of EPA sanctions in 2014.

Thank you for introducing HB 289 and I urge your legislative colleagues to support the passage of this bill.

Sincerely,

Douglas W. Isaacson
Mayor