

March 12, 2009

House Community & Regional Affairs Committee

Re: Testimony on HB 150

Honorable Co-Chairs and Members of the Committee:

The Association of Village Council Presidents is a non-profit tribal social service organization serving the 56 tribal villages of the Yukon Kuskokwim Delta region of Alaska. Village residents' electric bills and fuel costs have taken up almost all of their disposable income in recent years and in many cases the costs have been overwhelming. As has been reported in news media, many families have had to choose between food and the cost of energy. Because of the energy crisis in our region the PCE program is a priority and we respectfully ask for:

**Continuation of the PCE program and perpetuation of the eligible costs ceiling at \$1.00.**

The AEA estimates the FY2010 cost of retaining the \$1.00 ceiling at \$3.4 million.

Our residents are already paying upwards of 70% of their available disposable income on energy costs, and if the PCE rate drops, their electric costs will go up immediately. Local utilities will have to collect on those fuel costs in order to recover the 2008 outlay, and this cost is transferred to the households, the families in our villages.

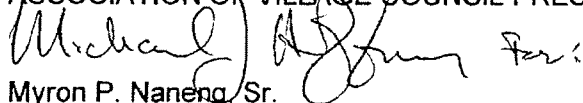
We are asking respectfully that the legislature provide funding to continue PCE at a cost ceiling of \$1.00 per kilowatt-hour (kWh.) Increased funding to PCE is definitely part of the solution. PCE does help to equalize energy costs between rural and urban areas on the first 500 kWh used, since a qualifying rural utility receives 95% of eligible costs between the average of ANC/FBX/JNU rates (12.83 cents/kWh) and 1.00 /kWh (the ceiling). It should be noted that only 29% of electricity sold by PCE utilities is eligible for PCE, with the other 71% being paid for by homeowners and businesses at rates almost five times that in urban Alaska.

In addition to increasing the funding to PCE by raising the "ceiling," we also ask that the household limit be increased from 500kWh per month to the national average of 750kWh per month. After last year's fuel prices, virtually all PCE communities are now over the 52.5 cent cost or, as in the larger hub communities, within a few cents. We also ask the legislature to restore PCE eligibility to businesses, clinics and other public facilities that were included in the program when it was originally enacted. This is critical to keep down inflation and increase the viability of local economies in rural Alaska that are struggling or on the brink of failure.

Thank you for the opportunity to comment.

Sincerely,

ASSOCIATION OF VILLAGE COUNCIL PRESIDENTS, INC.

 For:

Myron P. Naneng, Sr.  
President



March 4, 2009

House Finance Committee

Re: Testimony on HB 81, FY 2010 Operating Budget

Honorable Co-Chairs and Members of the Committee:

Alaska Village Electric Cooperative is a non-profit, consumer owned utility serving 53 villages – 44% of Alaska's village population. Our average village has some 400 residents and the cost of energy in these communities has been crippling families and businesses for several years, especially in recent years as the world cost of oil has skyrocketed.

During last year's legislative and special sessions, the ceiling on Power Cost Equalization (PCE) costs was raised to \$1.00 per kWh for nine months and will automatically revert back to 52.5 cents per kWh unless the legislature acts to perpetuate this rate. If the rate drops, AVEC's residential and community users will see an average rate increase of more than twelve cents a kWh immediately, since we will be collecting on last year's fuel costs through September, 2008.

As you consider the Operating Budget for FY 2010, I respectfully request that funding be included to continue PCE calculated on costs of up to \$1.00 per kilowatt-hour (kWh.) There is no doubt that the floor for PCE calculations will be rising substantially since Juneau saw a few months of diesel powered electricity, Fairbanks saw dramatic fuel cost increases and Anchorage consumers also saw rate increases last year. Each penny that the floor increases reduces the PCE program cost by \$1,160,000.

It is entirely likely that this year's floor increase will result in the Governor's recommendation of \$32,160,000 being sufficient to fully fund PCE even with the higher ceiling of \$1.00 per kWh being left in place. However, I urge you to add an additional sum of \$5,500,000 to the PCE program to continue funding the program up to costs of \$1.00 per kWh, especially since there is no assurance that the cost of oil won't return to the stratospheric heights it reached last year. The \$5.5 million figure was computed by the Alaska Energy Authority as being the maximum amount necessary to cover the balance of last year's fuel cost as well as an allowance for higher non-fuel costs and the inclusion of additional communities.

Thank you for the opportunity to comment.

Sincerely,

Meera Kohler  
President and CEO

March 12, 2009

House Community & Regional Affairs Committee

Re: Testimony on HB 150

Honorable Co-Chairs and Members of the Committee:

On behalf of the Native village of Atmautluak, we want to thank the Alaska Legislature's efforts in addressing the energy needs of all Alaskans, particularly those of our region which has been faced with challenging humanitarian issues stemming from the ever increasing electric and fuel costs. We are sincerely grateful for last year's increase in the ceiling of the PCE program which has been helping our community. The PCE program helps us to maintain the critical circulation of little income and revenue we are able to have in our village. The PCE program is a priority and we respectfully ask for:

**Continuation of the PCE program and perpetuation of the eligible costs ceiling at \$1.00.**

The AEA estimates the FY2010 cost of retaining the \$1.00 ceiling at \$3.4 million. The bulk of our village income is dedicated to paying for the upkeep of energy, and if the PCE rate drops, our electric costs will go up immediately. We realize that our local utilities will have to collect on those fuel costs in order to recover from 2008. Our families simply cannot afford to pay for this when their energy costs are already taking up to 70% of their disposable income.

We ask respectfully that the legislature provide funding to continue PCE at a cost ceiling of \$1.00 per kilowatt-hour (kWh.) And we are also asking you to consider increasing the household limit from 500kWh per month to the national average of 750kWh per month. Our local economy is fragile and vulnerable and needs consideration in the PCE program. We are asking for a restoration of PCE eligibility to businesses, clinics and other public facilities that were included in the program when it was originally enacted. This is critical to keep down inflation and increase the viability of our local economies in rural Alaska that are struggling or on the brink of failure.

Thank you for the opportunity to comment.

Sincerely,

NATIVE VILLAGE OF ATMAUTLUAK

**Chefornak Traditional Council**  
**P.O. Box 110**  
**Chefornak, Alaska 99561**  
**Phone # (907) 867-8850 or 8502**  
**Fax # (907) 867-8711**

**Testimony on HB 150**

On behalf of the Native village of **Chefornak**, we want to thank the Alaska Legislature's efforts in addressing the energy needs of all Alaskans, particularly those of our region which has been faced with challenging humanitarian issues stemming from the ever increasing electric and fuel costs. We are sincerely grateful for last year's increase in the ceiling of the PCE program helps us to maintain the critical circulation of little income and revenue we are able to have in our village. The PCE program is a priority and we respectfully ask for:

**Continuation of the PCE program and perpetuation of the eligible costs ceiling at \$1.00.**

The AEA estimates the FY2010 cost of retaining the \$1.00 ceiling at \$3.4 million. The bulk of our village income is dedicated to paying for the upkeep of energy, and if the PCE rate drops, our electric costs will go up immediately. We realize that our local utilities will have to collect on those fuel costs in order to recover from 2008. Our families simply cannot afford to pay for this when their energy costs are already taking up to 70% of their disposable income.

We ask respectfully that the legislature provide funding to continue PCE at a cost ceiling of \$1.00 per kilowatt-hour (kWh.) And we are also asking you to consider increasing the household limit from 500kWh per month to the national average of 750kWh per month. Our local economy is fragile and vulnerable and needs consideration in the PCE program. We are asking for a restoration of PCE eligibility to businesses, clinics and other public facilities that were included in the program when it was originally enacted. This is critical to keep down inflation and increase the viability of our local economics in rural Alaska that are struggling or on the brink of failure.

Thank you for the opportunity to comment.

Sincerely,

**NATIVE VILLAGE OF Chefornak**

  
Tribal President

3-10-09  
Date

**Chefarnrmute, Inc.**

Groceries, Fuel &amp; Hardware

P.O. Box 70

Chefornak, Alaska 99561

Phone: (907) 867-8115

Fax: (907) 867-8895

March 10, 2009

House Community &amp; Regional Affairs Committee

Re: Testimony on HB 150

Honorable Co-Chairs and Members of the Committee:

On behalf of the Native village of Chefornak we want to thank the Alaska Legislature's efforts in addressing the energy needs of all Alaskans, particularly those of our region which has been faced with challenging humanitarian issues stemming from the ever increasing electric and fuel costs. We are sincerely grateful for last year's increase in the ceiling of the PCE program, which has been helping our community. The PCE program helps us to maintain the critical circulation of little income and revenue we are able to have in our village. The PCE program is a priority and we respectfully ask for:

**Continuation of the PCE program and perpetuation of the eligible costs ceiling at \$1.00.**

The AEA estimates the FY2010 cost of retaining the \$1.00 ceiling at \$3.4 million. The bulk of our village income is dedicated to paying for the upkeep of energy, and if the PCE rate drops, our electric costs will go up immediately. We realize that our local utilities will have to collect on those fuel costs in order to recover from 2008. Our families simply cannot afford to pay for this when their energy costs are already taking up to 70% of their disposable income.

We ask respectfully that the legislature provide funding to continue PCE at a cost ceiling of \$1.00 per kilowatt-hour (kWh). And we are also asking you to consider increasing the household limit from 500kWh per month to the national average of 750kWh per month. Our local economy is fragile and vulnerable and needs consideration in the PCE program. We are asking for a restoration of PCE eligibility to business, clinics, and other public facilities that were included in the program when it was originally enacted. This is critical to keep down inflation and increase the viability of our local economies in rural Alaska that are struggling or on the brink of failure.

Thank you for the opportunity to comment.

Sincerely,

NATIVE VILLAGE OF CHEFORNAK

Robert Panruk  
Chefarnrmute, Inc.

## Native Village of Eek

March 11, 2009

House Community & Regional Affairs Committee

Re: Testimony on HB150

Honorable Co-Chairs and Members of the Committee:

On behalf of the Native Village of Eek, we want to thank the Alaska Legislature's efforts in addressing the energy needs of all Alaskans, particularly those of our region which has been faced with challenging humanitarian issues stemming from the ever increasing electric and fuel costs. We are sincerely grateful for last year's increase in the ceiling of the PCE program which has been helping our community. The PCE program helps us to maintain the critical circulation of little income and revenue we are able to have in our village. The PCE program is a priority and we respectfully:

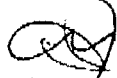
### **Continuation of the PCE program and perpetuation of the eligible costs ceiling at \$1.00.**

The AEA estimates the FY2010 cost of retaining the \$1.00 ceiling at \$3.4 million. The bulk of our village income is dedicated to paying for the upkeep of energy, and if the PCE rate drops, our electricity costs will rise immediately. We realize that our local utilities will have to collect on those fuel costs to recover from 2008. Our families simply cannot afford to pay for this when such energy costs already take up to 70% of their disposable income.

We ask respectfully that the legislature provide funding to continue PCE at a cost ceiling of \$1.00 per kilowatt-hour (kWh). And we are also asking you to consider increasing the household limit from 500 kWh per month to the national average of 750 kWh per month. Our local economy is fragile and vulnerable and needs consideration in the PCE program. We are asking for a restoration of PCE eligibility to businesses, clinics and other public facilities that were included in the program when it was originally enacted. This is critical to keep down inflation and increase the viability of our local economies in rural Alaska that are struggling or on the brink of failure.

I thank you for allowing us to take much of your valuable time.

Sincerely,



Nick Carter, Tribal Administrator  
Native Village of Eek

# *Emmonak Corporation*

P.O. Box 49 Emmonak, Alaska 99581  
Phone (907) 949-1129 Fax (907) 949-1412  
~~emmonak@unicon.alaska.com~~  
emocorp@hughes.net

March 10, 2009

House Community & Regional Affairs

Re: Testimony on HB 150

Dear Honorable Co-Chairs and Members of the Committee:

On behalf of the Emmonak Corporation we want to thank the Alaska Legislature's efforts in addressing the energy needs of all Alaskans, particularly those of our region which has been faced with challenging humanitarian issues stemming from the ever increasing electric and fuel costs. We are sincerely grateful for last year's increase in the ceiling of the PCE program which has been helping our community. The PCE program helps us to maintain the critical circulation of little income and revenue we are able to have in our village. The PCE program is a priority and we respectfully ask for: **Continuation of the PCE program and perpetuation of the eligible costs ceiling at \$1.00.**

The AEA estimates the FY2010 cost of retaining the \$1.00 ceiling at \$3.4 million. The bulk of our village income is dedicated to paying for the upkeep of energy, and if the PCE rate drops, our electric costs will go up immediately. We realize that our local utilities will have to collect on those fuel costs in order to recover from 2008. Our families simply cannot afford to pay for this when their energy costs are already taking up to 70% of their disposable income.

We ask respectfully that the legislature provide funding to continue PCE at a cost ceiling of \$1.00 per kilowatt-hour (kWh.) and we are also asking you to consider increasing the household limit from 500kWh per month to the national average of 750kWh per month. Our local economy is fragile and vulnerable and needs consideration in the PCE program. We are asking for a restoration of PCE eligibility to businesses, clinics and other public facilities that were included in the program when it was originally enacted. This is critical to keep down inflation and increase the viability of our local economies in rural Alaska that are struggling or on the brink of failure.

Thank you for the opportunity to comment.

Sincerely,



Billy Charles, Acting General Manager  
Emmonak Corporation

# NATIVE VILLAGE OF KIPNUK KIPNUK TRADITIONAL COUNCIL

P.O. BOX 57 • KIPNUK, ALASKA 99614  
(907) 896-5515 • FAX (907) 896-5240

10 March 2009

House Community & Regional Affairs Committee

RE: Testimony on HB 150

Honorable Co-Chairs and Members of the Committee:

On behalf of the Native Village of Kipnuk, Kipnuk Traditional Council as the governing body want to thank the Alaska's Legislature's effort in addressing the energy needs of all Alaskans, particularly those of our region which has been faced with challenging humanitarian issues stemming from the ever increasing electric and fuel costs. We are sincerely grateful for last year's increase in the ceiling of the PCE program which has been helping our community. The PCE program helps us to maintain the critical circulation of little income and revenue we are able to have in our village. The PCE program is a priority and we respectfully ask for:

## **Continuation of the PCE program and perpetuation of the eligible costs ceiling at \$1.00.**

The Alaska Energy Authority (AEA) estimates the FY 2010 cost of retaining the \$1.00 ceiling at \$3.4 million. The bulk of our village income is dedicated to paying for the upkeep of energy, and if the PCE rate drops, our electric costs will go up immediately. We realize that our local utilities will have to collect on those fuel costs in order to recover from 2008. Our families simply cannot afford to pay for this when their energy costs are already taking up to 70% of their disposable income.

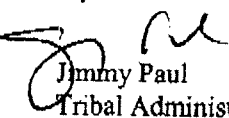
We ask respectfully that the legislature provide funding to continue PCE at a cost of \$1.00 per kilowatt-hour (kWh). And we are also asking you to consider increasing the household limit from 500kWh per month to the national average of 750kWh per month. Our local economy is fragile and vulnerable and needs consideration in the PCE program. We are asking for a restoration of PCE eligibility to businesses, clinics and other public facilities that were included in the program when it was originally enacted. This is critical to keep down inflation and increase the viability of our local economies in rural Alaska that are struggling or on the brink of failure.

Thank you for your time and attention on this important issue and opportunity to comment.

SINCERELY YOURS,

For the Kipnuk Traditional Council:

Paul Joshua Paul, President

  
Jimmy Paul

Tribal Administrator

Cc: files



KONGIGANAK TRADITIONAL COUNCIL

P.O. BOX 5069

KONGIGANAK, ALASKA 99545

Phone (907) 557-5226

Fax (907) 557-5224

March 12, 2009

House Community & Regional Affairs Committee

Re: Testimony on HB 150

Honorable Co-Chairs and Members of the Committee:

On behalf of the Native village of Kongiganak we want to thank the Alaska Legislature's efforts in addressing the energy needs of all Alaskans, particularly those of our region which has been faced with challenging humanitarian issues stemming from the ever increasing electric and fuel costs. We are sincerely grateful for last year's increase in the ceiling of the PCE program which has been helping our community. The PCE program helps us to maintain the critical circulation of little income and revenue we are able to have in our village. The PCE program is a priority and we respectfully ask for:

**Continuation of the PCE program and perpetuation of the eligible costs ceiling at \$1.00.**


The AEA estimates the FY2010 cost of retaining the \$1.00 ceiling at \$3.4 million. The bulk of our village income is dedicated to paying for the upkeep of energy, and if the PCE rate drops, our electric costs will go up immediately. We realize that our local utilities will have to collect on those fuel costs in order to recover from 2008. Our families simply cannot afford to pay for this when their energy costs are already taking up to 70% of their disposable income.

We ask respectfully that the legislature provide funding to continue PCE at a cost ceiling of \$1.00 per kilowatt-hour (kWh.) And we are also asking you to consider increasing the household limit from 500kWh per month to the national average of 750kWh per month. Our local economy is fragile and vulnerable and needs consideration in the PCE program. We are asking for a restoration of PCE eligibility to businesses, clinics and other public facilities that were included in the program when it was originally enacted. This is critical to keep down inflation and increase the viability of our local economies in rural Alaska that are struggling or on the brink of failure.

Thank you for the opportunity to comment.

Sincerely,

NATIVE VILLAGE OF Kongiganak

 KTC President

**VILLAGE OF KOTLIK  
P.O BOX 20210  
KOTLIK, ALASKA 99620  
(907)899-4326 / 4836 FAX (907)899-4790**

9 March, 2009

House Community & Regional Affairs Committee

RE: Testimony on HB 150

Honorable Co-Chairs and Members of the Committee:

On behalf of the Native Village of Kotlik we want to thank the Alaska Legislature's efforts in addressing the energy needs of all Alaskans, particularly those of our region which has been faced with challenging humanitarian issues stemming from the ever increasing electric and fuel costs. We are sincerely grateful for last year's increase in the ceiling of the PCE program which has been helping our community. The PCE program helps us to maintain the critical circulation of little income and revenue we are able to have in our village. The PCE program is a priority and we respectfully ask for.

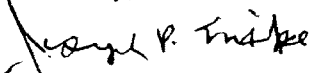
**Continuation of the PCE program and perpetuation of the eligible costs ceiling at \$1.00.**

The AEA estimates the FY 2010 cost of retaining the \$1.00 ceiling at \$3.4 million. The bulk of our village income is dedicated to paying for the upkeep of energy, and if the PCE rate drops, our electric costs will go up immediately. We realize that our local utilities will have to collect on those costs in order to recover from 2008. Our families simply cannot afford to pay for this when their energy costs are already taking up to 70% of their disposable income.

We ask respectfully that the legislature provide funding to continue PCE at a cost ceiling of \$1.00 per kilowatt-hour (kwh). We are also asking you to consider increasing the household limit from 500 kwh per month to the national average of 750kwh per month. Our local economy is fragile and vulnerable and needs consideration in the PCE program. We are asking for a restoration of PCE eligibility to businesses, clinics and other public facilities that were included in the program when it was originally enacted. This is critical to keep down inflation and increase the viability of our local economies in rural Alaska that are struggling or on the brink of failure.

Thank you for the opportunity to comment.

Sincerely,

  
Joseph P. Mike  
Native Village of Kotlik

City of Kwethluk  
P.O. Box 50  
Kwethluk, Alaska -99621-

Phone: (907) 757 - 6022

Fax: (907) 757 -6497

March 11, 2009

House Community & Regional Affairs Committee  
Juneau, Alaska

Re: Testimony on HB 150

Honorable Co-Chairs and Members of the Committee:

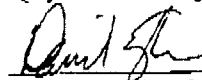
On behalf of the City of Kwethluk, we want to thank the Alaska Legislature's hard work in addressing the energy needs of all Alaskans, particularly those in our region which face humanitarian issues stemming from the continuous increase of our electrical and fuel costs. Many of us are grateful for last years increase in the ceiling of the Power Cost Equalization Program which has been assisting our community as a whole. The PCE program assists all of us to maintain the critical circulation of what little income and revenue we are able to have in our community. The PCE program is a priority and we respectfully ask for:

**Continuation of the Power Cost Equalization Program and perpetuation of the eligible costs ceiling at \$1.00.**

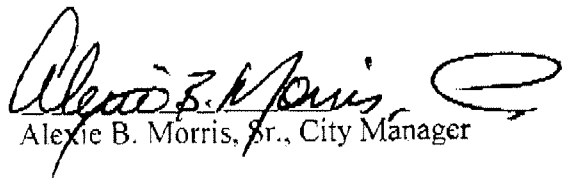
The AEA estimates the FY- 2010 cost of retaining the \$1.00 ceiling at \$3.4 million. The bulk of our community income is dedicated to paying for the upkeep of energy, and if the Power Cost Equalization Program rate drops, our electric costs will go up immediately. Our local utilities will have to collect on those fuel costs in order to recover from 2008. Our families cannot afford to pay for this when their energy costs are already taking up to 70% of their income.

City of Kwethluk asks respectfully that the State of Alaska legislature provide funding to continue PCE at a cost ceiling of \$1.00 per kilowatt-hour, and we ask that you consider increasing the household limit from 500kWh per month to the national average of 700kWh per month. Our local economy needs the PCE program to make ends meet. We are asking for restoration of PCE eligibility to businesses, clinics, schools, and other public facilities when it was originally enacted. This is critical to keep down inflation and increase the viability of our local economy in rural Alaska. Thank you for giving us the opportunity to comment.

Quyana cakneq,



David Epchook, Mayor



Alexie B. Morris, Sr., City Manager



March 10, 2009

House Community & Regional Affairs Committee

Re: Testimony on HB 150

Honorable Co-Chairs and Members of the Committee:

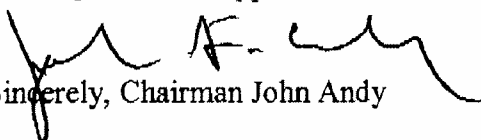
On behalf of the Native Village of Newtok we want to thank the Alaska Legislature's efforts in addressing the energy needs of all Alaskans, particularly those of our region which has been faced with challenging humanitarian issues stemming from the ever increasing electric and fuel costs. We are sincerely grateful for last year's increase in the ceiling of the PCE program which has been helping our community. The PCE program helps us to maintain the critical circulation of little income and revenue we are able to have in our village. The PCE program is a priority and we respectfully ask for:

**Continuation of the PCE program and perpetuation of the eligible costs ceiling at \$1.00.**

The AEA estimates the FY2010 cost of retaining the \$1.00 ceiling \$3.4 million. The bulk of our village income is dedicated to paying for upkeep of energy, and if the PCE rate drops, our electric costs will go up immediately. We realize that our local utilities will have to collect on the fuel costs in order to recover from 2008. Our families simply cannot afford to pay for this when their energy costs are already taking up to 70% of their disposable income.

We ask respectfully that the legislature provide funding to continue PCE at a cost ceiling of \$1.00 per kilowatt-hour (kWh.) And we are also asking you to consider increasing the household limit from 500kWh per month to the national average of 750kWh per month. Our local economy is fragile and vulnerable and needs consideration in the PCE program. We are asking for a restoration of PCE eligibility to businesses, clinics and other public facilities that were included in the program when it was originally enacted. This is critical to keep down inflation and increase the viability of our local economies in rural Alaska that are struggling or on the brink of failure>

Thank you for the opportunity to comment.

  
Sincerely, Chairman John Andy

**NEWTOK NATIVE CORPORATION FOR THE VILLAGE OF NEWTOK**

March 12, 2009

House Community & Regional Affairs Committee

Re: Testimony on HB 150

Honorable Co-Chairs and Members of the Committee:

On behalf of the Native village of Nunapitchuk we want to thank the Alaska Legislature's efforts in addressing the energy needs of all Alaskans, particularly those of our region which has been faced with challenging humanitarian issues stemming from the ever increasing electric and fuel costs. We are sincerely grateful for last year's increase in the ceiling of the PCE program which has been helping our community. The PCE program helps us to maintain the critical circulation of little income and revenue we are able to have in our village. The PCE program is a priority and we respectfully ask for:

**Continuation of the PCE program and perpetuation of the eligible costs ceiling at \$1.00.**

The AEA estimates the FY2010 cost of retaining the \$1.00 ceiling at \$3.4 million. The bulk of our village income is dedicated to paying for the upkeep of energy, and if the PCE rate drops, our electric costs will go up immediately. We realize that our local utilities will have to collect on those fuel costs in order to recover from 2008. Our families simply cannot afford to pay for this when their energy costs are already taking up to 70% of their disposable income.

We ask respectfully that the legislature provide funding to continue PCE at a cost ceiling of \$1.00 per kilowatt-hour (kWh.) And we are also asking you to consider increasing the household limit from 500kWh per month to the national average of 750kWh per month. Our local economy is fragile and vulnerable and needs consideration in the PCE program. We are asking for a restoration of PCE eligibility to businesses, clinics and other public facilities that were included in the program when it was originally enacted. This is critical to keep down inflation and increase the viability of our local economies in rural Alaska that are struggling or on the brink of failure.

Thank you for the opportunity to comment.

Sincerely,

NATIVE VILLAGE OF NUNAPITCHUK

*Georriah C. Chelak Sr.*

**Rob Earl**

---

**From:** Rep. Bob Herron  
**Sent:** Tuesday, March 10, 2009 5:48 PM  
**To:** Rob Earl  
**Subject:** FW:

---

**From:** Florence Therchik [mailto:fptherchik@yahoo.com]  
**Sent:** Tuesday, March 10, 2009 3:57 PM  
**To:** Rep. Bob Herron  
**Cc:** Simeon\_John@ykhc.org  
**Subject:**

March 12, 2009

House Community & Regional Affairs Committee

Re: Testimony on HB 150

Honorable Co-Chairs and Members of the Committee:

On behalf of the Native village of Toksook Bay, we want to thank the Alaska Legislature's efforts in addressing the energy needs of all Alaskans, particularly those of our region which has been faced with challenging humanitarian issues stemming from the ever increasing electric and fuel costs. We are sincerely grateful for last year's increase in the ceiling of the PCE program which has been helping our community. The PCE program helps us to maintain the critical circulation of little income and revenue we are able to have in our village. The PCE program is a priority and we respectfully ask for:

**Continuation of the PCE program and perpetuation of the eligible costs ceiling at \$1.00.**

The AEA estimates the FY2010 cost of retaining the \$1,00 ceiling at \$3.4 million. The bulk of our village income is dedicated to paying for the upkeep of energy, and if the PCE rate drops, our electric costs will go up immediately. We realize that our local utilities will have to collect on those fuel costs in order to recover from 2008. Our families simply cannot afford to pay for this when their energy costs are already taking up to 70% of their disposable income.

We ask respectfully that the legislature provide funding to continue PCE at a cost ceiling of \$1.00 per kilowatt-hour (kWh.) And we are also asking you to consider increasing the household limit from 500kWh per month to the national average of 750kWh per month. Our local economy is fragile and vulnerable and needs consideration in the PCE program. We are asking for a restoration of PCE eligibility to businesses, clinics and other public facilities that were included in the program when it was originally enacted. This is critical to keep down inflation and increase the viability of our local economies in rural Alaska that are struggling or on the brink of failure.

Thank you for the opportunity to comment.

Sincerely,

NATIVE VILLAGE OF TOKSOOK BAY

---

3/10/2009

March 12, 2009

House Community & Regional Affairs Committee

Re: Testimony on HB 150

Honorable Co-Chairs and Members of the Committee:

On behalf of the Native village of Tununak, we want to thank the Alaska Legislature's efforts in addressing the energy needs of all Alaskans, particularly those of our region which has been faced with challenging humanitarian issues stemming from the ever increasing electric and fuel costs. We are sincerely grateful for last year's increase in the ceiling of the PCE program which has been helping our community. The PCE program helps us to maintain the critical circulation of little income and revenue we are able to have in our village. The PCE program is a priority and we respectfully ask for:

**Continuation of the PCE program and perpetuation of the eligible costs ceiling at \$1.00.**

The AEA estimates the FY2010 cost of retaining the \$1.00 ceiling at \$3.4 million. The bulk of our village income is dedicated to paying for the upkeep of energy, and if the PCE rate drops, our electric costs will go up immediately. We realize that our local utilities will have to collect on those fuel costs in order to recover from 2008. Our families simply cannot afford to pay for this when their energy costs are already taking up to 70% of their disposable income.

We ask respectfully that the legislature provide funding to continue PCE at a cost ceiling of \$1.00 per kilowatt-hour (kWh.) And we are also asking you to consider increasing the household limit from 500kWh per month to the national average of 750kWh per month. Our local economy is fragile and vulnerable and needs consideration in the PCE program. We are asking for a restoration of PCE eligibility to businesses, clinics and other public facilities that were included in the program when it was originally enacted. This is critical to keep down inflation and increase the viability of our local economies in rural Alaska that are struggling or on the brink of failure.

Thank you for the opportunity to comment.

Sincerely,

NATIVE VILLAGE OF TUNUNAK

James G. James  
Tribal Administrator

Cc. file  
IRA Councils



March 10, 2009

House Community and Regional Affairs Committee

Re: Testimony on HB 150

Honorable Co-Chairs and Members of the Committee:

On behalf of the owners of Northstar Gas, LLC we want to thank the Alaska Legislature's efforts in addressing the energy needs of all Alaskans, particularly in the YK Delta region which has been faced with challenging humanitarian issues stemming from the ever increasing electric and fuel costs. We are sincerely grateful for last year's increase in the ceiling of the PCE program which has been helping our customers in the YK Delta region. The PCE program helps our region to maintain the critical circulation of little income and revenue they are able to have.

**Continuation of the PCE program and perpetuation of the eligible costs ceiling at \$1.00.**

The AEA estimates the FY2010 cost of retaining the \$1.00 ceiling at \$3.4 million. The Bulk of our village's income is dedicated to paying for the upkeep of energy, and if the PCE rate drops, the electric costs will go up immediately. Northstar Gas realizes that our villages in their local utilities will have to collect on those fuel costs in order to recover from 2008. Our people simply cannot afford to pay for this when their energy costs are already taking up to 70% of their disposable income.

We ask respectfully that the legislature provide funding to continue PCE at a cost ceiling of \$1.00 per kilowatt-hour (kWh.) and we are also asking this committee to consider increasing the household limit from 500Wh per month to the national average of 750Kwh per month. The YK region economy is fragile and vulnerable and needs consideration in the PCE program. We are also asking for a restoration of PCE eligibility to businesses, clinics and other public facilities that were included in the program when it was originally enacted. This is critical to keep down inflation and increase the viability of our local economies in rural Alaska that are struggling or on the brink of failure.

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Elaine Brown', is written over a horizontal line.

Elaine Brown  
NORTHSTAR GAS, LLC  
General Manager

cc: file



# AVCP

ASSOCIATION OF VILLAGE COUNCIL PRESIDENTS  
P.O. BOX 219 • BETHEL, ALASKA 99559 • PHONE 543-3521

## RESOLUTION 09-02-01

**TITLE: RESOLUTION SUPPORTING A STATE FUEL CAP AND OTHER MEASURES TO LOWER THE COST OF ENERGY FOR REMOTE RURAL COMMUNITIES THROUGHOUT THE STATE OF ALASKA**

**WHEREAS** The Association of Village Council Presidents, (AVCP) is the non-profit Alaska Native regional corporation for its fifty-six federally recognized indigenous Native tribes within Southwest Alaska; and

**WHEREAS** AVCP's member tribes reside in small isolated villages scattered throughout the Yukon-Kuskokwim Delta in an area that is approximately 59,000 square miles and roughly the size of the State of Oregon. The villages are not connected by road to one another, nor to the rest of Alaska. English is a second language for many tribal members who continue to practice a centuries old hunting, fishing and gathering way of life, congregating at home village sites in the winter and moving to fish camps in the summer; and

**WHEREAS** AVCP serves its member tribes by providing a variety of social service, human development and culturally relevant programs that promote tribal self-determination and self-governance and work to protect and enhance tribal culture and traditions; and

**WHEREAS** In an effort to meet this objective, AVCP has repeatedly requested Federal and State assistance to address our region's current energy crisis which has resulted from the high costs of fuel, the catastrophic Lower Yukon commercial fishery, the early and enduring cold snap, and failed fuel deliveries; and

**WHEREAS** During the last legislative session AVCP supported Senate Bill 4002, Senator Lyman Hoffman's carefully crafted energy subsidy legislation, which attempted to distribute relief to Alaska's rural households facing the daunting challenge of heating and lighting their homes during the grueling winter months; and

**WHEREAS** Senator Hoffman and Representative Mary Nelson argued that the subsidies provided through Senate Bill 4002 were justified by the fact that the State of Alaska furnishes its own employees living in Southwest Alaska with additional monies to defray the higher cost of living; and

WHEREAS While mid-range income Anchorage families were projected to spend about three percent (3%) of their income on energy costs (based on May's prices) and families residing in other cities or towns connected to Alaska's road system were projected to spend about five percent (5%) of a family's income on energy costs, mid-income households in Alaska's remote rural villages were expected to spend about eleven percent (11%) of their income for energy costs; and

WHEREAS It is estimated that the median annual cost of power and heating costs for an Anchorage family is about \$2,400, while it is approximately \$4,100 for midsize Alaska towns and cities, and \$6,600 for Alaska's remote rural villages; and

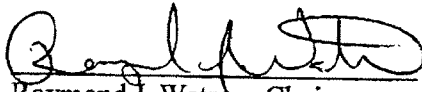
WHEREAS Now, more than ever, our communities are confronted with dire economic circumstances preventing them from being able to meet these costs. In fact, recent *Anchorage Daily News* and *Los Angeles Times* newspaper articles focused on our member villages of Emmonak and Tuluksak and described the immediate struggle facing many of our tribal members—a struggle forcing them to choose between using the little money they have to either feed their families or buy fuel to heat their homes; and

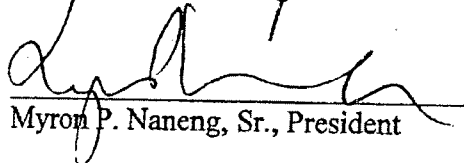
WHEREAS With the reality and hardship of half a winter still ahead of us, it is imperative that more appropriate energy relief be brought to the remote rural fifty- six (56) villages of the Yukon-Kuskokwim Delta.

NOW THEREFORE BE IT RESOLVED THAT the Association of Village Council Presidents fully supports Senator Hoffman's call for the State of Alaska to subsidize the difference when an Alaskan has to pay more than \$3 a gallon for residential heating fuel (for up to 600 gallons purchased per residence from the months of September through March).

BE IT FURTHER RESOLVED THAT the Association of Village Council Presidents wholly supports an extension of the Power Cost Equalization Program (PCE) though Senate Bill 88 and supports continued and full funding of the Renewable Energy Fund. by the Alaska State Legislature.

ADOPTED by the Association of Village Council Presidents' Executive Board during a meeting at Bethel, Alaska, this 24th day of February, 2009.

  
Raymond J. Watson, Chairman

  
Myron P. Naneng, Sr., President

**NATIVE VILLAGE OF KIPNUK**  
**KIPNUK TRADITIONAL COUNCIL**

P.O. Box 57 • KIPNUK, ALASKA 99614  
(907) 896-5515 • FAX (907) 896-5240

**RESOLUTION # 09-05**

**RESOLUTION SUPPORTING A STATE FUEL CAP AND OTHER MEASURES TO LOWER THE COST OF ENERGY FOR REMOTE RURAL COMMUNITIES THROUGHOUT THE STATE OF ALASKA**

**WHEREAS**, the Kipnuk Traditional Council (hereinafter "TRIBE") is a federally recognized Tribal Governing Body for the Native of Kipnuk; and

**WHEREAS**, the TRIBE represents to promote and protect the health, education and general welfare of the tribal members of the Native Village of Kipnuk; and

**WHEREAS**, The TRIBE is continuing to conduct business using its 06-19-2008 fuel delivery from Delta Western, Inc. which was purchased at the bulk fuel cost of \$366,095.00 for 71,197 gallons and which was expected to last the TRIBE throughout the winter until next fuel delivery was made in June of 2009; and

**WHEREAS**, the \$1,200 energy rebate provided to Alaska residents in October 2008 by the State in an attempt to assist individuals with high anticipated energy costs this winter did not adequately address the dire economic crisis in Southwest Alaska which were caused by high costs of fuel, a poor commercial fishing season, an early and enduring cold snap, and failed fuel deliveries; and

**WHEREAS**, the TRIBE has been affected this winter in the same way that the communities of Emmonak and Tuluksak have been affected as reported in this month's recent *Anchorage Daily News* and *Los Angeles Times* newspaper articles. These articles describe the immediate struggle facing many of our tribal members—a struggle forcing them to choose between using the little money they have to either feed their families or buy fuel to heat their homes; and

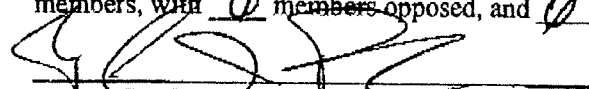
**WHEREAS**, with the reality and hardship of half a winter still ahead of us, it is imperative that more appropriate energy relief be brought to our remote rural community of Kipnuk Traditional Council.

**THEREFORE BE IT RESOLVED THAT** the Kipnuk Traditional Council fully supports Senator Hoffman's call for the State of Alaska to subsidize the difference when an Alaskan has to pay more than \$3 a gallon for residential heating fuel (for up to 600 gallons purchased per residence from the months of September through March).

**BE IT FURTHER RESOLVED THAT** the Kipnuk Traditional Council wholly supports an extension of the Power Equalization program (PCE) through Senate Bill 88 and supports continued and full funding of the Renewable Energy Fund by the Alaska State Legislature.

**CERTIFICATION:**

We, the undersigned, hereby certify that the Kipnuk Traditional Council adopted the foregoing Resolution at a duly called, noticed and convened meeting on February 17<sup>th</sup>, 2009, by the affirmative vote of 4 members, with 0 members opposed, and 0 abstaining, and that a quorum was present.

  
Paul Joshua Paull, President

ATTESTED:   
Daniel M. Mute, Secretary

## *Kipnuk Light Plant*

P.O. Box 071 • KIPNUK, AK 99614  
907-896-5427

To: Senators and Representatives

We support the SB 88 and 91. SB 88 would make electricity more affordable by increasing the amount of power paid through PCE. SB 91 would provide a \$300.00 fuel cap subsidy between September 1 and March 31 makes it more affordable for homes lowering the cost of heating homes. Attached is a resolution from Kipnuk Traditional Council which was passed on 17<sup>th</sup> of February 2009

Kipnuk Light Plant Manager

  
Samuel Carl



The Association of  
Village Council Presidents  
Regional Housing Authority  
(907) 543-3121 (800) 478-4687

Box 767  
Bethel, AK 99559  
(907) 543-3933 (FAX)

BOARD OF COMMISSIONERS  
ASSOCIATION OF VILLAGE COUNCIL PRESIDENTS  
REGIONAL HOUSING AUTHORITY

RESOLUTION # 09-02

A RESOLUTION FOR AVCP RHA  
TO SUPPORT SENATE BILL 88

- WHEREAS,** The Association of Village Council Presidents Regional Housing Authority (AVCP RHA) provides housing services for the villages in the Yukon-Kuskokwim region; and
- WHEREAS,** This Senate bill is an act entitled; an Act repealing certain provisions relating to modifying the factors that apply to calculating the amount of power cost equalization, and
- WHEREAS,** The high cost of electricity is impacting the residents in our region as well as the residents of Alaska; and,

**NOW THEREFORE BE IT RESOLVED** that the Association of Village Council Presidents Regional Housing Authority hereby supports Senate Bill 88.

**CERTIFICATION**

The foregoing resolution was passed by the Board of Commissioners of the Association of Village Council Presidents Regional Housing Authority in a duly called meeting where a quorum was present, this 19th day of February 2009 by a vote of 5 ayes, 0 nays and 0 abstaining.

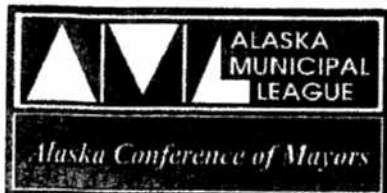
SEAL



ATTEST:

*Robert Nick*  
Robert Nick, Chairperson

*George Peter*  
George Peter, Secretary/Treasurer



217 Second Street, Suite 200 • Juneau, Alaska 99801

Tel (907) 586-1325 • Fax (907) 463-5480 • [www.akml.org](http://www.akml.org)

**ALASKA MUNICIPAL LEAGUE  
RESOLUTION #2009-14**

**A RESOLUTION URGING THE GOVERNOR AND THE ALASKA LEGISLATURE TO EXPAND  
THE POWER COST EQUALIZATION PROGRAM TO INCLUDE MUNICIPAL FACILITIES,  
SCHOOLS, HEALTH CLINICS, AND COMMERCIAL ENTERPRISES NOT ELIGIBLE UNDER  
EXISTING LAW.**

**WHEREAS**, energy costs throughout Alaska are creating significant financial burdens for many residents; and

**WHEREAS**, communities purchase fuel at a contract price that remains fixed even when prices fall; and

**WHEREAS**, rural municipalities, schools, health clinics and commercial enterprises are facing increasing difficulty meeting energy expenses; and

**WHEREAS**, the high cost of fuel for space heating and electricity generation threatens the stability of rural communities; and

**WHEREAS**, communities that pay in excess of the average kilowatt-hour cost of Juneau, Anchorage, and Fairbanks should be eligible for funding; and

**WHEREAS**, the Alaska Legislature amended the Power Cost Equalization Program during the 2008 Special Session by raising the eligibility ceiling to \$1.00 per kilowatt-hour for one year; and

**WHEREAS**, the State of Alaska administers the Power Cost Equalization Program to provide residents relief from burdensome fuel costs, thereby providing for community stability and economic relief.

**NOW, THEREFORE BE IT RESOLVED** that the Alaska Municipal League urges the Governor and the Alaska Legislature to expand the Power Cost Equalization Program to include municipal facilities, schools, health clinics, and commercial enterprises with an appropriate increase in the 70 Kwh per capita credit used to calculate the subsidy, and provide comprehensive assistance to eligible communities.

**AND, BE IT FINALLY RESOLVED** that the Alaska Municipal League believes that the expanded PCE program should provide short-term relief from burdensome energy costs and be phased out as the cost of energy is reduced.

**PASSED AND APPROVED** by the Alaska Municipal League on this 14<sup>th</sup> day of November, 2008.

Signed: \_\_\_\_\_

Denise Michels, President, Alaska Municipal League

Attest: \_\_\_\_\_

Kathie Wasserman, Executive Director, Alaska Municipal League

Member of the National League of Cities and the National Association of Counties

**Jay Livey**


---

**From:** Sen. Lyman Hoffman  
**Sent:** Friday, January 30, 2009 4:01 PM  
**To:** Jay Livey  
**Subject:** FW: Expensive living in the Bush

---

**From:** Edna Nicolai [mailto:kwetcc@yahoo.com]  
**Sent:** Monday, January 26, 2009 11:54 AM  
**To:** Sen. Lyman Hoffman  
**Subject:** Expensive living in the Bush

Dear Senator Lyman,  
 Greetings from Kwethluk, Ak.

My question and wonder about fuel prices going down in Anchorage and the lower 48 states, and us in the bush, rural villages with high fuel prices, ranging from 6.23 a gallon for stove oil and 7.15 for gas, still rising in three months, why are gas prices going up in the bush and they're going down in the cities? Doesn't Alaska have it's own gas pipeline, it's own business in gas? It's really expensive to live in the bush. Not only in Emmonak are the crisis, it's all over the bush villages! Even in the Kuskokwim, because the fisheries in the commercial fishing season sell their fish for only .10cents for kings ' and .05 a pound for chums and so forth! We suffer with enormous charge accounts in the local stores, in debt with credit cards, just to get buy to live like the white man, to try to afford high prices in fuel and gas. Sometimes I myself, have to decide what to buy, food or gas or stove oil. Especially to have 7 people to support. I knew that supplement and the dividend had a catch to it too, it's like the state is bribing us constantly, to dry us up. How am I going to come up with 1,800 dollars when taxes are time, I work my ass off, trying to catch up with my light bill every month, which mounts up to 287 dollars a month, every month! The other thing I worry about is running out of stove oil, which 10 gallons of stove oil will last only a week, buy gas every day because we need woods to keep our house warm, to save up on stove oil, just so we wouldn't freeze during the night, once a month to go down to bethel to buy groceries, just to save money, and man, oh man, can't even afford to buy a bag of potatoes now a days, which costs almost 30 dollars! Fresh fruits, have to wait some other time, wait until their a little bruised, just to wait until they mark them down, because their very, very expensive! Once a month to buy food, my fridge is empty by the time the middle of the month arrives.

The Committee, the Senate, the higher Archy, they've never been here, never lived in the bush before, so they don't know what the heck is going on, it's not only in Emmonak that suffering is happening, it's all over the bush. Just the other day, the troopers were in the village, they confiscated a families caribou meat because they hunted without a license.

I can't afford to buy a license right now and my freezer is empty, my fridge is empty, because we just can't go out and kill edible food at this time, because we can't afford to buy gas either.

I know you've lived in Bethel, but it's worse now. We need help out here.

I appreciate your patience and time.

Thank you.  
 Sincerely,  
 Edna Nicolai  
 Kwethluk, Ak  
 in our banks, intentionally letting us suffer.

City of Chuathbaluk  
P.O. Box CHU  
Chuathbaluk, AK 99557  
Phone (907) 467-4115  
Fax (907) 467-4180

Senator Lyman Hoffman  
Alaska State Capitol, Room 518  
Juneau, AK 99801  
Phone (907) 465-4453  
Fax (907) 465-4523

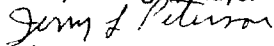
February 10, 2009

Re: Letter of Support – SB#88 and #91

Dear Senator Lyman Hoffman,

Our community supports the Senate Bill # 88 and #91; it will help all the families that are in low income energy crisis and outstanding electricity bill.

City Manager/Mayor

  
Jerry L. Peterson

Cc:

Senators:

Donald Olson  
Alaska State Capitol, Room 514  
Juneau, AK 99801  
Phone: (907) 465 3707 Fax: (907) 465 4821

Albert Kookesh  
Alaska State Capitol, Room 11  
Juneau, AK 99801  
Phone: (907) 465 3473 Fax: (907) 465 2827

Representatives:

Bob Harron  
Alaska State Capitol, Room 415  
Juneau, AK 99801  
Phone: (907) 465 4942 Fax: (907) 4589

Reggie Joule  
Alaska State Capitol, Room 502  
Juneau, AK 99801  
Phone: (907) 465 4833 Fax: (907) 465 4586

Richard Foster  
Alaska State Capitol, Room 410  
Juneau, Alaska 99801  
Phone: (907) 465 3789 Fax: (907) 465 3242

Woodie Salmon  
Alaska State Capitol, Room 114  
Juneau, AK 99801  
Phone: (907) 465 4527 Fax: (907) 465 2197