



Yukon Delta Fisheries Development Association

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To: The State of Alaska – Legislative House Special Committee on Energy

Co-Chairs: Rep. Bryce Edgmon and Rep. Charisse Millett

**Members: Rep. Nancy Dahlstrom, Rep. Kyle Johansen, Rep. Jay Ramras,
Rep. Pete Petersen, and Rep. Chris Tuck**

**Written & Oral Testimony of:
Yukon Delta Fisheries Development Association (YDFDA)
May 29, 2009**

Good afternoon members of the House Special Committee on Energy. My name is Deborah Vo and I am the Rural Development Specialist for Yukon Delta Fisheries Development Association (YDFDA), one of the six Community Development Quota (CDQ) organizations representing the Lower Yukon villages of Alakanuk, Emmonak, Kotlik, Nunam Iqua, Mountain Village, and Grayling. I am here to provide public testimony on energy issues as it relates to the Yukon-Kuskokwim Delta region.

First, YDFDA supports the Goals and Deployment Objectives outlined in the AVCP Calista Regional Energy Plan. These goals and objectives reduce the costs of generating power by integrating renewable energy solutions such as wind, hydro, and biomass projects.

Secondly, YDFDA supports bulk fuel purchasing under cooperative purchase agreements. It will reduce purchasing costs by our villages by participating in this type of arrangement.

On the All Alaskan Generation and Transmission Utility (AAG&T), YDFDA supports the concept as a long-term solution since the benefits reaped from such arrangement will be advantageous to all Alaskans. The Power Cost Equalization (PCE) subsidy that is necessary to equalize the cost of generated power across the state will no longer be needed under this scenario. However, the high cost of energy must be reduced in rural Alaska to spark economic development in our communities immediately.

Until the concept of the AAG&T is realized, YDFDA recommends and supports expanding the PCE program to private enterprises and public facilities, such as schools and clinics, in rural communities at 50% of what is subsidized to households and other community facilities and utilities. Currently, our subsidiary, Kwikpak Fisheries that operates in Emmonak, pays for the full cost of power including the fuel surcharge. The exorbitant cost of power, coupled with the high cost of transporting our product to market, makes it extremely difficult to compete globally and with non-rural communities. The savings incurred by lowering the cost of power will allow Kwikpak Fisheries to pay

a higher price to the fishermen in our villages for their fish, therefore contributing more cash to the local economy. Along the same lines, making PCE available to local schools and clinics to operate and maintain quality service at a more reasonable cost contributes to overall healthy and sustainable villages. Private investment by local and regional businesses is important to our communities and for our communities to thrive, affordable energy must be an important part of that equation.

Thank you.