



*Napaskiak Incorporated*

P.O. Box 6069  
Napaskiak, Alaska 99559  
(907) 737-7413

May 29, 2009

RE: Energy Testimony

Honorable Legislators and Representatives:

On behalf of the Napaskiak Incorporated Shareholders we want to thank the Alaska Legislature's efforts in addressing the energy needs of all Alaskans. Even with the proximity of Napaskiak to Bethel we have seen record fuel prices. With the prices fuel as they are in Napaskiak and our region we have been crippled with choices on whether or not to pay our electric bill or go cold in our homes or to go out to subsistence hunt and gather for meat or fish. This fall we were faced with a dilemma on whether to go cold or pay for a fuel delivery in the upwards of \$1.43 delivery fee per gallon, and a record wholesale cost for fuel oil, combined with cold weather and the basic need for survival our customer and shareholders had to pay \$7.096 a gallon the whole winter which amounted to \$354 a barrel of oil, some families had to sacrifice more than half of their paycheck a month to survive the unyielding cold this winter.

In the Corporation's store we have a delinquency rate of 34% and rising of all of our customers who charge for food and everyday necessities. The delinquency rate is due to the struggling economy and the choice to heat their homes or pay for their electricity so they don't spoil their foods or go cold because some of those homes do not have wood stoves. The Corporation Store is not eligible for the PCE program for being a profit entity and we have to pay \$0.60 per kilowatt hour, which translates to an average of \$3,500 a month.

We (Napaskiak Residents) have been fortunate with the help of the Association of Village Council Presidents helping our shareholders, customers and Tribal Members in the community of Napaskiak, without their help this winter would have looked very bleak. Thank you AVCP.

Inflation is here! The cost of the dollar is decreasing at an alarming rate. Postal rates have gone up, thus increasing the cost of food and other necessities, more than ever we will see a migration of shoppers going elsewhere for shopping instead of supporting their local store and local economy unless something is done. We have fought and made our voices known to keep the postal rates down to no avail. Something needs to be done and fast to increase the viability of our local economies in Napaskiak and Rural Alaska that are struggling or on the brink of failure.

Cordially,

Phillip Nicholai Jr.  
General Manager.

Cc: file