## Testimony of Gordon L. Pullar Vice President of Community Development Kodiak Area Native Association

to

House Energy Committee, Senate Resources/Energy Committees and the Bush Caucus

Hearing on Rural Alaska Energy Concerns

October 23, 2009 Anchorage, Alaska

Thank you for the opportunity to report on energy issues for the Koniag Native region. I am speaking today on behalf of the Kodiak Area Native Association (KANA), the regional non-profit corporation for our region, at the request of its president Andy Teuber. Our regional ANCSA corporation is Koniag, Inc. led by president Will Anderson.

The region that KANA serves is the Kodiak Archipelago, a group of islands separated from the mainland by the Shelikof Strait. The archipelago is about 177 miles long and includes nearly 5,000 square miles. Kodiak Island, the largest island of the group, is the second largest island in the United States behind only the island of Hawaii. The City of Kodiak (Sun'aq) is located 252 air miles southwest of Anchorage and is the population center of the region. There are six outlying Alutiiq (or Sugpiaq) villages, Akhiok (Kasukuak), Karluk (Kal'ut), Larsen Bay (Uyaqsaq), Old Harbor (Nuniaq), Ouzinkie (Uusenkaaq), and Port Lions (Masiqsiraq). The villages range in population from 24 to 256 and their distances from the City of Kodiak range from 11 miles to 90 miles. All villages are accessible only by air or sea. As with many places in rural Alaska, this is at the core of the high price of meeting energy needs.

Travel to and from Kodiak Island villages is particularly influenced by the weather. The climate of the Kodiak archipelago is dominated by a strong marine influence which often brings severe storms with strong winds, heavy cloud cover and frequent fog. Together these conditions can make travel, including fuel delivery, difficult at best. While storms can hit at any time of the year they are most frequent in the winter. Two of the villages have no docking facilities making wintertime fuel delivery nearly impossible by sea and a third village's dock is not suitable for fuel delivery. The only alternative is air delivery when weather permits and it is prohibitively expensive.

The villages of Kodiak Island have historically depended on the fishing industry as the basis for their livelihood. With the downturn in the fishing industry many people have been forced to leave the industry, often without ready alternatives for making a living. With this change, the high cost of fuel becomes a particularly difficult burden and creates significant roadblocks to viable economic development.

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In the area of energy needs in the form of electricity there have been, and continue to be, efforts to install viable alternatives. The village of Larsen Bay installed a small hydroelectric facility in 1991. Over the years, however, there have been significant operating issues to deal with making the system unreliable. The City of Larsen Bay has received a Community Development Block Grant to do a complete upgrade of the hydro facility, a project that is scheduled for completion this year. The result will be the displacement of a majority of the city's diesel fuel used for electrical generation.

The Kodiak Archipelago Rural Regional Leadership Forum is an island-wide grass roots group that addresses issues brought forth from the communities. It operates with funding and in-kind support from the Kodiak Island Housing Authority and Kodiak College of the University of Alaska Anchorage. A work session of the group that was held on October 1, of this year included the Alaska Energy Authority (AEA). The Forum looked at a variety of potential renewable energy projects including wind generation, hydro power, and tidal energy. Two villages, Ouzinkie and Old Harbor, have installed wind-metering towers to determine wind potential. Ouzinkie's tower was destroyed and a new one is planned. Old Harbor's wind study revealed that the wind is not consistent enough to justify continuation.

Old Harbor is, however, investigating another energy approach. The Old Harbor Native Corporation, the ANCSA village corporation representing the village of Old Harbor, has recently announced its plans to develop a new hydro electric project. If no serious concerns are revealed during scoping meetings scheduled for this week, funding for the project will be pursued. The project will be a collaborative effort among the Old Harbor Native Corporation, City of Old Harbor, Alaska Village Electric Cooperative (AVEC), and the U.S. Fish and Wildlife Service.

The villages of the Kodiak archipelago have been well aware of the challenges they face in meeting their energy needs. They have been and continue to investigate partnership opportunities with private enterprise. Because of the small scale of the villages it is crucial that they identify opportunities to partner with both private enterprise and government agencies. They are aware of the need to expand and improve solid transportation infrastructure with docks that have the capability to support fuel off-loading as well as serve economic development opportunities.

Within the past five years community plans funded by the Kodiak Island Housing Authority have been developed for four of the six Kodiak Island villages. This planning was done outside the Kodiak Island Borough planning process which, due to its small staff size, primarily focuses on land use planning and not economic development or energy planning.

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The State of Alaska's involvement should focus first on short-term relief, sustainable energy planning, and long-term capital support. The state should support energy efficiency education programs and community energy audits to identify areas where individual households and community buildings can conserve energy, such as are currently being supported by the Alaska Energy Authority. Where appropriate, direct financial support to defray the high cost of fuel will be needed until less expensive projects can be implemented. State agencies should increase collaboration with local governments and regional agencies in support of community and regional energy plans that identify viable sustainable energy alternatives. Support for feasibility studies may also be needed. To support these planning efforts, the state should consider expanding the ability of the Alaska Energy Authority to offer planning assistance to rural communities. There is a need for statewide support of inter-agency cooperation in funding identified capital projects.

When new alternative energy projects are implemented there will be a crucial need for training and education on how to effectively manage them for success. Without this training there is a much higher probability of failure. This critical need will best be met by state supported programs.

It is always a challenge when small rural villages express their needs for the basic amenities that many urban dwellers take for granted. There will always be those who claim that if Alaska Natives can't afford to live in rural Alaska they should move to a city. This position does not deserve serious consideration as it is a basic human right for indigenous people to live in their homelands where they have resided for thousands of years. Culture change brought on them from the outside has shifted the requirements for survival but it has not changed who they are or changed their strong connection to their traditional land. The challenges surrounding energy issues for the Native villages of the Koniag region may seem daunting at times but they are not insurmountable. The Alutiiq villages of Kodiak Island have overcome many adversities in the past and with help they will overcome these adversities as well. The solutions to energy issues in Kodiak Island villages will take strong efforts from all those involved from the State of Alaska, relevant federal agencies, regional organizations, and the villages themselves. With all of these entities working together there is nothing that can't be accomplished.

Quyanaasinaq! Thank you very much.