



KAWERAK, INC. • P.O. Box 948 • Nome, AK 99762

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SERVING THE
VILLAGES OF:
BERING MISSION
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GAMBELL
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KOYUK
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NOME
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STEBBINS
ST. MICHAEL
TELLER
UNALAKLEET
WALES
WHITE MOUNTAIN

March 24, 2010

Senate Finance Committee

Honorable Co-Chair Senator Burt Stedman

Honorable Co-Chair Senator Lyman Hoffman

Alaska State Capitol

Juneau AK, 99801-1182

RE: - CSSB220(RES) Sec 15(d)(1) Pg 12, Ln 21 - Renewable Energy project preference

Honorable Senate Finance Committee:

Kawerak, Inc. is a regional Native non-profit organization providing services to 15 Native Villages in the Bering Strait Region. Energy consumes from 40-60% of per-capita income in these small remote communities. The Renewable Energy Grant Fund offers hope for some long term relief. Please think carefully about proposed changes in the project ranking method.

We oppose the proposed amendment to AS 42.45.045(d) found in Section 15 of CSSB220(RES) that would give Renewable Energy Grant preference to "projects that are likely to have financial benefit that exceeds the amount of grant funds received" because it would divert renewable energy grant funding away from small isolated rural communities, where it is needed most, and into regional hubs and big cities. Financial analysis is bound to favor places where construction costs are low and projects can capture economies of scale.

We recommend the Renewable Energy Grant Fund AS 42.45.045(d) continue to give preference "to projects that serve any area in which the average cost of energy to each resident of the area exceeds the average cost to each resident of other areas of the state."

Respectfully,

Loretta Bullard, President, Kawerak Inc

CC: Honorable Co-Chair Senator Bert Stedman, Room 516

CC: Honorable Co-Chair Senator Lyman Hoffman, Room 518

CC: Honorable Senator Donald Olson, Room 508