



Interior Alaska – The “Place” To Do Business

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March 12, 2015

Honorable Senators Bishop & Micciche
Co-Chairs, Special Committee on Energy
Alaska State Legislature

RE: Letter of Support for Senate Bill 57 – Clean Air Act Plan

Dear Senators Bishop and Micciche,

The Greater Fairbanks Chamber of Commerce supports SB 57, an Act relating to the development of state emission standards in accordance with the federal Clean Air Act.

SB 57 protects Alaska’s ratepayers from the EPA’s proposed rule regulating existing power plants. The proposed rule is built on assumptions that are unworkable in Alaska due to limited availability of viable energy options. For example, the Interior does not currently have access to natural gas for power generation; nor is there existing capacity available on the Intertie to send more gas-fired power from Southcentral Alaska.

Coal is Interior Alaska’s lowest-cost source of energy. On a per Btu basis, coal is half the cost of natural gas, one-third the cost of naphtha, and one-sixth the cost of diesel. If Golden Valley Electric Association were forced to shut down Healy #1, a coal-fired power plant, energy costs in Interior Alaska would be significantly higher. Bringing Healy #2 online will double the amount of coal-fired power capacity available to GVEA, which will stabilize rates and have potential savings of as much as \$30 million annually, because of coal’s much lower cost relative to other fuels. Yet, the EPA’s proposed rules threaten GVEA’s ability to provide this opportunity.

Our community is already facing exorbitant energy costs that continue to impact our economy. The Chamber’s Board of Directors remains committed to supporting efforts that reduce the cost of energy. We urge you to support Senate Bill 57.

Sincerely,

GREATER FAIRBANKS CHAMBER OF COMMERCE

Lisa Herbert
Executive Director

Jennifer Imus
Board of Directors, Chair

INVESTORS

DIAMOND

- Alaska Airlines
- BP Exploration
- ConocoPhillips
- ExxonMobil
- Fairbanks Daily News-Miner
- Fairbanks Memorial Hospital & Denali Center
- Flint Hills Resources Alaska
- Mt. McKinley Bank

PLATINUM

- Alyeska Pipeline Service Co.
- Doyon, Limited
- Fred Meyer Stores
- Golden Heart Utilities
- Wells Fargo Bank Alaska

GOLD

- Carlson Center
- Denali State Bank
- Design Alaska
- Doyon Utilities LLC
- First National Bank Alaska
- GCI
- Kinross Fort Knox Mine
- Lynden
- Northrim Bank
- Sumitomo Metal Mining Pogo LLC
- Usibelli Coal Mine
- WAL-MART Stores, Inc.

SILVER

- Agency 49
- Alaska Communications
- Alaska Railroad
- Alaska USA
- Dr. Christopher Henry
- Henry Orthodontics
- Everts Air Cargo, Everts Air AK
- Exclusive Paving & University
- Redi-Mix
- Fairbanks Natural Gas
- Flowline Alaska
- General Teamsters Local 959
- Gene’s Chrysler, Jeep & Dodge
- Hale & Associates, Inc.
- JL Properties, Inc.
- Key Bank
- MAC Federal Credit Union
- Personnel Plus
- Sam’s Club
- Seekins Ford Lincoln
- Shell Exploration & Production Co.
- Spirit of Alaska FCU
- State Farm Insurance
- Tammy Randolph, Agent
- Ed Randolph, Agent
- Tanana Valley Clinic
- TDL Staffing
- Totem Ocean Trailer Express
- Tower Hill Mines-Livengood
- Gold Project
- University of Alaska Fairbanks
- Verizon Wireless
- Vivlamore Companies
- Yukon Title Company