

Senator Cathy Giessel
State Capitol
Juneau, AK 99801

ATTN: A Letter in Support of SB57

Dear Senator Giessel:

Consumer Energy Alliance – Alaska strongly supports SB57.

The proposed carbon emissions rule on existing electric generating units will undoubtedly cause reliability and affordability concerns for many states, particularly those that utilize coal for a large portion of their electricity generation.

The proposed rule will force states to make some difficult decisions that will ultimately lead to fuel switching and higher prices. Forcing a change in our energy mix limits our options and disrupts the fuel diversification that has been critical to low electricity costs.

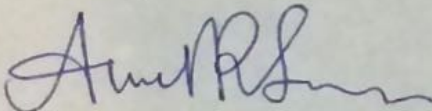
Higher costs will be borne on every consumer – including our most vulnerable. Already, low income families spend nearly 12 percent of their disposable income on energy, 30 percent higher than the average family. Alaska already has some of the highest energy prices in the nation.

The same goes for manufacturers whose global competitiveness and profitability can be upended by even a one- or two-cent increase in the price per kilowatt hour. America is experiencing a manufacturing renaissance that has lowered unemployment and boosted U.S. exports. However, our manufacturing base depends on low cost energy. Factories across the Midwest and Southeast, where this rule will sting most, could be forced to lay-off workers and slow assembly lines to account for the consequences of this rule.

We appreciate your amendment to the proposed 111d rule, as the 26% reduction goal set by the EPA does not fit Alaska. The "building blocks", or guidelines, for state implementation are inappropriate. In Alaska, the plan development will be more difficult to attain than assumed by the EPA due to limited availability of viable energy options.

In closing, CEA urges Alaska's Senate to adopt SB57 to prioritize Alaska's energy consumers by ensuring these rules do not negatively affect the reliability and affordability of electricity.

Sincerely,



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