

Tanana Chiefs Conference

122 1st Avenue
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The Honorable Governor Bill Walker
Alaska State Capitol
Third Floor
Juneau, Alaska 99801

March 4, 2016

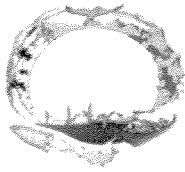
Dear Governor Walker:

On behalf of Tanana Chiefs Conference, the Inter-Tribal Consortia of 42 member tribes across Alaska's Interior; we respectfully request that you reconsider full removal of \$6.3 million in State operating funds for Alternative Energy & Efficiency programs at the Alaska Energy Authority, included in your FY2017 Amended Budget released on February 16, 2016. The programs impacted by these amendments provide critical support to residents, tribes, utilities, and community organizations in Alaska's most remote communities.

The amendment: eliminates \$5 million in capital funding for the Renewable Energy Fund; eliminates the funding component that supports staff for renewable energy initiatives, emerging energy technology and energy efficiency programs; and it eradicates the funding component used for rural power house and bulk fuel training, community assistance, and the circuit rider maintenance support program. Finally, this amendment limits the Alaska Energy Authority from accepting federal funding, including a recently secured award of \$250,000, from the U.S. Department of Energy to support the Emerging Energy Technology Fund.

It is very difficult for Alaskan residents on the rail belt to understand the degree to which rural communities are dependent on assistance from the Alaska Energy Authority (AEA). AEA acts equal parts as a technical assistance provider for existing diesel generation and information clearinghouse for energy generation technology and energy efficiency. Removing funding from AEA will significantly weaken rural Alaska's energy infrastructure and the proposed cuts risk eliminating many of the advances that have been made over the last decade toward rural Alaskan energy sustainability.

Although we are well aware of the current fiscal condition of the State of Alaska, and the fact that spending cuts will be necessary to help balance the budget, we believe full eradication of a suite of programs at the State's energy office is ***neither sensible nor reasonable***. This move will cripple the State's ability to provide crucial support to address the high cost of energy in our most rural communities – those very communities you have acknowledged are still paying an overwhelming percentage of income to cover energy-costs.



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We believe a conservative investment back into AEA's Energy & Efficiency programs will augment the work of non-profits like ours, who are aggressively working to support and improve the small utilities that are spread across our region.

Thank you, in advance, for your consideration. We appreciate all you do on behalf of rural, and all of, Alaska

Sincerely,

TANANA CHIEFS CONFERENCE

President / Chairman

CC: Senator Lyman Hoffman

Representative Bob Herron

House Finance Committee

DCCED Budget Sub-Committee

Pat Pitney, Director of the Office of Management & Budget

Commissioner Chris Hladick, Department of Commerce, Community, and Economic Development

Sara Fisher-Goad, Director of the Alaska Energy Authority