



Office of the
CHAIRMAN & PRESIDENT

February 29, 2016

The Honorable Lyman Hoffman
Alaska State Senate
Alaska State Capitol, Room 508
Juneau, Alaska 99801-1182

RE: Support of SB 196

Dear Senator Hoffman,

The Alaska Native Tribal Health Consortium supports Senate Bill No. 196 entitled “An Act relating to the use of certain unexpended earnings from the power cost equalization endowment fund”. The proposed legislation provides for the use of unexpended annual earnings to continue support of the Renewable Energy Grant Fund established under AS 42.45.045.

The Renewable Energy Grant Fund currently provides resources, among other uses, to help lower the costs of operating sanitation utilities throughout our state. Rural Alaska pays more than twice the statewide averages for heating fuel and electricity. Fuel costs are highly unpredictable in the current economic environment and it is clear that most rural communities will pay substantially higher costs for energy. Higher expenses are reflected in our costs of living and include the costs of water and sewer utility services to homeowners.

Since 2010, ANTHC has worked on behalf of Alaska’s rural communities to identify, design and construct renewable energy solutions to reduce the high cost of rural sanitation systems. Integration of renewable energy as part of the solution to high operating costs serves to not only reduce system dependence on high-cost fossil fuels, but also leads to more affordable and sustainable residential water and sewer service.

SB 196 allows ANTHC to continue to use renewable energy solutions such as recovered heat, heat to wind, ground source heat pumps and biomass derived heat to reduce costs to rural households. As a match, Renewable Energy Grant Funds allows the Consortium to attract more than \$2 additional federal dollars to Alaska for each dollar received from the Fund. These leveraged dollars are used to lower individual sanitation system energy costs by 50% or more. Annual savings to communities and households is critical to keeping public water and wastewater disposal systems operating in these small cities and villages. ANTHC projects completed with Renewable Energy Grant Funds are producing

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an annual savings to small communities of **\$2,563,162** with a return on investment **(ROI) of 7.5 years.**

Thank you for the opportunity to voice our support for Senate Bill 196. If the committee has any questions regarding our efforts to reduce the costs of sanitation services through the reduction of energy use, we would be happy to offer additional details.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Andy Teuber', with a stylized flourish at the end.

Andy Teuber
Chairman and President