

April 20, 2022

Senate Finance Cochair Bishop
Senate Finance Cochair Stedman
House Finance Cochair Foster
House Finance Cochair Merrick

RE: Funding support for the Port of Alaska

Dear Senate and House Financing Committees:

As a leading ocean carrier of cargo providing regular service to three Alaska ports carrying roughly half of Alaska's ocean-borne freight, we request the State Legislature support funding for the Port of Alaska Modernization Program (PAMP).

The Port of Alaska (Port) in Anchorage is in a race against time to replace the aging docks before they are further derated. The Port is the heart of Alaska's supply chain. The state's dependence on the Port cannot be overemphasized. There is no viable alternative for delivering the volume of goods and materials required to keep Alaskans fed and to sustain our economy. The Port provides the only fully operational facility for handling containers and roll-on-roll-off cargo in the state.

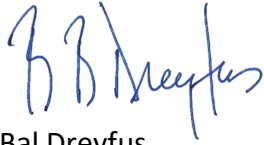
As the entry point of roughly 50% of goods entering the state supporting the needs of 90% of Alaskans, the Port is the crucial link in the supply chain for food security, national defense, and economic development of the entire state. The island communities of Kodiak and Unalaska rely on Matson's regularly scheduled, twice-weekly service at the Port in Anchorage to meet their communities' needs.

Port users, the Municipality of Anchorage and the Anchorage Assembly are aligned and support the design and construction plan for the cargo docks. Twenty-three Alaska organizations, including labor unions, chambers of commerce and industry groups, recently sent letters of support to the US Department of Transportation and US Army Corps of Engineers requesting financial support.

As the state's largest and most critical infrastructure project, it is going to take a variety of sources to finance the project, including federal and state funding as well as tariffs. As such, we request the State Legislature support funding for the Port this year.

Thank you for your attention to this matter. Please contact me with questions you may have or for testimony if needed.

Sincerely,



Bal Dreyfus
Senior Vice President, Alaska
Matson

CC:

Randy Ruaro, Chief of Staff, Governor Dunleavy
Ryan Anderson, Commissioner, Department of Transportation
State House Finance Committee members
State Senate Finance Committee members
Senator Tom Begich
Kolby Hickel, Deputy Municipal Manager, Municipality of Anchorage
Steve Ribuffo, Director, Port of Alaska



April 21, 2022

Alaska State Legislature
Senate and House Finance Committees
Co-Chair's Senator Click Bishop and Senator Bert Stedman
Co-Chair's Representative Neal Foster and Representative Kelly Merrick

RE: Critical infrastructure – Port of Alaska Modernization Funding

Dear Senate and House Finance Committee Chairs:

I am writing you today to respectfully request your support of funding for the Port of Alaska Modernization Program (PAMP). I strongly believe your support for this key infrastructure redevelopment is vital to the national interest for many reasons.

The Port of Alaska (Port) in Anchorage is entering a critical time to replace the aging docks before they are further derated. The Port is the heart of Alaska's supply chain. The state's dependence on the Port cannot be overemphasized. There is no viable alternative for delivering the volume of subsistence goods and materials needed for Alaskans and the state economy. The Port is also critical to the U.S. Department of Defense. The Port provides the only fully operational facility for handling containers and roll-on-roll-off cargo in the state. There is no viable alternative infrastructure.

As the entry point of more than 50% of goods entering the state supporting the needs of 90% of Alaskans, the Port is the crucial link in the supply chain for food security, national defense, and economic development of the entire state. It also supports the viability of Ted Stevens Anchorage International Airport as the key source of goods and materials that directly supports the businesses and workforce that make operations viable at Ted Stevens Anchorage International Airport, the 4th busiest cargo airport in the world and vital trade link to Asia.

The current condition of the Port's docks puts Alaska's supply chain at high risk. Sixty years of use and the arctic climate have deteriorated the dock's support piles. Engineers have estimated the docks are at risk of being derated further due to loss of load bearing capacity and are at increased risk of failure in the event of another earthquake.

The PAMP began in 2016 to replace the Port's aging infrastructure. The petroleum and cement terminal are nearly complete and now cargo dock design and permitting are underway. Due to 90% of Alaskans' reliance on the Port and there being no viable alternative, we are in a race against time and are requesting the USDOT's support for funding of this critical and urgently needed infrastructure project.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Bill Popp', is written over a light blue horizontal line.

Bill Popp
President & CEO



CC:

Randy Ruaro, Chief of Staff, Governor Dunleavy

Ryan Anderson, Commissioner, Department of Transportation

State House Finance Committee members

State Senate Finance Committee members

Senator Tom Begich

Kolby Hickel, Deputy Municipal Manager, Municipality of Anchorage

Steve Ribuffo, Director, Port of Alaska



Anchorage Fueling and
Service Company



CROWLEY



Matson

PETRO STAR INC.



Port of Alaska Users Group

April 22, 2022

Senator Click Bishop
State Senate
Alaska State Capitol
120 4th Street, Room 3
Juneau, AK 99801-1182

Representative Neal Foster
House of Representatives
Alaska State Capitol
120 4th Street, Room 3
Juneau, AK 99801-1182

Senator Bert Stedman
State Senate
Alaska State Capitol
120 4th Street, Room 3
Juneau, AK 99801-1182

Representative Kelly Merrick
House of Representatives
Alaska State Capitol
120 4th Street, Room 3
Juneau, AK 99801-1182

RE: State funding for the Port of Alaska

Dear Finance Committee Co-Chairs:

The Port of Alaska Users Group, representing the nine private companies that transport cargo, fuel and cement to Alaska via the Port of Alaska (Port), is requesting the Alaska State Legislature support funding for the Port of Alaska Modernization Program (PAMP).

The Port of Alaska is the lynchpin of our state's supply chain and critical to Alaskans' food security and the transportation of fuel and cement. Over 60 years of use and corrosion have deteriorated the dock's support piles, leaving the Port in a race against time to replace them.

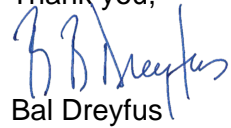
The Port supports \$14 billion in statewide economic activity annually, while 9 in 10 Alaskans rely on goods that come through the Port, including half of all containers shipped to southcentral Alaska and 80% of cement used for construction in the state. Despite its significance, the Port's infrastructure has far exceeded its design life, where the pilings supporting the dock have experienced severe corrosion.

The deteriorating condition of the piles and the state's reliance on the Port require that modernization be completed as soon as possible. If the cargo docks became inoperable, there are no viable alternatives for delivering food and supplies Alaskans rely on. The Port of Alaska is the only southcentral-Alaska facility with the waterfront infrastructure, inter-modal transportation network and workforce to support Alaska's cargo needs. Funding is needed now to protect Alaska's critical link to the supply chain.

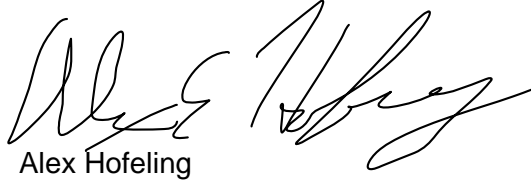
While the specific business needs of each Port user may vary, we are united in our vision for a facility that will continue meeting the needs of Alaskans for decades to come. We request your support in securing financial support from the state for this critical and urgently needed infrastructure project.

Thank you for your consideration and please contact us – or any member of the Port of Alaska Users Group – for data, background information, or testimony, if needed.

Thank you,



Bal Dreyfus
Port of Alaska Users Group, Co-chair
Matson, Senior Vice President, Alaska



Alex Hofeling
Port of Alaska Users Group, Co-chair
TOTE Maritime Alaska, President

The PAUG consists of the following companies:

- | | |
|--|-------------------------|
| 1. Alaska Maritime Agencies | 5. Delta Western |
| 2. Anchorage Sand and Gravel | 6. Marathon |
| 3. Anchorage Fueling & Service Company | 7. Matson |
| 4. Crowley | 8. Petro Star |
| | 9. TOTE Maritime Alaska |

CC:

Randy Ruaro, Chief of Staff, Governor Dunleavy
Ryan Anderson, Commissioner, Department of Transportation
House Finance Committee members
Senate Finance Committee members
Senator Tom Begich
Kolby Hickel, Deputy Municipal Manager, Municipality of Anchorage
Steve Ribuffo, Director, Port of Alaska
Port of Alaska Users Group members