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April 26, 2023

Representative George Rauscher  
Chairman, House Special Committee on Energy  
State Capitol  
Juneau, Alaska 99801

RE: HB 121 Utilities Renewable Portfolio Standard

Dear Representative Rauscher and Members of the House Special Committee on Energy:

As the Committee deliberates HB 121 Utilities: Renewable Portfolio Standard, please consider the importance of coal in providing stable jobs as well as reliable, affordable, heat and power in Interior Alaska.

Alaska's energy policies must prioritize reliability and affordability while embracing technological innovation to reduce emissions. It is essential that energy policy is based on realistic, regional solutions that do not unnecessarily burden ratepayers.

Coal-fired heat and power plants are the backbone of energy generation in Interior Alaska. Coal accounts for approximately 40% of Golden Valley Electric Association's electricity generation. Interior Alaska's remote location and cold climate drive high energy demands in the region. Given coal's abundance, as well as its price advantage over other fuels, the absence of coal from the region's energy mix would significantly increase costs, which would likely be passed on to ratepayers.

Coal-fired generation provides firm, base-load heat and power. There is no readily available alternative to Alaska's coal fleet. As you know, natural gas is not readily available and renewable energy options cannot provide firm power. Renewable sources are intermittent and cannot be relied upon during Interior Alaska's cold, dark, winter months.

It is critical that Alaska's policy makers not only understand the realities of the region's unique energy needs and opportunities, but also approach this legislation sensibly so as not to cause unintended consequences. Jeopardizing jobs and the reliable, affordable, heat and power generated by coal in Interior Alaska to make room for more expensive and less-reliable, intermittent renewable energy is dangerous. Energy policy must prioritize reliability and affordability.

If you have any questions about coal's importance in Alaska, please contact me at [lorali@usibelli.com](mailto:lorali@usibelli.com).

Sincerely,

A handwritten signature in black ink that reads 'Lorali M. Simon'.

Lorali M. Simon  
Vice President, External Affairs