

**2/16/12
PRESENTATION:
YK VILLAGE
CLUSTER
CONSOLIDATED
SERVICES MODEL
PLAN**

<TARGET><BILL></BILL><SUBJECT>2-16-12 PRESENTATION YK
VILLAGE CLUSTER CONSOLIDATED SERVICES MODEL
PLAN</SUBJECT><COMM>HCRA27</COMM></TARGET>

YK Village Cluster Consolidated Services Model Plan

Alaska State Legislature
Community & Regional Affairs Committee

presented by:

Andrew Guy and Christine Klein
CEO/President and COO/EVP
Calista Corporation



CALISTA CORPORATION
www.calistacorp.com

Village Cluster Consolidated Services Presentation Outline *delete in final*

Opening – we're a product of AK villages, access larger communities w limited services, from both ends of AK

- Commonality = villages, near slightly larger community utilized for services, education, etc
- Differences = Calista entire region lacks affordable energy, no or limited transportation, few jobs

1. Community Sustainability:

- Areas with small rural communities and little infrastructure have extremely high living costs, they must share and leverage resources to ensure community sustainability
- Calista Region YK good model (large # small villages, lack of basic infrastructure, and highest energy heat/electricity costs in nation)

2. Village Cluster Consolidation Model Proposed:

- Public Infrastructure & Services Master Plan for Three groups of closely located villages
- Sub-regions and hubs in the larger YK area
- Cost and Implementation Plan
 - Funding \$1.5M to start
 - Coordinated State Agency top level task force

3. Benefit of Village Clusters with road linkage

- State Depts would consolidate & share resources, build infrastructure @ lower cost
- Reduce Duplication of infrastructure and services located closely together
- Provide better quality required public services (ie) high schools with elective classes
- Reduce rural cost of living, while improving student education, training, and workforce



Community Sustainability

1. Transportation Access

- Access In & Out
- Airports, ferries, railroad, ports, roads, trails
- Federal Land restrictions isolate our communities and resources today

2. Affordable Energy

- Dependable Power
- Affordable Energy
- Diesel used for heat and electricity is largely imported
- Few Transmission Grids

Economy

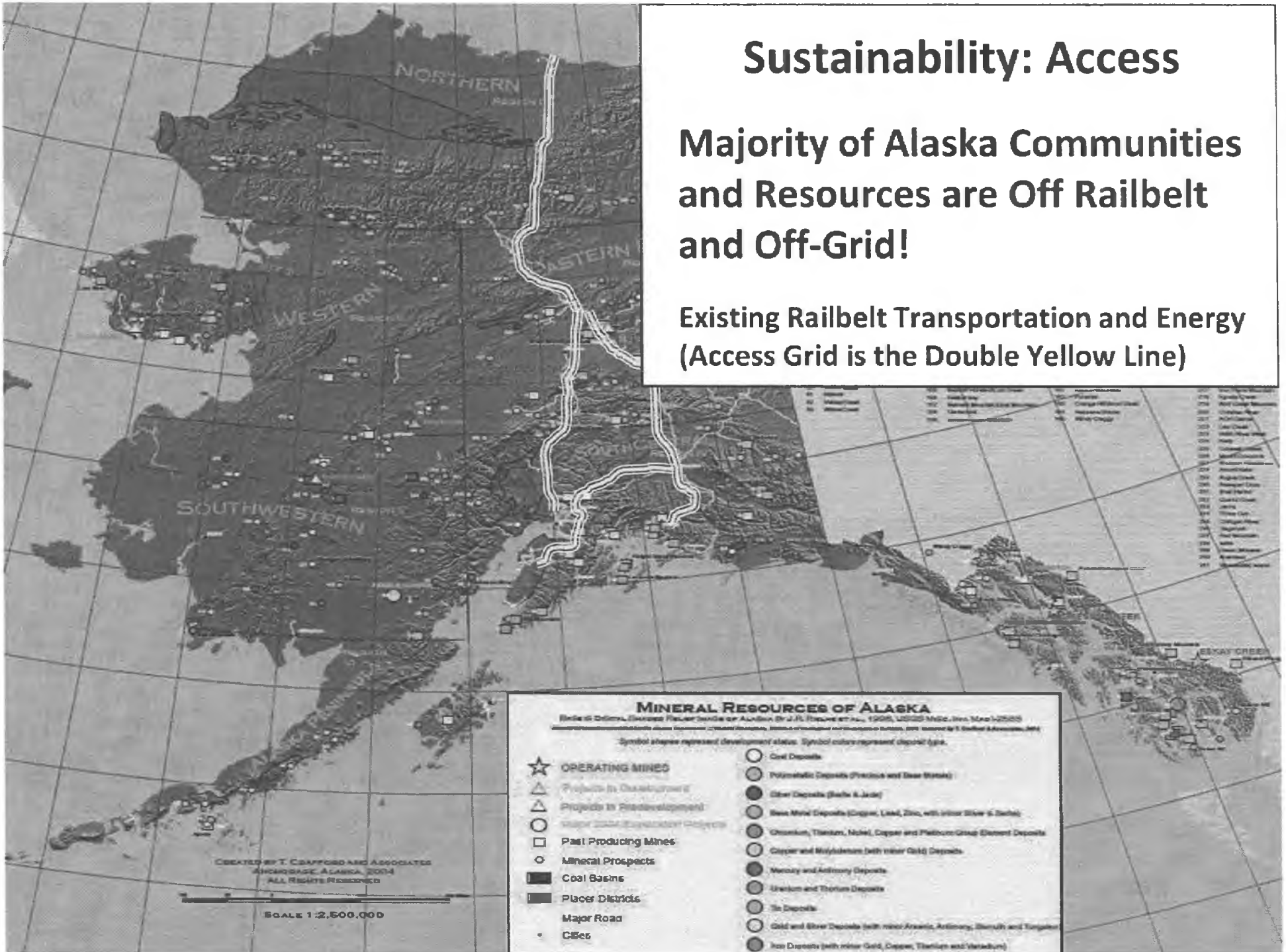
- Economy (jobs) means access to our God Given Resources:
 - Minerals
 - Oil and Gas
 - Forests
 - Mammals
 - Fisheries
 - People!



Sustainability: Access

Majority of Alaska Communities and Resources are Off Railbelt and Off-Grid!

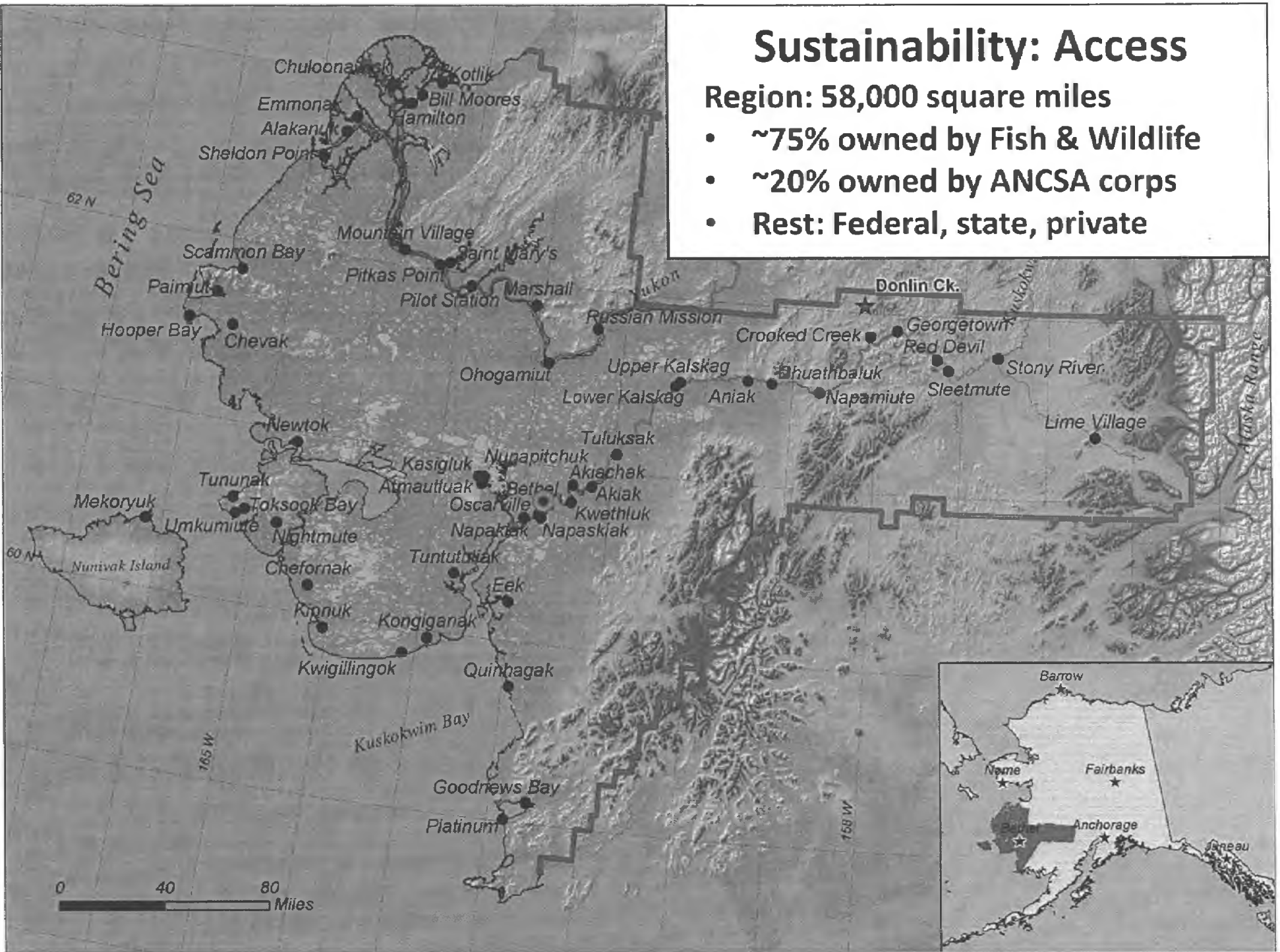
Existing Railbelt Transportation and Energy (Access Grid is the Double Yellow Line)



Sustainability: Access

Region: 58,000 square miles

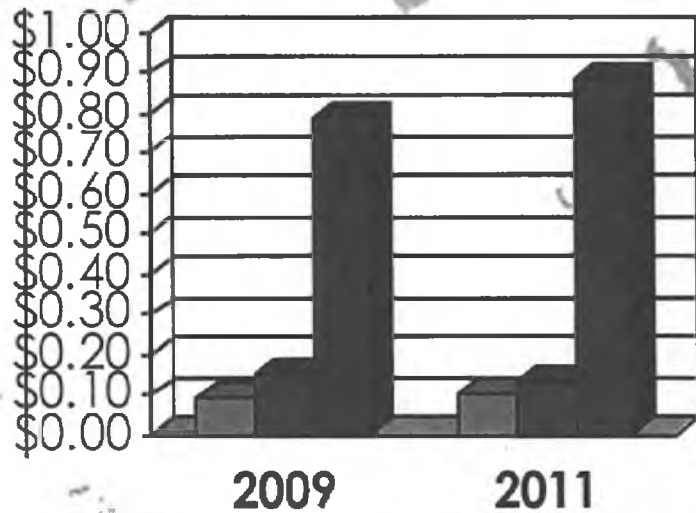
- ~75% owned by Fish & Wildlife
- ~20% owned by ANCSA corps
- Rest: Federal, state, private



Sustainability: Energy

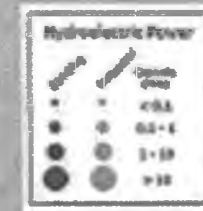
Lowest Energy Costs: Hydropower & Gas

Cost per kWh



■ Southeast ■ Southcentral ■ Rural

*Rural areas use diesel fuel



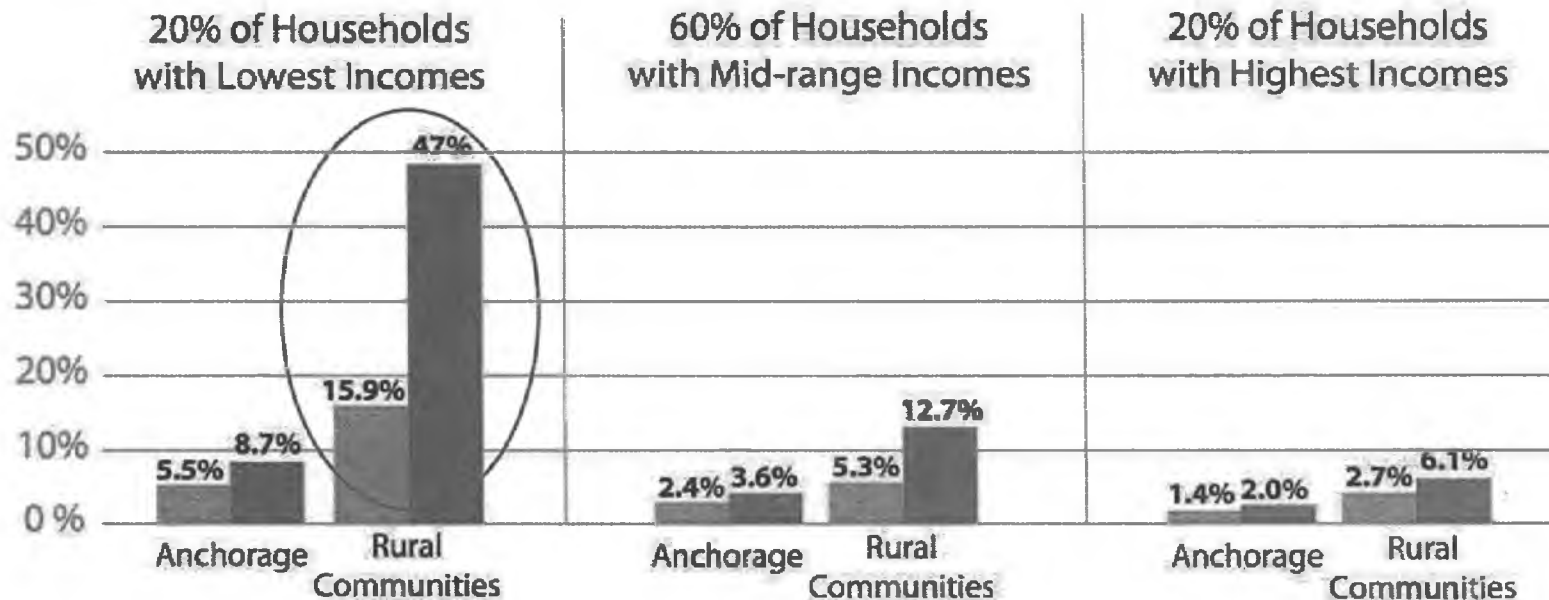
CALISTA CORPORATION
www.calistacorp.com

Sustainability: Energy

Rural Citizens' Disproportionately High Costs

Estimated Median Share of Income Alaska Households Spend for Home Energy Use

■ 2000 ■ 2008



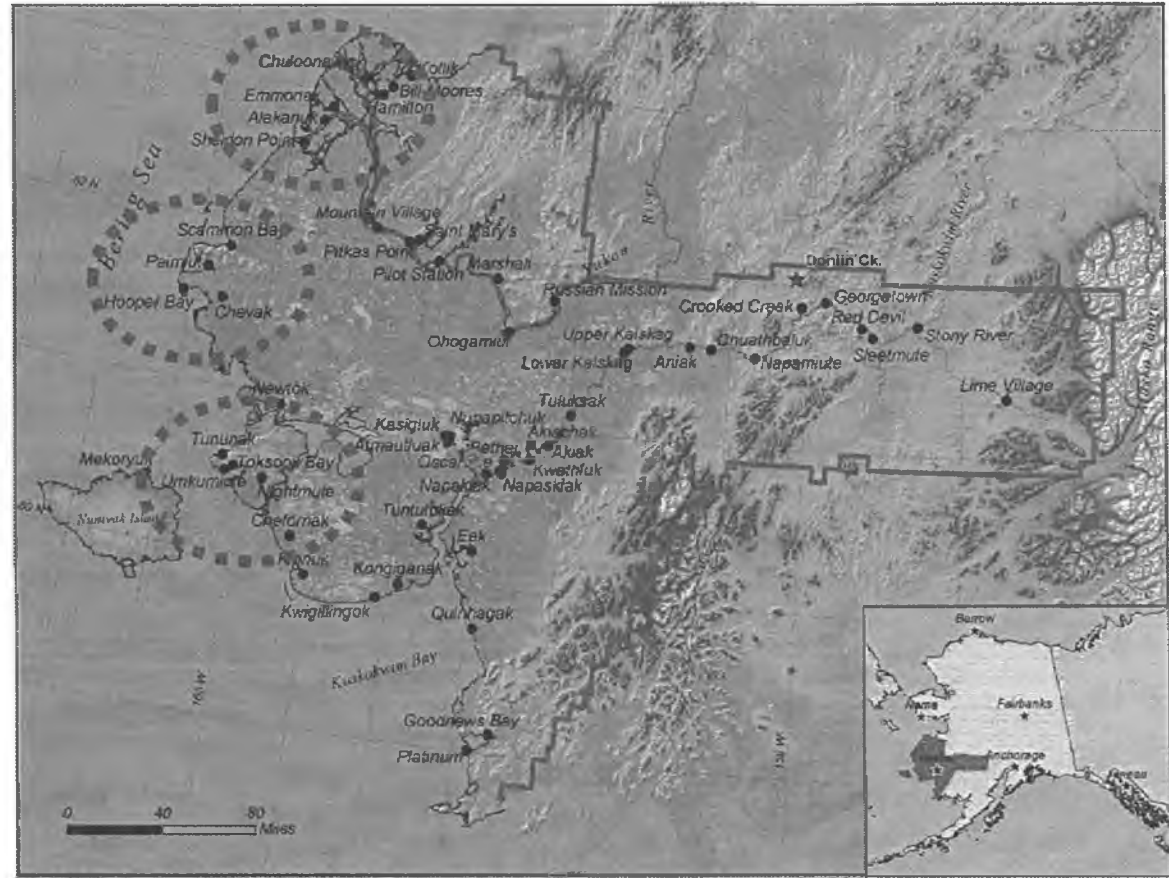
Source: *Estimated Household Costs for Home Energy Use, May 2008* a report by ISER



CALISTA CORPORATION
www.calistacorp.com

Village Cluster Model: Group Closely Located Villages

1. **I.D. feasible clusters** of close communities
2. **Access:** commit to link these villages by road
3. **Energy:** commit to transmission lines
4. **Coordination** of the shared public services, infrastructure, M&O
 - Power Plants
 - School(s)
 - Airports
 - Clinics, etc



CALISTA CORPORATION
www.calistacorp.com

Proposed Village Cluster Model: Shared Services Consolidation

- **Leadership Commitment** with multiple state government agencies commitment and plan for future infrastructure
- **Communities' Public Infrastructure Master Plans** developed through public & multi-agency process with long term future building and replacement plan for infrastructure if it exists
- **Roadway and energy link priority** to grouped villages enabling sharing of infrastructure and services for closely located villages
- **Coordinate infrastructure siting for village 'equity' stake** in public services "sharing," and final maintenance & operation of infrastructure in 5 to 10 year Implementation Plan



Proposed Village Cluster Model: Planning Project Request = \$1.5M

State Benefits:

- Reduce Duplication
- Economies of Scale
- Coordinated State Agency Master Plans
- Sharing of Resources
- Centralized, Fewer, and Better Schools
- Leverage Limited State Capital & Operating Funds

Local Benefits:

- Linked Communities
- More Reliable Power
- Cheaper Energy and Transportation Costs
- Higher Quality Services
- Improved Education for Rural Students
- Improved emergency services and resources

