



Alaska Power Association

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June 14, 2021

The Honorable Peter Micciche, President, Alaska State Senate,
and members of the Alaska State Senate
Alaska State Capitol
Juneau, Alaska 99801

Dear Senator Micciche:

It is imperative that the Alaska legislature vote to reverse the annual sweep of certain funds so vital programs such as the Power Cost Equalization (PCE) Endowment are maintained. The PCE program is a lifeline program that makes it feasible for rural residents throughout our state to have access to affordable electric power and for rural communities to have essential infrastructure such as streetlights, water facilities and sewer facilities.

Alaska Power Association (APA) recognizes that there are many factors lawmakers take into consideration when determining how to vote on the reverse sweep. Therefore, we believe it is important to convey the crippling financial impact that failing to reverse the sweep would have on tens of thousands of Alaskans.

The uncertainty in rural communities caused by the initial failure of the 2019 reverse sweep vote made apparent the tremendous impact to Alaskans and rural electric utilities. The 2019 sweep was reversed, but, for more than a month, hundreds of communities and their residents saw their electric bills rise dramatically.

Preservation of the PCE Endowment Fund is a longstanding policy of the APA Board of Directors, whose membership consists of rural and urban electric utilities throughout Alaska. Until there is a permanent solution to the high cost of energy in rural Alaska, the PCE program must continue its purpose of providing economic assistance to customers in areas of our state where the cost of electricity per kilowatt-hour can be three to five times higher than the cost in more urban areas.

Eighty-five thousand Alaskans whose electric energy bills are made affordable by PCE are relying on the legislature to reverse the sweep and protect the PCE Endowment. Thank you for giving this your consideration.

Sincerely,

Crystal Enkvist
Executive Director