



Alaskans Working For Alaska!

1577 C Street, Suite 201, Anchorage, Alaska 99501 • Phone (907)277-5200 • Fax (907)277-5206

E-mail: aseahq@afscmelocal52.org • Website: www.afscmelocal52.org

April 29, 2008

The Honorable Sarah Palin
Governor, State of Alaska
P.O. Box 110001
Juneau, Alaska 99811-0001

Dear Governor Palin,

I am writing you on behalf of ASEA/AFSCME Local 52's one thousand eight hundred (1,800) members and families who live and work in Juneau.

I urge you to take whatever steps necessary to address the energy crisis in Juneau that has come about as a result of the avalanche that interrupted power from the Snettisham hydroelectric project and resulted in the need to rely on diesel generators to supply electricity to Juneau residents and their families.

I understand that your Disaster Policy Cabinet will be meeting again on Wednesday to discuss declaring a disaster so that the State can provide assistance to the residents of Juneau. I served on the Disaster Policy Cabinet during the Knowles Administration and understand that there are guidelines and criteria that must be met in order for an event to justify the declaration of a disaster and make disaster funds available. I also understand that this event may not specifically meet all the criteria.

However, I believe that even though this event may not meet the criteria of a disaster there is a time when the State of Alaska has the responsibility to the citizens of Juneau or any community to step forward and provide assistance through other sources that the State has available. That time is now for the community of Juneau and its residents.

All residents of this State are facing increasing costs and now the citizens of Juneau are faced with electricity costs which will increase five fold from when the electricity was supplied by the Snettisham hydroelectric facility. This tremendous increase comes on top of gasoline prices that I understand have increased by 30 cents per gallon in Juneau in the past week. In addition there has been an increase in food costs of approximately 10% in the past 3 months according to today's Anchorage Daily News. While this article referred to the increase in food costs in Anchorage I am quite sure that Juneau has seen the same percentage increase if not greater.

This added burden of the increase in electric costs in Juneau will cause a serious strain on the budget of many Juneau residents. Approximately 50% of ASEA's members in Juneau make less than \$40,000 per year in state employment and are already living on a very limited budget. This added increased cost will be very difficult for them and for all Juneau residents.

As a result of the switch from hydroelectric to diesel generated electricity Juneau residents will be paying the highest cost per kilowatt hour, 52.5 cents as approved by the Regulatory Commission of Alaska, of any community in the State of Alaska. Rural communities who qualify for the Power Cost Equalization Program (PCE) pay on the average of approximately 20 cents per kilowatt hour. The minimum a community that qualifies for PCE will pay is 12.87 cents per kilowatt hour and the maximum if 37.6 cents. Even if they are paying the maximum they will be paying about 15 cents per kilowatt hour less than Juneau residents will be paying for the foreseeable future. Juneau does not qualify for the PCE program because of the statute creating the program that states that in 1984 a community had to have 95% of its electricity provided by diesel generators. In 1984 Juneau was already relying on the Snettisham hydroelectric project.

I urge you to take whatever steps are necessary to help the citizens of Juneau through this energy crisis. With the price of oil approaching \$120 per barrel it is not a question of whether the State has the funds to provide support to Juneau residents rather it is whether the State has the will to provide support.

I look forward to you providing the leadership in your Administration to address this very important issue to assist Juneau through this difficult period.

Thank you in advance for your consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Duncan". The signature is fluid and cursive, with a long horizontal stroke at the end.

Jim Duncan
ASEA/AFSCME Local 52
Business Manager

CC: Mike Tibbles, Chief of Staff
Major General Craig Campbell, Chair Disaster Policy Cabinet