

CITY OF BETHEL

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Presented by: Mayor Richardson
Date: March 11, 1997
Action: Adopted
Vote: Unanimous

RESOLUTION #97-16

A RESOLUTION OF THE BETHEL CITY COUNCIL SUPPORTING THE PCE PLAN DEVELOPED BY THE ALASKA RURAL ELECTRIC COOPERATIVE ASSOCIATION'S RURAL ISSUES FORUM.

WHEREAS, Alaska's economy is dependent upon the resources of its rural regions; and

WHEREAS, the State of Alaska has used the revenues gained from its resources to develop and enhance electric infrastructure in urban Alaska; and

WHEREAS, the Power Cost Equalization program (PCE) has been the primary state program since 1984 in helping to assist rural electric consumers to keep costs affordable; and

WHEREAS, due to high fuel costs and other factors, electric rates in 102 rural communities of Alaska after PCE is applied are still over double the rates in Anchorage, Fairbanks and Juneau; and

WHEREAS, economic development, health and safety remain state and federal goals for rural Alaska; and

WHEREAS, affordable and reliable electric power is essential to achieve those goals; and

WHEREAS, since 1980, the State of Alaska has funded and managed programs to provide credits to rural electric consumers in an effort to better equalize their cost with urban areas.

WHEREAS, the PCE program helps maintain the necessary infrastructure for basic electric utility and public services such as safe water and sewer systems in rural areas; and

WHEREAS, when the Alaska Legislature passed legislation in 1993 allocating energy funds to both urban and rural electric projects, it stated its intent to fund PCE at \$17 million per year through 2013; and

WHEREAS, the PCE program has been under-capitalized to achieve that intent; and

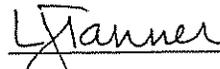
WHEREAS, even with significant adjustments in the PCE program, at present funding levels the program will not exist after 1999; and

WHEREAS, without the PCE program, rural Alaska faces an economic crisis.

NOW, THEREFORE BE IT RESOLVED that the City Council of Bethel Alaska, supports the plan developed by the Alaska Rural Electric Cooperative Association's Rural Issues Forum to restructure the program formula in a way to protect residents and community facilities; reduce full funding costs; appropriate state funds to ensure funding levels; and maintain the program through the 2013.

PASSED AND APPROVED THIS 11TH DAY OF MARCH, 1997.

ATTEST:


L.J. Tanner, City Clerk


Ruth M. Richardson, Mayor