



Meera Kohler
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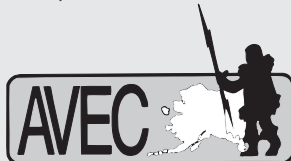
Treasurer

Helena R. Jones, Ambler

Robert L. Beans Sr.,
Mountain Village
Fred Sagoonick, Shaktoolik
Julia Walker, Anvik

Communities Served

- | | |
|----------------|-----------------|
| Alakanuk | Nightmute |
| Ambler | Noatak |
| Andreafsky | Noorvik |
| Anvik | Nulato |
| Brevig Mission | Nunapitchuk |
| Chevak | Old Harbor |
| Eek | Pilot Station |
| Elim | Pitkas Point |
| Emmonak | Quinhagak |
| Gambell | Russian Mission |
| Goodnews Bay | St. Mary's |
| Grayling | St. Michael |
| Holy Cross | Savoonga |
| Hooper Bay | Scammon Bay |
| Huslia | Selawik |
| Kaltag | Shageluk |
| Kasigluk | Shaktoolik |
| Kiana | Shishmaref |
| Kivalina | Shungnak |
| Kotlik | Stebbins |
| Koyuk | Teller |
| Lower Kalskag | Togiak |
| Marshall | Toksook Bay |
| Mekoryuk | Tununak |
| Minto | Upper Kalskag |
| Mt. Village | Wales |
| New Stuyahok | |



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AK-105

Alaska Legislature Adjourns

After a contentious and unproductive regular session, the state Legislature gavelled out of its special session on Saturday, May 14, having approved the state's largest capital budget ever. Energy was a key issue in both the operating and capital budgets.

Of major interest to us, Power Cost Equalization received an additional \$400 million into the endowment fund, essentially doubling that account. If approved by the governor, this will mean we should not have to do battle annually with the Legislature to obtain full funding for PCE. This does not change the PCE formula, but it does ensure adequate funds will be available from the endowment fund every year.

The capital budget includes \$76.5 million for AHFC's weatherization program and another \$50 million for its energy rebate program. These funds help Alaskan homeowners retrofit their homes to use energy more efficiently, and have been extremely popular in recent years. There is also money to study the Chikuminuk hydro project, which could serve Bethel and about 17 villages in the region, as well as funds for power plant and bulk fuel upgrades.

We should know within a month what survives the governor's veto pen. I will update you again through Ruralite magazine.

Tugs and Barges are Under Way

Be on the lookout for Cavek and Naniq, AVEC's new tugs, and the barges they will bring to many of our communities. The barges are named AVEC-208 and AVEC-183, designating the length of the barges. They will bear our distinctive AVEC logo. You can all be proud that you own them!

Rural Study Group is Launched

Commonwealth North, a policy leadership group founded by former Govs. Egan and Hickel, initiated a new study May 19 on rural and alternate energy. I am chairing this study group, and Ethan Schutt of CIRI is co-chairing. We will meet weekly and receive reports from across the state about efforts and ideas to solve our energy challenges. Our study is expected to be largely completed during the coming summer. We hope to present recommendations at the Rural Energy Conference in Juneau in late September.

In other news, we are close to completing a remodel of our Anchorage headquarters building—a project that was critically needed as our 35-year-old building has been straining at the seams for many years. We also are hoping to launch our redesigned bills next month—with a lot more information about your electric bill than you've had in recent years.

As always, my door, my telephone and my email inbox are all available to you at any time. Drop me a line anytime. I'm always happy to hear from you.

Until next time

Meera Kohler,
President and CEO