

ALASKA ENERGY AUTHORITY
RESOLUTION NO. 2021-02
RESOLUTION OF THE ALASKA ENERGY AUTHORITY
ENDORSING SENATE JOINT RESOLUTION NO. 6

WHEREAS, The Alaska Energy Authority (“the Authority”) is the principal agency administering the Power Cost Equalization (PCE) program; and

WHEREAS, The Authority, along with the Regulatory Commission of Alaska, administers the PCE program created to equalize the cost of electrical power between rural and urban Alaska; and

WHEREAS, The PCE program was established in 1984, as one of the components of a statewide energy plan. In 2000, the Legislature created and seeded the PCE Endowment Fund to ensure the long-term sustainability of the PCE program. The program serves approximately 81,700 Alaskans in 192 communities largely reliant on diesel fuel for power generation; and

WHEREAS, Funded by the PCE Endowment, the PCE program provides economic and personal certainty to thousands of Alaskans. The current balance of the PCE Endowment Fund is approximately \$1.1 billion; and

WHEREAS, Governor Dunleavy’s proposal to move the PCE Endowment Fund into the Permanent Fund lays the foundation for a stable energy policy for rural Alaska and assures this important lifeline of rural Alaska enjoys long-term viability; and

WHEREAS, The State has invested billions of dollars in Anchorage, Matanuska-Susitna Valley, and Fairbanks to reduce the cost of energy, and while in rural Alaska, residents do not have those same energy infrastructure opportunities; and

WHEREAS, The PCE program lowers the cost of power for the first 500 kilowatt-hours of electricity used by residential customers, thereby reducing the cost of living in rural Alaska and enhancing the standard of living by making energy more affordable; and

WHEREAS, The Board of Directors of The Authority have carefully considered Senate Joint Resolution 6 as amended by the Governor to include the PCE Endowment in the Corpus of the Permanent Fund;

**NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE
AUTHORITY ENDORSES THE PROTECTION OF THE PCE ENDOWMENT AND ITS
INCLUSION IN THE PERMANENT FUND.**

Dated at ANCHORAGE, ALASKA ON THIS 19TH DAY OF MAY, 2021.



J. Dana Pruhs, Chair



Curtis W. Thayer, Secretary

CORPORATE SEAL

