

CITY OF SAXMAN

Resolution #01-2012-70

A RESOLUTION OF THE SAXMAN CITY COUNCIL REJECTING THE FINDINGS OF THE DRAFT SOUTHEAST ALASKA INTEGRATED RESOURCE PLAN (SEIRP), AND RECOMMENDING NEW NEAR-TERM STATE INVESTMENT IN HYDROELECTRIC STORAGE RESOURCES.

WHEREAS, the Southeast Alaska Integrated Resource Plan (hereinafter SEIRP) was commissioned by the State of Alaska to provide analysis of and recommendations for future State investment in Southeast Alaska's energy resources; and

WHEREAS, near-term development of new energy resources is necessary in order to provide surplus power required to support new economic growth, assure affordable energy to ratepayers, and meet the challenge of growing load demands; and

WHEREAS, the City of Saxman owns a Federal Energy Regulatory Commission (hereinafter FERC) license for a 9.6MW hydroelectric storage project at Upper Mahoney Lake, capable of producing 46,000,000 kilowatt hours of electricity and displacing over 3 million gallons of diesel fuel per annum; and

WHEREAS, as part of the federally-mandated FERC licensing process, Mahoney Lake has undergone extensive, multi-year review and public comment processes, and has been determined by federal agencies to be a cost-effective, construction-worthy project which in the best interest of the public; and

WHEREAS; construction of the Mahoney Lake hydroelectric project has received public support from the Greater Ketchikan Chamber of Commerce, Alaska Ship & Drydock, the Ketchikan Gateway Borough School District, the Organized Village of Saxman, Cape Fox Corporation, and others, and is listed as an economic development priority on the Comprehensive Economic Development Strategy lists (CEDS lists) for Saxman and the Ketchikan Gateway Borough; and

WHEREAS, the SEIRP does not provide adequate analysis and consideration of the Mahoney Lake Hydroelectric project, particularly in regard to the project's ability to catalyze near-term economic growth and development; and

WHEREAS, overall, the SEIRP does not sufficiently examine the economic benefits uniquely associated with hydroelectric storage projects; for example, their ability to support new activity associated with mining, ore processing, manufacturing, and tech industries; and

WHEREAS, by neglecting to include economic development benefits associated with hydroelectric storage projects within its investment analysis, the SEIRP provides an incomplete, inaccurate, and misleading summation of the true value of investment in new hydroelectric projects to the State of Alaska; and


NOW THEREFORE BE IT RESOLVED BY THE CITY OF SAXMAN AS FOLLOWS:

Section 1. The City of Saxman rejects the findings of the current draft SEIRP published on the AEA website December 22nd, or any other energy plan for Southeast Alaska which fails to give adequate consideration to Saxman's FERC-licensed hydroelectric resource – Mahoney Lake.

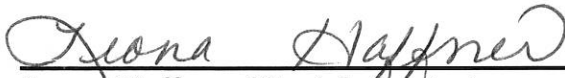
Section 2. The City of Saxman recommends new, near-term State investment in Southeast Alaska's hydroelectric storage resources, in order to provide surplus power necessary for new economic growth, assure affordable energy to ratepayers, and meet the challenge of growing load demands.

DATED THIS 20th **Day of** Jan **2012**

ATTEST:



Harvey Shields, Mayor



Leona Haffner, City Administrator