

Small cities that qualify for state funds under the *Small Cities Energy Assistance Program* have a short window to apply. After June 30 the money will be gone.

The program is an outgrowth of discussions initiated by the Bush Caucus with the Governor last summer about high fuel prices. With fall orders on the horizon and state revenue sharing gone, there was—and continues to be—a genuine concern about rural communities being able to keep the lights on. The short term “fix” was a new loan program for communities that don’t qualify for an Alaska Energy Authority bulk fuel loan.

The next step was the Governor’s announcement of a new, one time only, *Small Cities Energy Assistance Program*. He included funding in the Fast Track Supplemental (Senate Bill 98). The legislature changed the program to allow use of the money only for bulk fuel loans or purchase of fuel.

We tried to amend SB 98 to include help for unincorporated communities without success. We tried—and succeeded in the House—to broaden the allowable uses to include other utility costs and insurance but lost that change when the Senate wouldn’t agree.

The bill passed, the Governor signed it, and regulations have been issued. Depending on the city’s population, cities are eligible to receive between \$22,000 and \$67,000 to pay for fuel. Now it’s crunch time.

- Any outstanding bulk fuel loan must be paid first.

The balance of the money can be used to:

- Reimburse fuel purchased since July 1, 2004.
- Reimburse fuel purchased between now and June 30 of this year.
- Pay the fuel vendor directly for fuel ordered for future uses.

For any questions regarding the *Small Municipality Energy Assistance Program*, please call Bill Rolfzen, program Administrator at (907) 465-4733 or contact Ken Berlin in Bethel at 543-3475.

Larger YK Delta Communities eligible to receive \$67,187.50 include Alakanuk, Chevak, Emmonak, Hooper Bay, Kotlik and Kwethluk.

Those eligible to receive \$44,791.67 include Akiak, Aniak, Chefornak, Eek, Goodnews Bay, Lower Kalskag, Marshall, Napakiak, Napaskiak, Nightmute, Nunam Iqua, Nunapitchuk, Pilot Station, Quinhagak, Russian Mission, Saint Mary’s, Toksook Bay, and Upper Kalskag.

The smaller grant of \$22,395.83 would be available to the City of Platinum.

Letters have gone out to eligible municipalities. The department tells us several cities have submitted their paperwork and received payments. My hope is that on June 30 the account holding funds for this program will be out of money because it has all been spent.

