

**Ferguson bill passes —**

# **State senate approves bush electrical aid**

**by CARL BERGER**

**JUNEAU**—The Alaska State Senate recently agreed to subsidize the rate 45,000 rural Alaskans pay for electricity for a 21-month period, and approved \$4.5 million to cover the first nine months of the program.

As reported by the Associated Press, if passed by the House and signed by the Gover-

nor, the legislation would result in lower electrical rates in 74 rural communities—including Wrangell, Yakutat, Bethel, Kotzebue, Tok, the Kodiak Island borough and many small villages—where current rates are higher than 10 cents per kilowatt hour (kwh).

Sponsored by Senator Frank Ferguson, D-Kotzebue, the sub-

sidy would take effect on Oct. 1, 1978 and continue through June 30, 1980. However, a further appropriation would be required next year to extend the initial nine-month funding.

The main objection voiced by opponents was that once subsidy is granted, the state will never be able to shut it off.

Senator Ferguson indicated his proposal would "not be a comprehensive solution to the problem, but a stopgap measure" meant to help rural Alaskans who now pay as much as twelve times the rates paid by Anchorage consumers.

The legislation would lower costs only for the first 300 kwh,

considered to be "lifeline" electrical service. Ferguson said that, even with the subsidy, rural residents would pay about three times the rate an Anchorage resident now pays.

The proposal next goes before the House, where action must be taken before the legislative body adjourns this session.