

# ALASKANS TESTIFY AT FEA HEARINGS

## Protest Prices and Securing Fuel

Several concerned Alaskans testified at the Federal Energy Administration's Hearings on September 10 in Anchorage to protest the unrealistic prices and means of securing fuel for the people of rural Alaska. The stated problems and recommendations came as a result of the RurAL CAP Energy Session in Anchorage on the 9th of September with other sponsors being: Alaska Village Electrification Cooperative, Community Enterprise Development Corporation, State Economic Opportunity Office, BIA, AFN, and RurAL CAP.

Jimmy Huntington, Director of the RurAL CAP's Koyukon office located in Galena states that "it has become such a problem that the low-income, older people who are living on a small pension, can not afford to buy fuel at all.

Huntington further stated "the oil companies had a pay-as-you-go policy in Alaska where the oil company brought the oil to the village and the people of the community were able to pay in monthly installments. "Now," continued Huntington, "in 1974, they want cash on the line, or we get no fuel."

Huntington compared figures of 1973 cost which amounted to \$620 as opposed to the 1974 cost for the exact amount of fuel and same type, is \$1270. He added that "the common person has been driven out of the market. He can no longer afford fuel.

Lincoln Bifelt from Huslia was concerned that their villages had no bulk storage facilities and that the fuel they do receive has to be shipped in quantities of 55 gallons which is more expensive. The price of a barrel of mixed gas is \$96.00 (\$1.75 per gallon.)

Jake Gregory from Egegik in the Bristol Bay Region presented a report with some shocking prices and added hardships due to the fuel costs. Gregory stated "Because of the shortage of fuel-oil products (supposedly) nationwide, the cost of these products has risen beyond the reach of the Bristol Bay Consumers.

Gregory continued, "the increased cost of oil products has risen in excess of 40-50 per cent in our area."

Summarizing, Gregory concluded that, "There is no energy crisis, it is just that people are not opening their eyes to see all the available resources at hand. Planning has to be done immediately, exploring energy alternatives, which should have been done 20 years ago."

David Friday from the Association of Village Council Presidents in the Bethel Region had some very interesting comments about the energy situation in his area including "villages have doubled their oil and gasoline consumption since 1969, people used to rely on wood, peat, and local coal deposits; but, poor insulation, large public buildings, and internal combustion engines have turned traditional subsistence villages to a point of being dependent upon heat and electricity generated from oil."

Friday expressed that people in the Bethel region had been subject to this type of problem before, as in 1973, 26 villages ran out of oil and gasoline before summer resupply. In 1974, 34 villages suffered some form of rationing or complete exhaustion of their fuel supplies.

Friday continued that, "As the price continues to rise, consumption rises, and storage capacity continues to shrink in relation to demand."

Alternatives have been sought according to Friday, but a lack of funding was an obstacle to success of solutions.

"Because our people are largely dependent on the land for food, no reduction of gasoline consumption is expected in the near future. Our population is growing, and this demographic concentration has greatly influenced our food cycle. Now, we must travel farther from the village to obtain the amount of food required for our families," stated Friday.

In completing testimony David Friday posed a suggestion "We recognize that a moderate-sized community in New Jersey equals Alaska's domestic oil and gas consumption. We also realize that our sub-Arctic environment and our permafrost poses difficult engineering problems for energy planners.

"Our technologies are not 20th century; but are skills involved with survival and food gathering on the land.

"We need the assistance of others in this matter of energy, particularly an independent research program that concentrates on the problems of rural Alaska. The Association of Village Council Presidents and other rural communities would like to assist the President and his energy advisors in setting up such a program."

Mike Harper, director of RurAL CAP, was among the interested parties who testified as an advocate for the low-income, rural residents.

Harper stated that, "During last winter, several communities

found themselves short of fuel products necessary to provide heat for their homes and gas for their snowmobiles, which are necessary (not for recreation), but for life-sustaining activities such as hunting, fishing and trapping."

Harper commented, "Because of three basic problems, I anticipate many rural villages will be caught up in severe shortages: lack of storage facilities necessitates dependence on 55-gallon drums, transportation problems, soaring rates for fuel, and now, drum charges.

"Another problem encountered is the lack of a credit policy, cash on the line is not possible in Alaska's rural villages.

"As a result of this fuel problem, many people will do without what has become a 'luxury' to the people of rural Alaska. heat," continued Harper.

Harper's suggestion to insuring that communities will get enough fuel is to install bulk storage facilities immediately to the villages that have none.

"I understand that Standard Oil Company of California has assisted in the financing of such projects," commented Harper.

A suggestion posed by the CAP Director was that a state-established loan fund could go a long way towards providing fuel products, this activity could most appropriately be connected with the Governor's Office of Energy and possibly Community and Regional Affairs.

Harper ended testimony by saying, "It seems ridiculous that Alaskan products lying so close to rural villages will be shipped out via pipeline to the 'lower 48' while, on the surface in the rural Alaskan village, people will be without the fuel necessary to heat their homes in the sub-zero climate of Alaska."