



Press Release

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Contact: Kelli Shroyer, Public Communications Director

Cell: 907-412-1204

Email: kelli.shroyer@maniilaq.org

Maniilaq Association Joins Litigation to Protect the Power Cost Equalization Program

KOTZEBUE, ALASKA – On July 27, 2021, Maniilaq Association (Maniilaq) joined *Alaska Federation of Natives et al v. State of Alaska* (3AN-21-06737CI). As a plaintiff in this case, Maniilaq stands with Alaska Native organizations, municipalities, and electric cooperatives across the state to urge the court to confirm that the Power Cost Equalization (PCE) Endowment Fund is not subject to the annual “sweep” of funds into the Constitutional Budget Reserve.

Since its creation in 1984, the PCE Program has been critically important to promoting affordable electricity to 84,000 Alaskans in 194 rural communities across the state, including throughout the Maniilaq Service Area. It was established as a component of a statewide energy plan with equity between urban and rural energy costs at its heart; urban and road connected communities benefit from major state-subsidized energy projects while the PCE Program keeps electric utility rates reasonable in rural Alaska.

Starting in 2019, under a new legal theory the Dunleavy Administration included the PCE Endowment Fund in the “sweep” to empty certain state bank accounts into the Constitutional Budget Reserve at the end of each year. The legislature has counteracted the sweep with a vote for a reverse sweep, but the legislature failed to achieve the required three-quarters vote in both houses for the reverse sweep this year. We believe the sweep shouldn’t have occurred in the first place and is sure to harm individuals and communities across rural Alaska, particularly during the ongoing COVID-19 pandemic.

Maniilaq President/CEO Tim Gilbert stated, “This sweep is extremely concerning. The PCE Program and the affordable electricity it provides is key to residents of Northwest Alaska having the option to enjoy the benefits of living in our Inupiat homelands and all that entails from a cultural and wellness perspective. Additionally, the PCE Program ensures that essential services such as health, telehealth, and water and sanitation may be provided at an equitable rate for years to come. We look forward to a swift resolution of this issue.”

MANIILAQ ASSOCIATION | P.O. BOX 256 | KOTZEBUE, AK 99752 | 1.800.478.3312

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