



City of Gustavus
P.O. Box 1
Gustavus, AK 99826
Phone: (907) 697-2451

June 24, 2024

Reid Hundt
The Coalition for Green Capital
1201 Connecticut Ave. NW, Ste.600
Washington, DC 20036

Dear Mr. Hundt and the Coalition for Green Capital,

Gustavus (population 655) is a distinctive rural Alaskan community off the road system in Southeast Alaska, located at the northern end of the Alexander Archipelago and the Inside Passage. The community spreads across 36 square miles of land on a large, relatively flat glacial outwash fan dating from the 1750 neoglacial ice retreat in Glacier Bay. Gustavus is reached by the Alaska Marine Highway ferry system and air taxi service year-round, and by Alaska Airlines in the summer. As the gateway community to Glacier Bay National Park and Preserve, it is a hotspot for ecotourism and outdoor recreational activities. Our Mission Statement affirms that we prosper by and through protection of our natural resources—i.e. our natural capital.

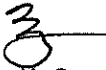
I write to express strong support for Spruce Root's request to the Coalition for Green Capital (CGC) to receive an equitable allocation of CGC's recently-awarded Greenhouse Gas Reduction Fund (GGRF) monies for Green Bank activities in Southeast Alaska. This allocation is supported by regional stakeholders and coincides with numerous clean energy priorities and economic development initiatives in the community of Gustavus. We are thankful that CGC's proposal included Spruce Root, as without it, CGC would not have been able to include Alaska – the largest state in America – within its application.

Communities across Southeast Alaska have an interest in developing a wide range of clean energy projects: new community-scale generation and transmission assets; electric ferries and shoreside infrastructure; cruise ship port electrification; heat pump projects and more, but we are constrained by a lack of access to financing that offers flexibility for the unique nature of such projects. Spruce Root's clean energy fund can provide creative financing solutions that the Region needs, while keeping principal and interest payments within the Tongass Region, where money can recirculate in rural Southeast Alaska's economy.

The allocation also has the potential to help support the US Forest Service's SE AK Sustainability Strategy, the SE Conference Community Economic Development Strategy, the Alaska Municipal Coastal Resilience Forum, and other community-based initiatives such as the Conservation Lands Committee in Gustavus. To give an example of one initiative, because we receive much of our power from the Falls Creek Hydro Plant, we have installed and are in the process of continuing to install heat pumps in City buildings. The City advocated for an intertie project with Congress, AP&T,

and the National Park Service (NPS) so that the NPS could replace their diesel-generated power operation by hooking up to AP&T's hydro facility. Future initiatives include an equipment upgrade which will reduce line loss, and the possibility of larger-scale battery storage for times when water flow is restricted at the hydro site.

Sincerely,

A handwritten signature in black ink, appearing to be 'S. Owens', with a horizontal line extending to the right from the end of the signature.

Shelley K. Owens

Mayor, City of Gustavus