



City of Gustavus
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June 25, 2024

To: The National League of Cities.

As Mayor of the City of Gustavus, Alaska I am writing to confirm our application to the NLC Advancing Economic Mobility Rapid Grant program for \$20,000, which will be used to provide \$500 matching incentives for residents and community facilities converting to use of air source heat pumps powered by clean, locally-produced renewable energy.

If awarded funding – and subject to finalization of a grant agreement approved by the City Council – I would serve as the seniormost authority for the project. City Administrator Kathy Leary would serve as the administrative lead. Councilman Mike Taylor, a retired engineer with heat pump experience, would serve as a project coordinator. The local utility – Alaska Power & Telephone – has offered to provide additional technical assistance and support. Their key point of contact will be Jason Custer – Vice President of Corporate Development, and a certified accountant and project manager. Together, the members of this team have successfully managed well over \$100m in grant-funded projects.

Quote to be used in NLC communications materials: *“The City of Gustavus, Alaska is excited to provide residents with the ability to switch from heating oil barged into the community at costs as high as \$6 per gallon, to air-source heat pumps using clean, affordable electricity produced at the local Falls Creek hydropower project. Our new incentive match program will help residents to access an additional \$500 incentive from local utility Alaska Power & Telephone, to access federal tax credits, and to utilize Power Cost Equalization to help pay for home heating costs.”* - Mayor Shelley Owens.

Sincerely,

Shelley K. Owens
Mayor, City of Gustavus, AK