Sponsors: Westover/Esquiro

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2012-18

A RESOLUTION OF THE CITY AND BOROUGH OF SITKA SUPPORTING THE STATE OF ALASKA FILING SUIT AGAINST ENVIRONMENTAL PROTECTION AGENCY (EPA) CHALLENGING NEW FUEL STANDARDS IN ALASKA

WHEREAS, the EPA is planning to institute new challenging and expensive fuel standards by extending the North American Emissions Control Area (ECA) to Alaska; and

WHEREAS, these new regulations will impose additional economic hardship on Alaska residents and visitors without any demonstrable need to improve air quality; and

WHEREAS, the new regulations are to go into effect August 1, 2012 requiring marine cargo carriers and cruise lines operating within 200 miles of the Southeast and Southcentral Alaska coastlines to use costly and difficult-to-obtain low-sulfur fuel; and

WHEREAS, one of Alaska's largest shipping companies estimates this will result in 25 percent higher fuel costs, which will be passed on to the people of Alaska, raising Alaskans' already high cost of living even higher; and

WHEREAS, the ECA specifically targets one group of Americans – those of us who do not live in the contiguous United States and it imposes unreasonable economic burdens upon Alaskans who will all be directly and disproportionally affected, with discriminatory economic hardships put on every man, woman, and child; and

WHEREAS, the ECA designation will increase the cost of living for the 85 percent of the state's population that depends on commerce through the Port of Anchorage alone; and

WHEREAS, Alaskans from across the state have been united in their opposition to the regulations, saying they are not based on science and add needless cost. In fact the state notes that the EPA has admitted it failed to perform the air quality modeling in Alaska that it performed in other areas included in the ECA, and that Alaska "enjoys air quality that is generally cleaner than our National Ambient Air Quality Standards."

THEREFORE, BE IT RESOLVED, that the Assembly of the City and Borough of Sitka, Alaska by this resolution supports the State of Alaska filing suit against EPA challenging the new fuel standards and agrees with Attorney General Michael Geraghty who said: "Alaska relies heavily on maritime traffic, both for goods shipped to and from the state, and for the cruise ship passengers who support thousands of Alaska jobs. There are reasonable and equally effective alternatives for the Secretary of the EPA to consider which would still protect the environment but dramatically reduce the severe impact these regulations will have on Alaskan jobs and families."

| PASSED, APPROVED AND ADO Alaska on this 24th day of July 2012. | OPTED by the Assembly of the City and Borough of Sitka, |
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| | Cheryl Westover, Mayor |
| ATTEST: | |
| Colleen Ingman, MMC Municipal Clerk | |

Press Release FOR IMMEDIATE RELEASE

ATTORNEY GENERAL'S OFFICE

July 13, 2012

State Files Suit Against EPA Challenging New Fuel Standards

July 13, 2012, Anchorage, Alaska – The State of Alaska today filed suit against the Secretary of State, Environmental Protection Agency (EPA), Department of Homeland Security, U.S. Coast Guard, and others, to block federal agencies from extending the North American Emissions Control Area (ECA) to Alaska.

The EPA and the Coast Guard, a division of the Department of Homeland Security, plan to enforce the EPA's new emission control regulations beginning Aug. 1. The regulations will require marine cargo carriers and cruise lines to use costly and difficult-to-obtain low-sulfur fuel. The regulations will mean greatly increased shipping costs to Alaska and will also harm to the state's tourism sector. The increased shipping costs from these regulations are expected to be passed on to Alaska consumers in the form of higher prices for goods, raising Alaskans' already high cost of living even higher.

Totem Ocean Trailer Express (TOTE), one of Alaska's largest shipping companies, estimates that moving to low sulfur fuel will result in an increase of about 8 percent in TOTE's total costs.

"Alaska relies heavily on maritime traffic, both for goods shipped to and from the state, and for the cruise ship passengers who support thousands of Alaskan jobs," Attorney General Michael Geraghty said. "There are reasonable and equally effective alternatives for the Secretary and the EPA to consider which would still protect the environment but dramatically reduce the severe impact these regulations will have on Alaskan jobs and families."

Filed in U.S. District Court, the suit maintains the decision to include Alaska in the enforcement zone was based on flawed or incomplete data. In the complaint, the State notes that the EPA has admitted it failed to perform the air quality modeling in Alaska that it performed in other areas included in the ECA. The EPA also admitted when it responded to comments on its rule that Alaska "enjoys air quality that is generally cleaner than our National Ambient Air Quality Standards." For that reason and others, the State believes the EPA has neither the scientific basis, nor legal authority, to extend the ECA to Alaska.

In addition to filing suit, today the State gave the Secretary, the EPA, and other federal agencies notice that Alaska will amend its complaint to add claims under the Administrative Procedures Act. Those claims will reinforce the State's case that the EPA cannot enforce the ECA in Alaska.

A copy of the complaint is available at: http://gov.alaska.gov/parnell_media/press/712_complaint.pdf

Questions about the State's lawsuit may be directed to Assistant Attorney General Seth M. Beausang at (907) 269-5289.