

SPECIAL 2010 ELECTION NEWSLETTER

Alaska State Legislative Candidate POSITIONS AND PRIORITIES

Dear Doyon Shareholder,

For the past several years, Doyon, Limited has sponsored a "Get out the Native Vote" campaign to inform, register and encourage Doyon shareholders to participate in elections. We are continuing this initiative this Fall, focusing on State legislative seats in the Interior (House Districts 6 through 11).

This newsletter is to inform you of the viewpoints, positions and priorities of the candidates running in your district in the August 24th primary election.

Doyon is not taking a position on any of the candidates; rather the corporation is providing the candidates' viewpoints to you so you can make an informed decision.

However, Doyon is taking a position on Ballot Measure 1 – a measure that would make it a crime for you or your family members to make any political donation if you are an employee of the State of Alaska, a city or village. The measure would also

prohibit local governments from using public funds to hire or contract with a lobbyist to advocate for local needs. This could result in less funding for vital local projects. **Doyon strongly recommends a "no" vote on this ballot measure.**

Doyon encourages you to read this newsletter and carefully consider the candidates' viewpoints as they seek your vote to represent you in state government.

Your voting location is listed above your name and address on this special election newsletter.

Respectfully,

Norman L. Phillips, Jr.
President and CEO, Doyon, Limited

DISTRICT 10

Alaska State Legislative Candidates

- John S. Brown (Democrat) • Vivian M. Stiver (Republican)
- Urban E. Rahoi (Republican) • Steve M. Thompson (Republican)

QUESTIONS	PRIORITY	JOHN BROWN	URBAN RAHOI	VIVIAN STIVER	STEVE THOMPSON
What are your top three priorities as a State Legislator?	1ST PRIORITY	Affordable, predictable energy costs for all of Alaska	**	Access to affordable energy throughout the state.	We must provide inexpensive energy for all of Interior Alaska. Natural gas, hydro-electric, wind and nuclear are all viable.
	2ND PRIORITY	Fully funded quality education for all Alaskan children pre-K through University or vocational training programs.	**	Improve transportation within the state.	Controlling the State budget. With declining oil revenues we must look to the future as 90% of our budget comes from oil revenues. We must prepare for the shortfall that is bound to be headed our way.
	3RD PRIORITY	Fully funded public safety programs for every community in Alaska.	**	Access to more of our state lands.	The unfunded Federal mandates and restrictions placed the development of our natural resources should be challenged by our State Legislators.

QUESTIONS	JOHN BROWN	URBAN RAHOI	VIVIAN STIVER	STEVE THOMPSON
Do you support or oppose an Alaska Native preference for subsistence hunting and fishing?	Support	**	Oppose	Oppose
What's the main reason you support or oppose an Alaska Native subsistence preference?	Those that live in rural Alaska and have traditionally depended on subsistence hunting and fishing to maintain their standard of living should have a preference.	**	As Alaskans, we share this wonderful tradition. Subsistence is important for all of us.	Our State Constitution states that Alaska resources should be available to all Alaskans.
Do you support or oppose amending Alaska's rural Power Cost Equalization (PCE) program so it could include providing money directly to rural schools and local businesses?	Support	**	Support	Support
What's the main reason you support/oppose amending Alaska's PCE program?	The State Constitution says that we should manage state resources for the benefit of all Alaskans and that should include rural Alaska. Rural schools should not have to use a higher percentage of their budget to maintain buildings than their urban counterparts. It comes down to basic equity.	**	I support affordable energy to rural Alaska.	Rural energy costs are some of the most expensive in the world. They cannot continue to exist with these costs increasing.
State House bill HB74 (Re: Coastal Management Program) was under consideration in the 2009-2010 legislative session. If you had been in the state legislature, would you have supported or opposed HB74?	Oppose	**	Oppose	Support
What's the main reason you support/oppose HB74?	The current process for approval of development projects through the Department of Natural Resources is adequate. I don't believe we need to add another layer to the process.	**	Management of our coastal waters can be better served than what this bill provides for.	I have not heard debate considering the pros and cons of this bill, but it includes all of the coastal regions and sets up a fair commission. Unless there is justifiable explanations against it, I would support it.
Do you feel lack of Alaska hire is or is not a serious problem in Alaska?	Is	**	Is	Is
What would you recommend be done to increase Alaska hire?	Increase funding for vocational training to ensure a qualified local workforce and support project labor agreements to effectively achieve local hire on major projects.	**	Providing training programs for our people will help by providing a work force employers are looking for and need.	Require allowable wording in all contracts and bid processes that would require Alaska hire preference. Provide more training for Alaskans so we can provide the labor force to fill these jobs.
In your opinion, should the funding for Denali Kid Care be replaced if the money can't be used for abortions, should the funding be replaced even if it is used for abortions, or should the funding not be replaced at all?	Replace funding with abortions covered	**	Don't replace funding	Replace funding without abortion coverage
Denali Kid Care comments	Abortions under Denali Kid Care is not a significant enough problem to deny children health care.	**	We need to look at how effective the program is and is it sustainable.	
Do you feel the drop-out rate among Alaska Native students in Junior and Senior high school is or is not a serious problem in Alaska?	Is	**	Is	Is
What would you recommend be done to reduce the drop-out rate?	Every student is a unique individual with unique learning needs. We need to continue to develop a range of educational options that will provide for every student's needs.	**	This is very complex. Our students need support and encouragement from the home, community and from our teachers in order to succeed.	I believe regional schools might be better equipped to provide a better education to challenge students and encourage them to look to the future with college the ultimate goal.
Do you support or oppose increased funding for charter and alternative education programs in Alaska?	Support	**	Support	Support
Are there any particular charter or alternative programs that you support? Please list:	Small charter and alternative education programs can ensure that each child receives the type of individual attention they need to succeed. Programs such as these that prepare Alaskans to be tomorrow's workforce are an essential supplement to traditional education. Effie Kokrine Charter School in Fairbanks is a good example of a program that works well.	**	We need more opportunities for the trades to be taught. Shifting funding to charter schools is something I would be willing to consider.	
Are there any particular charter or alternative programs that you oppose? Please list:		**		
Do you believe Alaska state government spending is or is not sustainable at the current level?	Is not sustainable	**	Is not sustainable	Is not sustainable
Please describe why you feel state spending is/is not sustainable at the current level.	Oil revenue, which makes up 90% of state revenues, is in decline. It will become more difficult, if not impossible to maintain the current level of services and projects as that revenue declines.	**	Oil production is declining and without a gasline in place, we are unable to replace the revenue.	Our State Budget is 90% funded by the oil companies. The pipeline is only one-third full and declining 5 to 6% per year. We must consider the possibility that this funding source is in danger and consider ways to replace this revenue.
Do you support or oppose amending Alaska's Clear and Equitable Share legislation (ACES) to lower the tax rates on the oil industry?	Oppose	**	Support	Oppose
Please describe why you support/oppose amending ACES.	Prior to ACES, we taxed the oil industry at one of the lowest rates in the world. We now tax them in the mid-range and I believe that is appropriate.	**	Oil production is declining, and without a gasline in place, we are unable to replace the revenue.	The Oil companies are not overtaxed at this time.
Changes in tax policies, regulatory burdens and environmental regulations all impact economic progress. What would be your number one recommendation to encourage economic development in Alaska?	Affordable and predictable energy costs. We need to invest in a diversified energy infrastructure to provide stability for local businesses and Alaska's working families.	**	It is the development of affordable energy.	Lower energy costs is the biggest roadblock to economic development.
Do you support or oppose oil and gas exploration and development in ANWR?	Support: Responsible development in ANWR can provide essential revenue to the state.	**	Support: We need responsible develop our resources.	Support
Do you support or oppose outer continental shelf and off-shore oil and gas exploration and development?	Support	**	Support	Support
Please describe why you support/oppose outer continental shelf and off-shore development?	Off-shore development is essential for Alaska to prosper. We can develop resources responsibly and we should do so.	**	Again, responsible development.	With proper oversight this resource can fill the pipeline and supply the United States with needed oil and gas to stop buying from foreign countries.
Do you support or oppose the Port Authority's purchase of Fairbanks Natural Gas (FNG)?	Support	**	Oppose	Support
Please describe why you support/oppose the Port Authority's purchase of FNG?	I believe that the development of a natural gas pipeline should happen - we've been waiting for more than 30 years. The purchase of FNG could provide short term relief from high energy costs in the immediate future and build and maintain the essential distribution infrastructure Fairbanks will need once a pipeline is built.	**	This is outside the purpose for which the Port Authority was created.	The project will reduce energy and space heat costs and make propane available to rural communities. There is no cost to the State of Alaska or any of its residents.
There is a proposal to combine all major Railbelt utilities (GRETC) into a single energy corporation. Some say this is a good idea because of potential efficiencies; while others say it is a bad idea because it is potentially a monopoly and could stop private sector energy exploration and development. Would you support or oppose a proposal to combine all major Railbelt utilities into a single energy corporation?	Support	**	Support	Oppose
Please describe why you support/oppose GRETC.	In order to build large projects to diversify our energy supply, there needs to be significant investments in the infrastructure. An umbrella corporation to supply energy could provide the economies of scale necessary to finance large scale generation projects.	**	This could be an opportunity to bond for larger energy projects which could be the start to lower all communities energy costs.	It would create a monopoly that could hurt future competition which would prevent possible cost lowering measures that might become available in the future.

**Candidate did not respond