



Ted Stevens

United States Senator for Alaska

Please Note:

- Fill out one request form for each request
- This form (and any attachments) can be returned via:

Fax - (202) 224-2354
 Mail - The Honorable Ted Stevens
 United States Senate
 522 Hart Senate Office Bldg.
 Washington, D.C. 20510

- Requests are due by February 15, 2008.

FISCAL YEAR 2009 PROJECT REQUEST FORM

Project Name: Valdez Cold Storage Project

Project Location: Valdez, Alaska

Project Description (please attach additional pages as required):

The organization is a private non-profit corporation. The main activities of this organization are the propagation and release of Pink salmon and Coho salmon into the Eastern District of Prince William Sound. Also the corporation creates or provides opportunities for the value - adding of salmon, halibut or black cod by the commercial fishermen. The addition of the farmers in the interior to this program provides for a much-needed outlet for the farm products produced in Alaska and the opportunity for them to expand their production

Please see attached document.

Related Appropriations Bill: Unknown

Amount of federal funding requested for FY09: 17,600,000.00

Total funding to complete this project: 17,600,000.00

Number of years to fund this project: 2 years

Matching funds from the State of Alaska: \$2,450,000.00

Matching funds from local and private entities:

Local In-kind: \$500,000.00

List legislation that authorizes this project:

Unknown



If this project was funded in prior appropriations bills (within the last five years), list each bill and the amount funded:

None.

Amount included in the President's FY09 Budget: None

Amount included in the State of Alaska FY09 Budget: Unknown

Check this box if state funding was sought but not provided.



existing Alaskan processors and new entrepreneurial start-ups to hold their product for year round processing and enjoy substantial savings in freight costs. By doing secondary value-added processing in Alaska, the processor postpones freight costs from his primary raw material to the time of sales of the final product.

In addition to the year-round jobs created by the cold storage facility, additional processing jobs and secondary business opportunities will be realized through an increase in economic activity in the region. Alaska's fishing economy is beginning to recover from a loss of market share and the increased competition of farmed salmon. The inclusion of a large cold storage facility in the Valdez area will help to keep the recovery intact and provide for increased opportunities in the future.

VALDEZ COLD STORAGE PROJECT

In 1978, a group of local commercial fishermen formed the Valdez Fisheries Development Association. The goals of this non-profit organization were to develop a hatchery program and offer training and community resources to enhance the commercial fishing industry in the Valdez area. In 1982, the Association released about 10 million Pink salmon fry from the Solomon Gulch Hatchery site in Valdez. By 2003, more than 206 million fry were released annually, making it the largest pink salmon hatchery in Alaska.

The Association continues to seek out opportunities and has developed a unique concept for a regional cold storage and processing facility located in Valdez, Alaska. Historically, a significant portion of the Alaska seafood harvest undergoes only primary processing into a frozen headed and gutted form. These fish are then exported to locations outside of Alaska (i.e. Washington State, Japan, Thailand, and China) for value-added processing into finished products for retail consumption. The intense, short-fishing seasons in Alaska require that much of the harvested seafood be disposed of quickly, and therefore it ends up as a canned product or the previously mentioned frozen headed and gutted form. The Alaskan economy loses this important value-added activity, and with it the employment, income, investment and multiplier benefits. The Association's cold storage and processing facility is designed to keep this value-added activity in Alaska and provide a very price competitive facility that fosters strong economic development in the region. The development is intended to encourage additional processing and inventory management by existing processing companies, entrepreneurial start-ups, and harvesters interested in generating more value from their catch.

The overall concept for the cold storage facility is to store previously headed and gutted frozen fish or frozen fillets in a modular designed cold storage facility for processing at a later date. Customers will also use the cold storage facility for managing inventories of finished product to take advantage of increases in seasonal pricing. Valdez Fisheries Development Association will purchase the land and build a facility to house a cold storage, dry heated storage, secondary processing area, an office, and loading docks. The facility will not compete with other established processing businesses in the Prince William Sound area but will enhance business opportunities and product development for existing processors.

The uniqueness of the facility is important because, in an era of high-energy costs it allows for the utilization of waste heat from the Petro Star Refinery to reduce electrical costs by 50% to 80%. The system design allows for the capture of surplus heat being dissipated into the atmosphere, and the transfer of heat to a heat medium stream of ethylene glycol and water, which is piped to the cold storage facility for use in an ammonia absorption system. The availability of a low cost cold storage facility will allow