

State of Alaska FY2010 Governor's Operating Budget

Department of Commerce, Community, and Economic Development Alaska Energy Authority Owned Facilities Component Budget Summary

Component: Alaska Energy Authority Owned Facilities

Contribution to Department's Mission

Provide for the operation and maintenance of existing Authority-owned projects with maximum utility control.

Major Activities to Advance Strategies

- Monitor maintenance activities performed by utilities
- Ensure FERC compliance of Bradley Lake Hydro Project
- Monitor condition of the projects
- Complete annual budgets for the Bradley Lake Hydro Project and the Alaska Intertie Project
- Facilitate cooperation between utilities
- Repair and maintenance of the Larsen Bay project
- Oversight of Larsen Bay operations
- Work with cannery and Larsen Bay for delivery of reliable power
- Work with Larsen Bay to take responsibility for the project

FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$1,067,100

Personnel:

Full time	0
Part time	0
Total	0

Key Component Challenges

The primary challenge for the Larsen Bay Hydroelectric Project is the installation of the new switchgear. This is prerequisite before an official transfer of this hydro facility from AEA to the City of Larsen Bay can take place.

Analyze the financial feasibility of the Susitna Hydroelectric project as a future railbelt power generation source.

Develop an integrated resource plan for railbelt electric generation and transmission, including the potential creation of a new business venture that will coordinate existing railbelt utility operations as recommended by the recently completed Railbelt Electric Grid Authority (REGA) study.

AEA continues to work with the Intertie Operating Committee (IOC) on issues related to the operation and maintenance of the Anchorage to Fairbanks Intertie and necessary intertie repairs to the foundations and the intertie static VAR system. AEA is negotiating a new Intertie operating agreement with the participating utilities.

Significant Changes in Results to be Delivered in FY2010

Upon completion of the Community Development Block Grant (CDBG) upgrades and the official transfer documents signed, the Larsen Bay Hydro Project will be transferred from AEA to the City of Larsen Bay in the summer of 2009 (FY 2010).

Major Component Accomplishments in 2008

A new Bradley Lake Hydroelectric Project Operating & Maintenance Agreement was signed by Utilities and AEA.

Statutory and Regulatory Authority

AS 44.83	Alaska Energy Authority
AS 37.07.020(e)	State Facilities Operations and Maintenance
3 AAC 105	Alaska Energy Authority

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**Alaska Energy Authority Owned Facilities
Component Financial Summary**

All dollars shown in thousands

	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	5.6	30.0	30.0
73000 Services	200.3	1,024.1	1,024.1
74000 Commodities	0.5	8.0	8.0
75000 Capital Outlay	0.0	5.0	5.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	206.4	1,067.1	1,067.1
Funding Sources:			
1107 Alaska Energy Authority Corporate Receipts	206.4	1,067.1	1,067.1
Funding Totals	206.4	1,067.1	1,067.1

Estimated Revenue Collections

Description	Master Revenue Account	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Alaska Energy Authority Receipts	51418	206.4	1,067.1	1,067.1
Restricted Total		206.4	1,067.1	1,067.1
Total Estimated Revenues		206.4	1,067.1	1,067.1

**Summary of Component Budget Changes
From FY2009 Management Plan to FY2010 Governor***All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2009 Management Plan	0.0	0.0	1,067.1	1,067.1
FY2010 Governor	0.0	0.0	1,067.1	1,067.1