

State of Alaska FY2012 Governor's Operating Budget

Department of Commerce, Community, and Economic Development Alaska Energy Authority Power Cost Equalization Component Budget Summary

Component: Alaska Energy Authority Power Cost Equalization

Contribution to Department's Mission

Reduce the cost of electricity for residential customers and community facilities in rural Alaska.

Major Activities to Advance Strategies

- Verify eligibility and process monthly Power Cost Equalization (PCE) payments
- Produce annual statistical report of PCE program
- Calculate the prorated PCE funding level
- Technical assistance
- Provide utility clerk training

Key Component Challenges

Because of high turnover rate of staff in the 87 rural utilities (representing 183 communities) participating in the PCE program, the training and assistance to the utility staff continues to be a challenge.

Significant Changes in Results to be Delivered in FY2012

AEA requests funding to cover PCE administrative costs and for utility clerk training. This is a technical program that requires utility clerks to understand the PCE process and program requirements. Training is essential to the local personnel to manage their responsibilities of this program. The results of this increase will ensure all eligible utilities are participating in the PCE program to the maximum benefit of rural ratepayers.

Major Component Accomplishments in 2010

Provided utility clerk training to Rural Utility Business Advisors and rural utility clerks

Statutory and Regulatory Authority

AS 42.45 Rural and Statewide Energy Programs
 3 AAC 107 Grant Programs
 3 AAC 52.600 Criteria for Determination of Power Cost Equalization

Contact Information

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Alaska Energy Authority Power Cost Equalization Component Financial Summary

All dollars shown in thousands

	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	1.4	0.0	10.0
73000 Services	158.5	300.0	330.0
74000 Commodities	0.1	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	31,495.3	36,000.0	34,000.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	31,655.3	36,300.0	34,340.0
Funding Sources:			
1004 General Fund Receipts	10,762.6	12,626.4	10,829.4
1089 Power Cost Equalization Fund	20,892.7	0.0	0.0
1169 PCE Endowment Fund	0.0	23,673.6	23,510.6
Funding Totals	31,655.3	36,300.0	34,340.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2010 Actuals	FY2011 Conference Committee (Final)	FY2011 Authorized	FY2011 Authorized	FY2012 Governor
Unrestricted Revenues						
Power Cost Equalization	51404	20,892.7	0.0	0.0	0.0	0.0
Unrestricted Fund	68515	10,762.6	0.0	0.0	12,626.4	10,829.4
Unrestricted Total		31,655.3	0.0	0.0	12,626.4	10,829.4
Restricted Revenues						
Power Cost Equalization Endowment Fund	51465	0.0	0.0	0.0	23,673.6	23,510.6
Restricted Total		0.0	0.0	0.0	23,673.6	23,510.6
Total Estimated Revenues		31,655.3	0.0	0.0	36,300.0	34,340.0

**Summary of Component Budget Changes
From FY2011 Management Plan to FY2012 Governor**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2011 Management Plan	12,626.4	23,673.6	0.0	0.0	36,300.0
Adjustments which will continue current level of service:					
-FY2011 Conference Committee - language Ch 41 SLA2010 Sec. 15(e)(f)	-12,626.4	-23,673.6	0.0	0.0	-36,300.0
Proposed budget increases:					
-FY2012 Funding	10,829.4	23,510.6	0.0	0.0	34,340.0
FY2012 Governor	10,829.4	23,510.6	0.0	0.0	34,340.0

Component Detail All Funds
Department of Commerce, Community, and Economic Development

Component: Alaska Energy Authority Power Cost Equalization (2602)

RDU: Alaska Energy Authority (453)

	FY2010 Actuals	FY2011 Conference Committee (Final)	FY2011 Authorized	FY2011 Management Plan	FY2012 Governor	FY2011 Management Plan vs FY2012 Governor	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	1.4	0.0	0.0	0.0	10.0	10.0	100.0%
73000 Services	158.5	300.0	300.0	300.0	330.0	30.0	10.0%
74000 Commodities	0.1	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	31,495.3	36,000.0	36,000.0	36,000.0	34,000.0	-2,000.0	-5.6%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	31,655.3	36,300.0	36,300.0	36,300.0	34,340.0	-1,960.0	-5.4%
Fund Sources:							
1004 Gen Fund	10,762.6	12,626.4	12,626.4	12,626.4	10,829.4	-1,797.0	-14.2%
1089 Power Cost	20,892.7	0.0	0.0	0.0	0.0	0.0	0.0%
1169 PCE Endow	0.0	23,673.6	23,673.6	23,673.6	23,510.6	-163.0	-0.7%
Unrestricted General (UGF)	10,762.6	12,626.4	12,626.4	12,626.4	10,829.4	-1,797.0	-14.2%
Designated General (DGF)	20,892.7	23,673.6	23,673.6	23,673.6	23,510.6	-163.0	-0.7%
Other Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Commerce, Community, and Economic Development

Component: Alaska Energy Authority Power Cost Equalization (2602)

RDU: Alaska Energy Authority (453)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2011 Conference Committee (Final) To FY2011 Authorized *****												
FY2011 Conference Committee												
	ConfCom	36,300.0	0.0	0.0	300.0	0.0	0.0	36,000.0	0.0	0	0	0
1004 Gen Fund		12,626.4										
1169 PCE Endow		23,673.6										
	Subtotal	36,300.0	0.0	0.0	300.0	0.0	0.0	36,000.0	0.0	0	0	0
***** Changes From FY2011 Authorized To FY2011 Management Plan *****												
	Subtotal	36,300.0	0.0	0.0	300.0	0.0	0.0	36,000.0	0.0	0	0	0
***** Changes From FY2011 Management Plan To FY2012 Governor *****												
FY2011 Conference Committee - language Ch 41 SLA2010 Sec. 15(e)(f)												
	OTI	-36,300.0	0.0	0.0	-300.0	0.0	0.0	-36,000.0	0.0	0	0	0
1004 Gen Fund		-12,626.4										
1169 PCE Endow		-23,673.6										
FY2012 Funding												
	IncM	34,340.0	0.0	10.0	330.0	0.0	0.0	34,000.0	0.0	0	0	0
1004 Gen Fund		10,829.4										
1169 PCE Endow		23,510.6										
	Totals	34,340.0	0.0	10.0	330.0	0.0	0.0	34,000.0	0.0	0	0	0

Line Item Detail
Department of Commerce, Community, and Economic Development
Travel

Component: Alaska Energy Authority Power Cost Equalization (2602)
RDU: Alaska Energy Authority (453)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
72000	Travel		1.4	0.0	10.0
Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
72000 Travel Detail Totals			1.4	0.0	10.0
72100	Instate Travel	Administrative travel costs.	1.4	0.0	10.0

Line Item Detail
Department of Commerce, Community, and Economic Development
Services

Component: Alaska Energy Authority Power Cost Equalization (2602)
RDU: Alaska Energy Authority (453)

Line Number	Line Name			FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
73000	Services			158.5	300.0	330.0
Expenditure Account	Servicing Agency	Explanation		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
73000 Services Detail Totals				158.5	300.0	330.0
73750		Other Services (Non IA Svcs)	Other non I/A Services	0.0	140.0	155.0
73979	AIDEA	Mgmt/Consulting (IA Svcs)	Administrative Costs	158.5	160.0	175.0

Line Item Detail
Department of Commerce, Community, and Economic Development
Commodities

Component: Alaska Energy Authority Power Cost Equalization (2602)
RDU: Alaska Energy Authority (453)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
74000	Commodities		0.1	0.0	0.0
Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
74000 Commodities Detail Totals			0.1	0.0	0.0
74200	Business	Supplies cost	0.1	0.0	0.0

Line Item Detail
Department of Commerce, Community, and Economic Development
Grants, Benefits

Component: Alaska Energy Authority Power Cost Equalization (2602)
RDU: Alaska Energy Authority (453)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
77000	Grants, Benefits		31,495.3	36,000.0	34,000.0
Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
77000 Grants, Benefits Detail Totals			31,495.3	36,000.0	34,000.0
77110	Grants	Power Cost Equalization Program grants (AS 42.45.110)	31,495.3	36,000.0	34,000.0

Unrestricted Revenue Detail
Department of Commerce, Community, and Economic Development

Component: Alaska Energy Authority Power Cost Equalization (2602)
RDU: Alaska Energy Authority (453)

Master Account	Revenue Description		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51404	Power Cost Equalization		20,892.7	0.0	0.0

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51404	Power Cost Equalization				20,892.7	0.0	0.0

Unrestricted Revenue Detail
Department of Commerce, Community, and Economic Development

Component: Alaska Energy Authority Power Cost Equalization (2602)
RDU: Alaska Energy Authority (453)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
68515	Unrestricted Fund	10,762.6	12,626.4	10,829.4

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
68515	Unrestrict Fu Source				10,762.6	12,626.4	10,829.4
	Unrestricted Fund Source						

Restricted Revenue Detail
Department of Commerce, Community, and Economic Development

Component: Alaska Energy Authority Power Cost Equalization (2602)
RDU: Alaska Energy Authority (453)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51465	Power Cost Equalization Endowment Fund	0.0	23,673.6	23,510.6

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51465	Power Cost Equalization Endowment Fund				0.0	23,673.6	23,510.6

Inter-Agency Services
Department of Commerce, Community, and Economic Development

Component: Alaska Energy Authority Power Cost Equalization (2602)

RDU: Alaska Energy Authority (453)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor	
73979	Mgmt/Consulting (IA Svcs)	Administrative Costs	Intra-dept	AIDEA	158.5	160.0	175.0
73979 Mgmt/Consulting (IA Svcs) subtotal:				158.5	160.0	175.0	
Alaska Energy Authority Power Cost Equalization total:				158.5	160.0	175.0	
Grand Total:				158.5	160.0	175.0	