

Change Record Detail With Description

Fund Capitalization

Scenario: Alaska Resource Rebate Special Session (6835)

Component: Power Cost Equalization and Rural Electric Capitalization Fund (2500)

RDU: Fund Capitalizations (255)

Title: Additional FY 2009 Capitalization of the Power Cost Equalization Fund

	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		
										PFT	PPT	NP
	Inc	9,000.0	0.0	0.0	0.0	0.0	0.0	0.0	9,000.0	0	0	0
1004 Gen Fund		9,000.0										

The Power Cost Equalization (PCE) levels are anticipated to increase in the fall as PCE utilities purchase their winter supply of fuel. Electric rates are estimated to be at least 50% higher and more PCE utilities are anticipated to reach the maximum PCE level of 37.69 cents/kWh. The anticipated PCE level adjustments are expected to impact the cost of the program in the second quarter of the fiscal year. In addition to the increased fuel costs, the maximum PCE level increased to 37.69 cents/kWh from 37.65 cents/kWh when the fiscal year 2009 Regulatory Commission of Alaska calculated weighted average cost of residential power in Fairbanks, Anchorage and Juneau decreased to 12.83 cents/kWh from 12.87 cents/kWh.

This funding request will allow capitalize the PCE Fund so that AEA may continue to pay PCE at 100% for FY 2009. Without this additional funding, AEA estimates that the PCE payments will require pro rata adjustment.