

State of Alaska FY2011 Governor's Operating Budget

Department of Commerce, Community, and Economic Development Alaska Energy Authority Results Delivery Unit Budget Summary

Alaska Energy Authority Results Delivery Unit

Contribution to Department's Mission

Reduce the cost of energy in Alaska.

Core Services

- Operation and maintenance of existing authority-owned projects with maximum utility control.
- Development, design and construction of sustainable, safe, reliable, efficient and environmentally sound energy systems in Alaska.
- Power Cost Equalization program.
- Power Project and Bulk Fuel Revolving Loan programs.
- Training, technical assistance and emergency response to rural utilities.

Results at a Glance

(Additional performance information is available on the web at <http://omb.alaska.gov/results>.)

END RESULT A: The unit cost of energy in Alaska is reduced.

- Alaska Energy Authority (AEA) is implementing powerhouse monitoring systems that will provide real-time, accurate fuel consumption data which should be available in FY11.
- As of August 2009, 24% of electric generation is from renewable sources.

Status of Strategies to Achieve End Result

- 55.5% of rural power system upgrades were completed by the end of FY2009, with 47 more communities to be completed.
- 11.35% delinquency rate on the \$1.3 million outstanding Bulk Fuel Revolving Loans for FY2009 not meeting the 5% or less.
- 96 rural residents were trained to manage and operate rural energy infrastructure and programs in FY09.
- 91% of the rural bulk fuel facilities were updated by the end of FY2009. Nine communities, or 11%, remain to be completed.
- 96.5% of the 92 eligible electric utilities received Power Cost Equalization payments in FY2009; increasing from 94.3% in FY2008.
- As of July 30, 2009, 43% of the Renewable Energy Fund projects were under way.

Key RDU Challenges

See components.

Significant Changes in Results to be Delivered in FY2011

See components.

Major RDU Accomplishments in 2009

See components and Alaska Energy Authority (AEA) capital requests.

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**Alaska Energy Authority
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2009 Actuals				FY2010 Management Plan				FY2011 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures												
AEA Power Cost Equalization	9,400.0	0.0	28,160.0	37,560.0	16,767.3	0.0	20,892.7	37,660.0	12,626.4	0.0	23,673.6	36,300.0
Non-Formula Expenditures												
AEA Owned Facilities	0.0	0.0	230.3	230.3	0.0	0.0	1,067.1	1,067.1	0.0	0.0	1,067.1	1,067.1
AEA Rural Energy Operations	267.5	33.7	4,058.4	4,359.6	187.6	530.0	2,466.5	3,184.1	280.9	530.0	4,780.6	5,591.5
AEA Technical Assistance	100.7	0.0	0.0	100.7	100.7	0.0	0.0	100.7	100.7	0.0	0.0	100.7
Alternative Energy & Efficiency	293.6	0.0	331.5	625.1	550.4	41.9	467.1	1,059.4	550.4	41.9	467.1	1,059.4
Totals	10,061.8	33.7	32,780.2	42,875.7	17,606.0	571.9	24,893.4	43,071.3	13,558.4	571.9	29,988.4	44,118.7

Alaska Energy Authority
Summary of RDU Budget Changes by Component
From FY2010 Management Plan to FY2011 Governor

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2010 Management Plan	17,606.0	571.9	24,893.4	43,071.3
Adjustments which will continue current level of service:				
-AEA Rural Energy Operations	93.3	0.0	0.0	93.3
-AEA Power Cost Equalization	-2,780.9	0.0	2,780.9	0.0
Proposed budget decreases:				
-AEA Power Cost Equalization	-1,360.0	0.0	0.0	-1,360.0
Proposed budget increases:				
-AEA Rural Energy Operations	0.0	0.0	2,314.1	2,314.1
FY2011 Governor	13,558.4	571.9	29,988.4	44,118.7