

**Agency: Commerce, Community and Economic Development****Grant Recipient: Community & Economic Dev****Project Title:****Project Type:** New Construction and Land Acquisition

# AEA - Golden Valley Electric Association Eva Creek Wind Farm

**State Funding Requested: \$10,000,000**  
One-Time Need**House District: 8 / D****Brief Project Description:**

GVEA's Eva Creek Wind project is a 25MW wind farm located at Ferry in the Denali Borough, just north of Healy, Alaska. With assistance from the state, GVEA is confident the project can reduce the cost of electricity in Interior Alaska help and protect consumers from future oil price shocks.

**Funding Plan:**

Total Project Cost:	\$93,000,000
Funding Already Secured:	(\$83,000,000)
FY2012 State Funding Request:	<u>(\$10,000,000)</u>
Project Deficit:	\$0

*Funding Details:*

GVEA was the recipient of a Round I grant of \$2,000,000 from the REF. GVEA is asking for total state support for the Eva Creek project similar to that given to the proposed Fire Island Wind Farm. Fire Island was granted \$25,000,000 for a then proposed 50 megawatt project. Since the Eva Creek Wind Farm is designed to produce 25 megawatts, we have requested \$10,000,000. When combined with the Round I grant, these funds will represent equitable state treatment of both wind projects.

**Detailed Project Description and Justification:**

The Eva Creek Wind project will be the first large-scale utility wind project to be constructed and integrated into the Railbelt electric grid. At approximately 25 megawatts, the project will meet Golden Valley's renewable energy pledge of 20 percent, which is the highest renewable energy target of all the Railbelt utilities. A grant of \$10,000,000 to AEA for the purpose of supporting the Eva Creek project will be used by GVEA for infrastructure associated with the wind generation (access road to the site, an associated electrical substation, a connection to the Northern Intertie and battery storage). The Eva Creek wind farm will be tied into the Northern Intertie transmission grid which connects Anchorage with Fairbanks. Power from the project (enough to energize 9,000 homes) will be consumed by residents and businesses in Fairbanks and the Interior.

The project has been sized properly so the power generated can be integrated into the GVEA system. The Eva Creek wind farm is expandable in the future which would allow portions of the infrastructure investment to be used again. Support from the state for this request will lower the cost of the produced power by approximately 10-12 percent, or 1 cent per kilowatt hour. This would result in a small reduction in the cost of electric power in the Interior as early as 2012.

The renewable power from an Eva Creek wind farm will dovetail well in the future with power from the proposed hydroelectric project on the Susitna River.

**Project Timeline:**

The GVEA Board of Directors will make a final decision whether to move forward on this project during the spring of 2011. Construction would take place in 2011 and 2012 with power generation to begin by the end of 2012, barring permitting obstacles and construction delays.

**Entity Responsible for the Ongoing Operation and Maintenance of this Project:**

GVEA

**Grant Recipient Contact Information:**

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Has this project been through a public review process at the local level and is it a community priority?  Yes  No

*For use by Co-chair Staff Only:*

10:29 AM 5/27/2011



A simulated image of the proposed Eva Creek Wind Project near Healy.



A drill rig tests the soil for a possible substation location at the proposed Eva Creek Wind Project site. The Northern Intertie is pictured to the left.