

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number 7
Bill Version HB 103
(H) Publish Date 1/18/11

Identifier (file name) 1822-CED-AEA-12-10-10
Title Powers of Alaska Energy Authority
Sponsor Rules Committee
Requester Request of the Governor
Dept. Affected DCCED
Appropriation Alaska Energy Authority
Allocation Statewide Project Development
Alternative Energy and Efficiency
OMB Component Number 2888

Expenditures/Revenues

(Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information					
OPERATING EXPENDITURES	FY 2012	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Personal Services	1,125.0		1,181.3	1,240.3	1,302.3	1,367.4	
Travel							
Contractual	238.0		247.8	252.7	252.7	257.1	
Supplies							
Equipment	413.0		5.0	5.0	5.0	5.0	
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	1,776.0	0.0	1,434.1	1,498.0	1,560.0	1,629.5	0.0

CAPITAL EXPENDITURES							
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CHANGE IN REVENUES							
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FUND SOURCE

(Thousands of Dollars)

1004 GF							
1007 I/A Receipts							
1061 CIP Receipts	1,776.0		1,434.1	1,498.0	1,560.0	1,629.5	
1102 AIDEA Receipts							
1074 Bulk Fuel							
1107 AEA Corporate Receipts							
TOTAL	1,776.0	0.0	1,434.1	1,498.0	1,560.0	1,629.5	0.0

Estimate of any current year (FY2011) cost _____

POSITIONS

Full-time	8.0						
Part-time							
Temporary							

Why this fiscal note differs from previous version

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Approved by Susan K. Bell, Commissioner
Commerce, Community, & Economic Development

Phone 907-771-3012
Date/Time 1/12/11 5:00 PM
Date 1/13/2011

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BILL NO. HB 103

Analysis

Note: This is fiscal note 2 of 2 for the AEA Statewide Project Development component. The cost information relevant to the AEA project construction portion of this legislation is presented separately from the cost information relevant to the power of AEA to have employees (See fiscal note 1 of 2 for the costs of AEA Statewide Project Development to have employees).

Section 6, 9, and 11 of this bill expands AEA's powers to allow AEA to acquire, construct, and conduct feasibility studies of new power projects. Section 6 of the bill would amend the powers of AEA to add provisions related to new power projects. Sections 9 and 11 of the bill would empower AEA to exercise for new power projects, the existing statutory authority managing power projects which are currently limited to power projects from the pre-1993, "former energy program for Alaska."

This fiscal note reflects the costs to AEA to establish a project office in pursuit of constructing and owning the Susitna Hydro project.

PERSONAL SERVICES: \$1,125.0 - Increased to include 8 staff for the first year as follows:

Project Manager Rg 27
Environmental Manager Rg 26
Administrative Assistant Rg 12
Project Accountant Rg 18
Financial/Budget Analyst Rg 24
Public Outreach/Legislation Liaison Rg 23
Procurement Manager Rg 24
Data System Specialist Rg 20

CONTRACTUAL: \$238.0 - Increase for Contractual services including Lease, Utilities, and G&A costs for Project Office. Utilities and G&A estimates include a cost associated with contract labor personnel.

\$ 189.0	Annual Lease - 4,500 sq. ft. x \$3.50 per sq. ft./mo. x 12 mo.'s.
\$ 13.0	Utilities \$1.3 per person x 10 (8 staff + 2 contractors) first year.
<u>\$ 36.0</u>	G&A Expense: \$3.6 per person - \$3.6 x 10 (8 staff + 2 contractors).
\$ 238.0	

EQUIPMENT/FURNITURE: \$413.0 - Increase for 1st year Project Office set up costs. This cost estimate assumes all equipment and furniture purchases in the first year as well as one time only moving expenses and tenant improvements.

\$ 28.0	IT Equipment \$2.0 per person per year x 14 (8 staff + 6 contractors). Assumes all equipment purchases in 1st year for project office (including contract labor needs).
<u>\$ 385.0</u>	Tenant Improvement \$315.0 (\$70 x 4,500 sq. ft.); Moving Expenses \$21.0; and Furniture 49.0
\$ 413.0	