

Fiscal Note

State of Alaska
2016 Legislative Session

Bill Version: SB 192
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB192-DCCED-REA-03-11-16
Title: AIDEA BONDS, LOANS, FUND; AEA LOAN
Sponsor: MCGUIRE
Requester: (S) Special Committee on Energy

Department: Department of Commerce, Community and
Economic Development
Appropriation: Alaska Energy Authority
Allocation: Alaska Energy Authority Rural Energy Assistance
OMB Component Number: 2600

Expenditures/Revenues

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

(Thousands of Dollars)

	FY2017 Appropriation Requested	Included in Governor's FY2017 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2017	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2016) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2017) cost: 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed? n/a

Why this fiscal note differs from previous version:

Not applicable, initial version.

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Date: 03/11/2006 10:10 PM
Date: 03/11/16

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2016 LEGISLATIVE SESSION

BILL NO. SB 192

Analysis

SB 192 provides the Alaska Energy Authority (AEA) the required legislative approval under AS 42.45.010 for a Power Project Fund (PPF) loan in an amount not to exceed \$22,000,000 to the Lynn Canal Transmission Corporation (LCTC) for the transmission electrification of the Veteran's Memorial Highway.

Although SB 192 provides AEA with the required authorization for a loan, the PPF does not have a balance sufficient to fund a \$22,000,000 loan. The PPF currently has approximately \$9,700,000 in uncommitted funds. Without additional funds, AEA would be able to provide a loan of approximately \$5,000,000. Due to declining grant funds, AEA has seen an increase in PPF loan activity to small rural utilities for basic infrastructure improvements.

Independent of the legislative authorization and upon receipt of a PPF loan application, AEA will complete project due diligence analysis of the financial, economic, and technical feasibility of the project per AS 42.45.010.

There is no additional AEA operating cost attributed to this legislation. This is a zero fiscal note.