

ALASKA ENERGY AUTHORITY

HB 307: INTEGRATED TRANSMISSION SYSTEMS

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House Finance Committee
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Safe,
Reliable, and
Affordable
Energy
Solutions

The Railbelt Electrical Grid



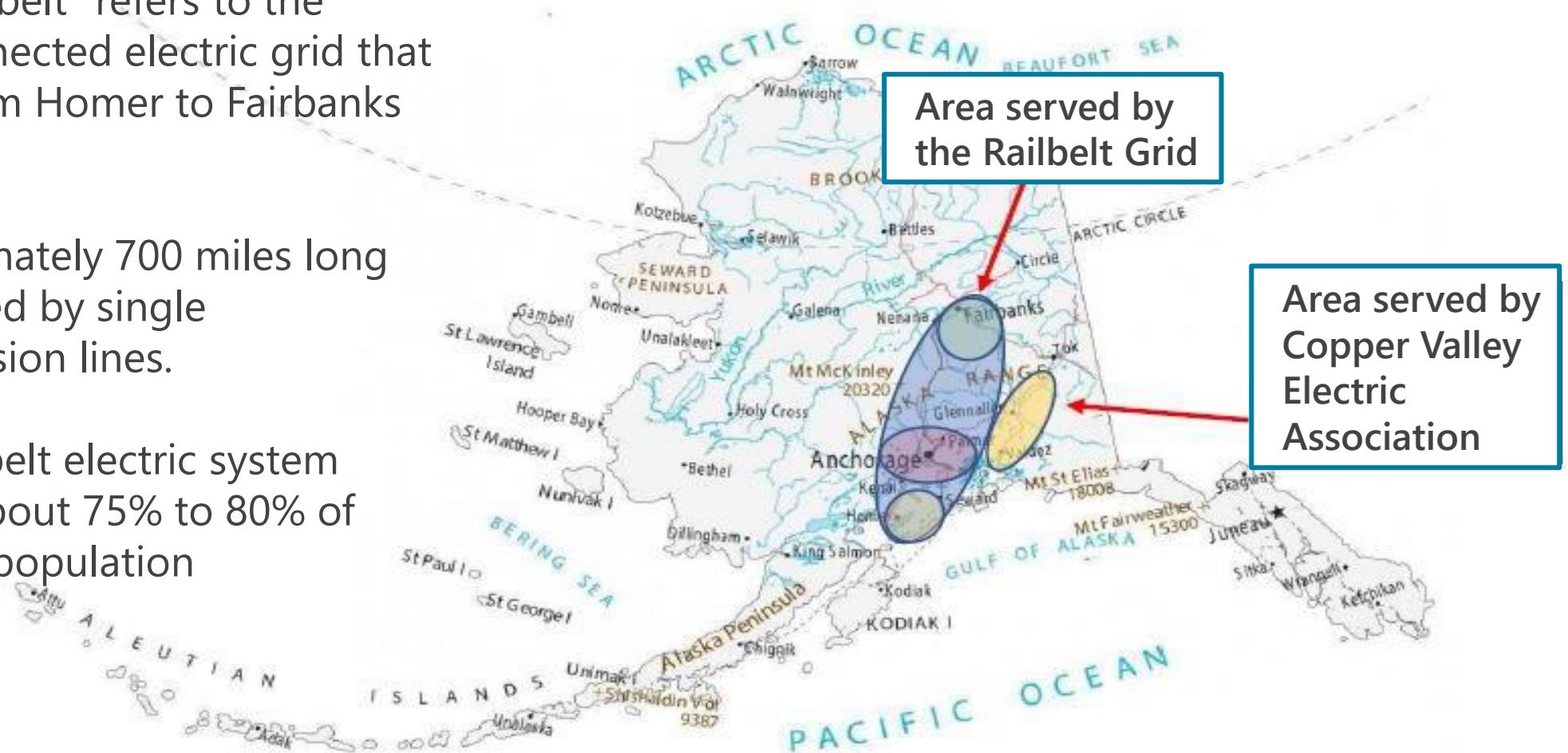
The “Railbelt” refers to the interconnected electric grid that goes from Homer to Fairbanks to Delta.

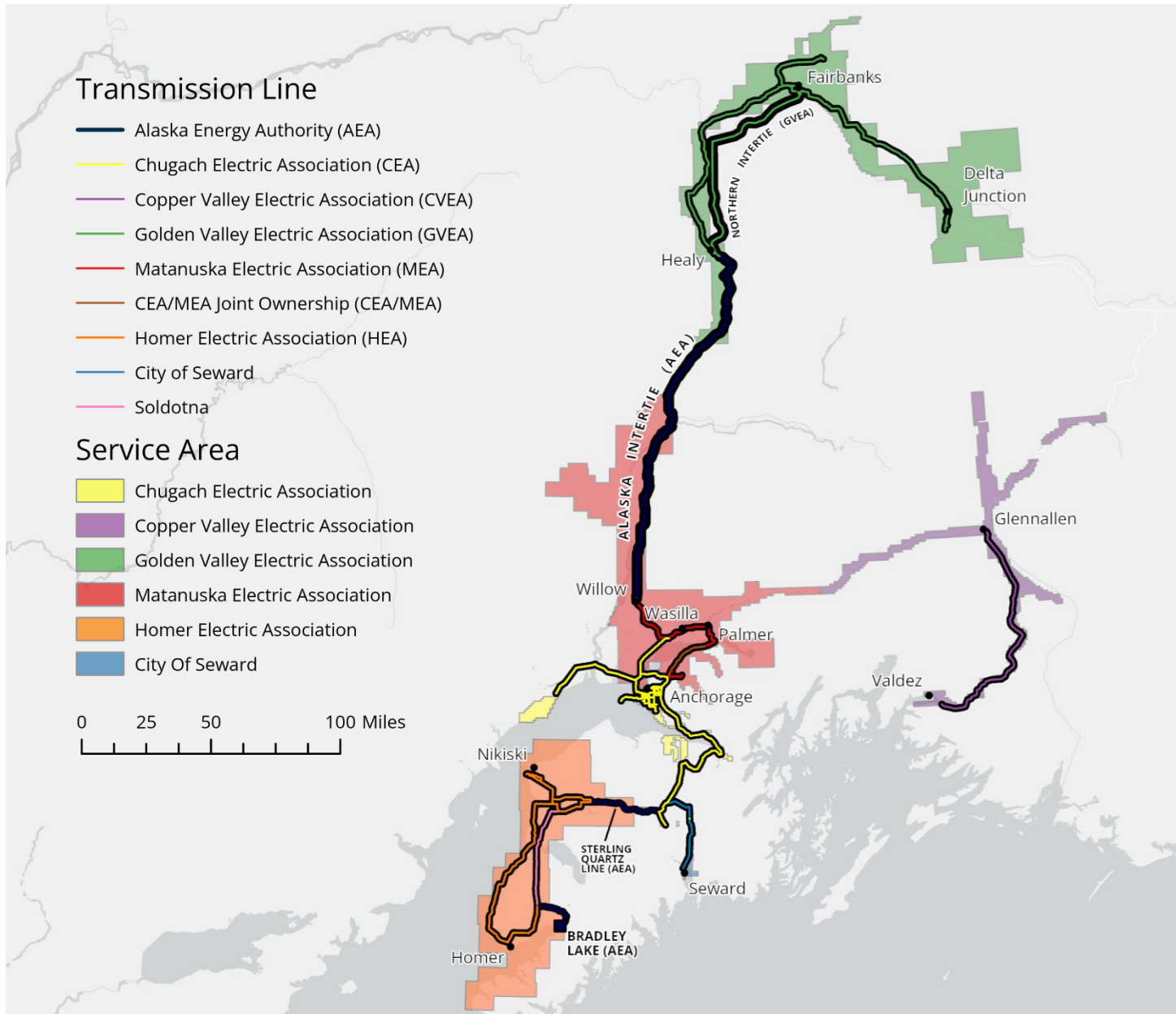


Approximately 700 miles long connected by single transmission lines.



The Railbelt electric system serves about 75% to 80% of Alaska's population





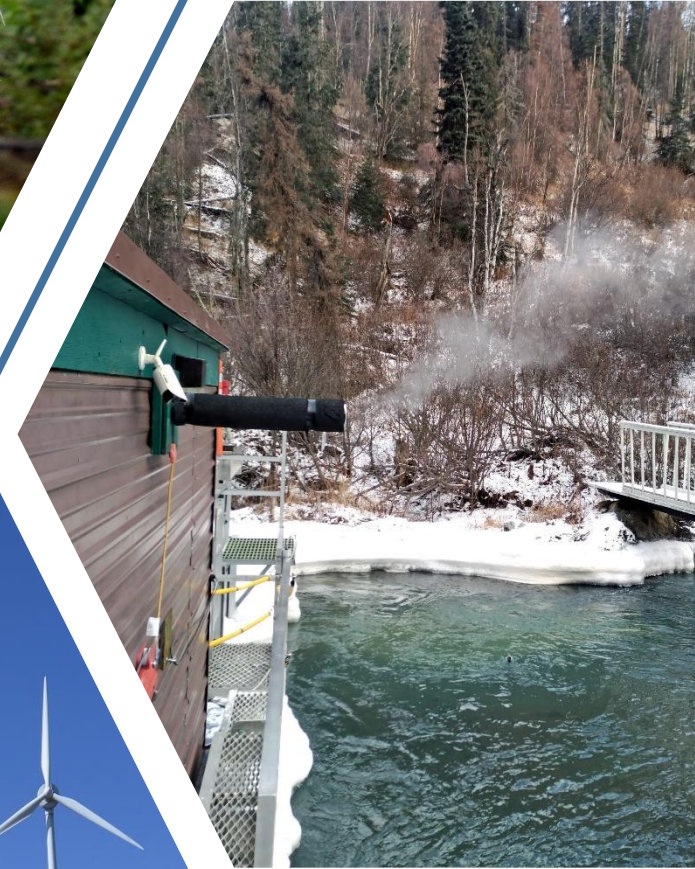
Railbelt Transmission System

- Transmission is owned by AEA and Railbelt utilities.
- Much of Railbelt has few alternative pathways.
- Copper Valley connected by road but not transmission.
- Roadbelt Transmission is the Railbelt system plus transmission connecting Matanuska Valley, Glennallen, and then north to Delta Junction.

Independent Power Producers



House Bill 307 will amend Alaska Statute 10.25.540(b) — the statute related to taxation of cooperatives — to extend its tax relief provisions to independent power producers who sell their power to non-profit electric utilities.



HB 307: What does it do?



House Bill 307 aims to:

- Reduce barriers for new power projects
- Transform system into a public highway rather than a toll road
- Allow for lowest cost power to move regardless of generation source

It aims to do this by:

- Requiring the Regulatory Commission of Alaska (RCA) to establish a new mechanism of transmission cost recovery in the Railbelt
- Eliminating transmission “wheeling” rates for inter-utility movement of electricity
- Extending tax relief provisions enjoyed by Electric Co-ops to Independent Power Producers (IPPs)

Thank You

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