

FISCAL NOTE

STATE OF ALASKA
2011 LEGISLATIVE SESSION

Fiscal Note Number
Bill Version
() Publish Date

CSHB 103(FIN)

Identifier (file name) HB103-CCED-AEA-04-11-11

Dept. Affected DCCED

Title Powers of Alaska Energy Authority

Appropriation Alaska Energy Authority

Allocation Statewide Project Development

Sponsor Rules by Request of the Governor

Alternative Energy and Efficiency

Requester House Finance Committee

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	0.0		0.0	0.0	0.0	0.0	***
Travel	0.0		0.0	0.0	0.0	0.0	***
Services	1,350.0		1,413.5	1,476.1	1,538.1	1,606.8	***
Commodities	0.0		0.0	0.0	0.0	0.0	***
Capital Outlay	413.0		5.0	5.0	5.0	5.0	***
Grants							
Miscellaneous							
TOTAL OPERATING	1,763.0	0.0	1,418.5	1,481.1	1,543.1	1,611.8	***

CAPITAL EXPENDITURES							
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CHANGE IN REVENUES							
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1061 CIP Receipts	1,763.0		1,418.5	1,481.1	1,543.1	1,611.8	***
1037 GF/Mental Health							
Other (please identify)							
TOTAL	1,763.0	0.0	1,418.5	1,481.1	1,543.1	1,611.8	***

Estimate of any current year (FY2011) cost

POSITIONS

Full-time							
Part-time							
Temporary							

Why this fiscal note differs from previous version (if initial version, please note as such)

This Fiscal Note estimates employee costs for Susitna Project Office and assumes that new staff are AIDEA employees contracted to the Alaska Energy Authority.

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

Phone 771-3013
Date/Time 4/11/11 5:00 PM
Date 4/11/2011

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BILL NO. CSHB103(FIN)

Analysis

This legislation expands the Alaska Energy Authority's powers to allow AEA to acquire a Susitna River power project.

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

CONTRACTUAL: \$1,350.0

\$1,125.0 Contractual Services for 8 staff (AIDEA employees) 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

Note: Personal Services Costs are reflected in the related Fiscal Note for the AIDEA component.

\$225.0 Contractual Services for Building lease, and G&A costs for Project Office. Cost estimates include a cost associated with contract labor personnel.

\$ 189.0	Annual Lease - 4,500 sq. ft. (250'/pp x 14 +1000') x \$3.50 per sq. ft./mo. x 12 mo.'s.
<u>\$ 36.0</u>	G&A Expense: \$3.6 per person - \$3.6 x 10 (8 staff + 2 contractors).
\$ 225.0	

EQUIPMENT/FURNITURE: \$413.0 - Increase for first 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 x 14 (8 staff + 6 contractors). Assumes all equipment purchases in first 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	

Note: Tenant Improvement costs will vary depending on building configuration and may also be negotiated as part of a long term lease.

*** Costs for FY 2017 indeterminate