

Railbelt Electric Energy System and Energy Transition

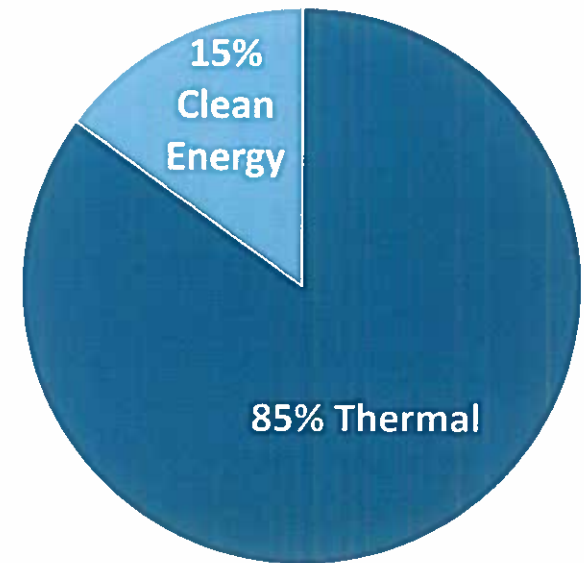
***Chugach Electric Association - Arthur Miller
Golden Valley Electric Association - John Burns
Homer Electric Association - Brad Janorschke
Matanuska Electric Association - Tony Izzo***



Railbelt Electric Utilities by the Numbers

4 MEMBER-OWNED ELECTRIC COOPERATIVES • 1 MUNICIPAL UTILITY

- Provides power to more than 75% of the state's population
- Railbelt electric system stretches 700 miles
- Average Cost of Power on Railbelt is low compared to the rest of the state, and is comparable to areas in the Lower-48
- Uses 41% of Cook Inlet Natural Gas



Railbelt Generation Sources

Railbelt Electric System

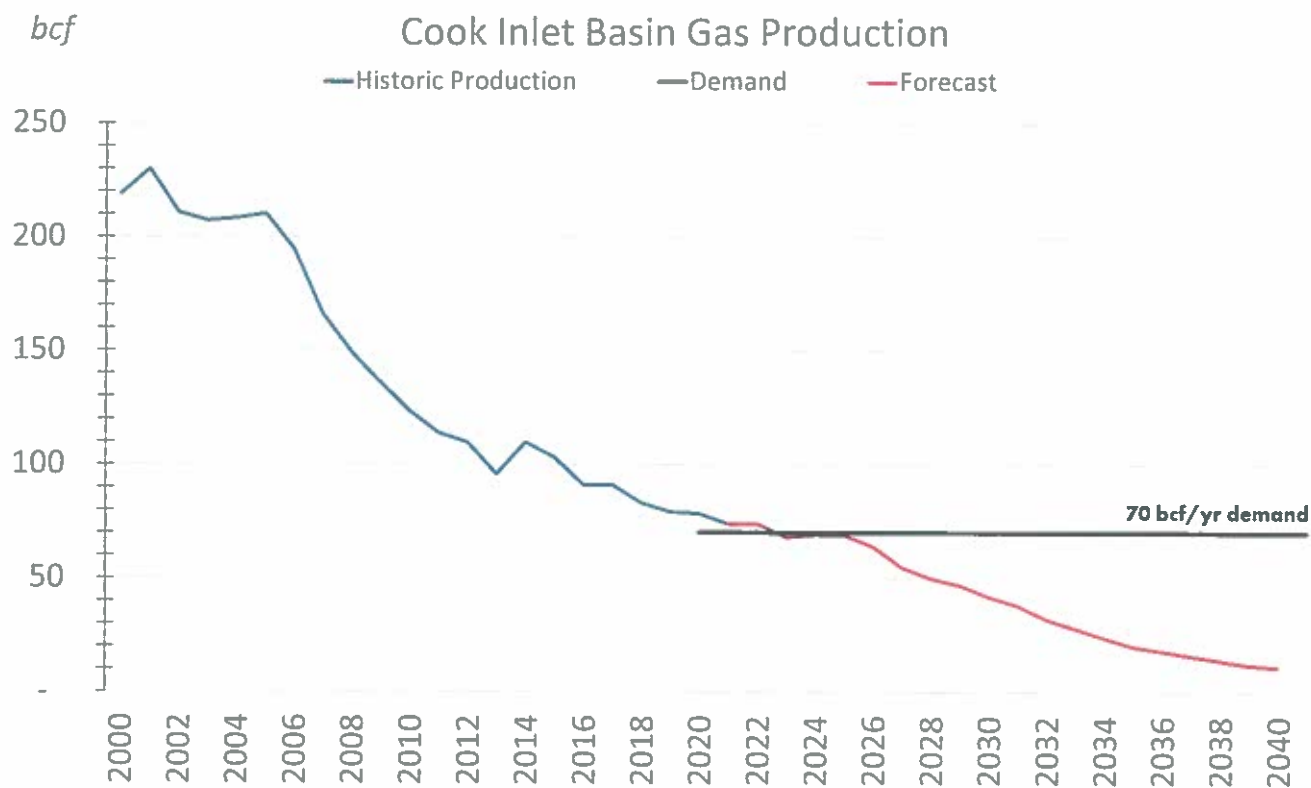




Key Elements to Address

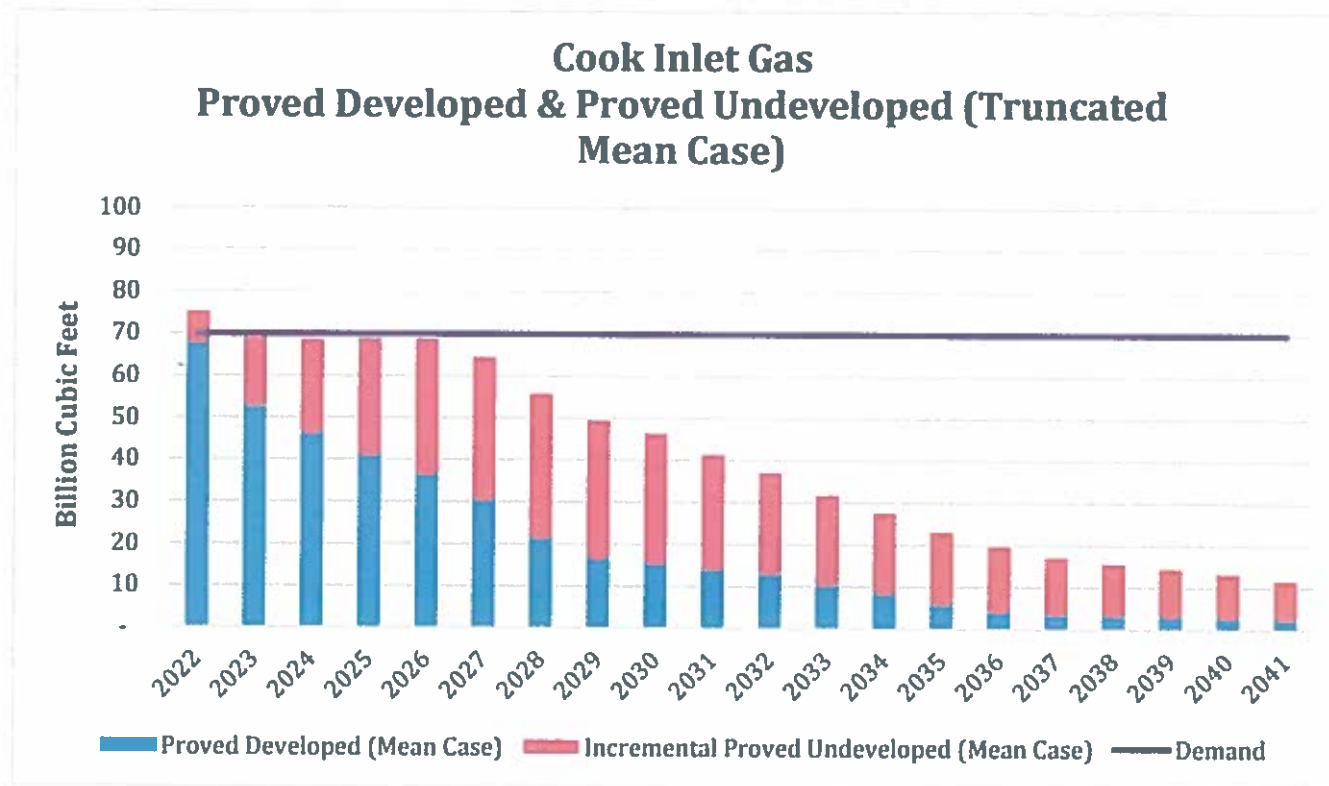
- **Natural gas supply**
- **Diversification and energy security**
- **Transmission/energy storage infrastructure**
- **Rate stability**

Historic Cook Inlet Production



After 60 years of affordable and reliable supply, current Cook Inlet gas reserves will not meet demand by the end of the decade

Railbelt Gas Forecast



Source: 2022 Cook Inlet Gas Forecast; State of Alaska, Department of Natural Resources, January 2023.

Options to fill the gap

Diversify Railbelt energy portfolio through:

- **Pursuing clean energy; when economic**
 - **Clean energy includes energy from renewable generation (wind, solar, hydro, etc.) and energy from zero-emissions sources including nuclear and carbon capture**
- **Exploring natural gas solutions**
 - **Alaska North Slope gas lines**
 - **LNG import opportunities**

The transition will require:

- **Energy storage**
- **Transmission upgrades**



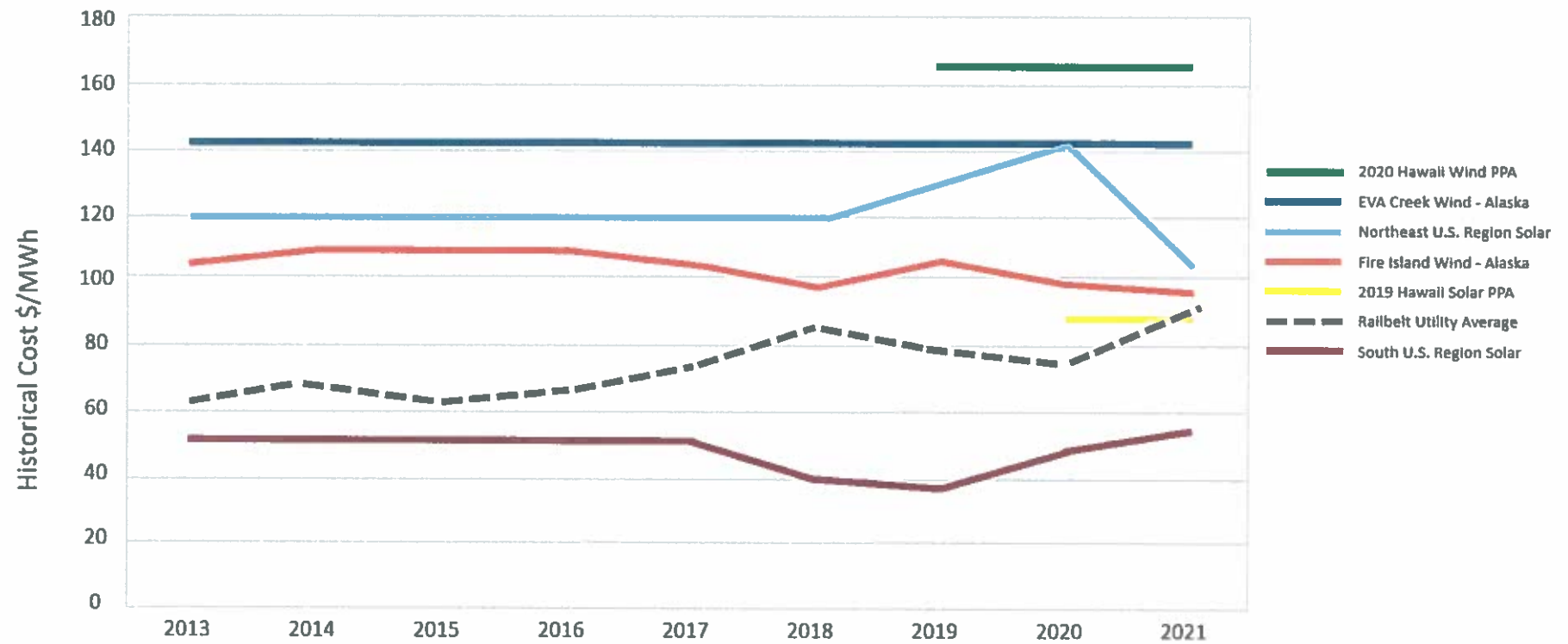
Railbelt Clean Energy Goals

Focus is on achievable, sustainable energy policy:

- **Diversification of generation sources**
- **Sensible approach with no adverse impact on rates or reliability**
- **Fosters and encourages collaboration with stakeholders**
- **Provides energy security**
- **Maximizes carbon reductions**

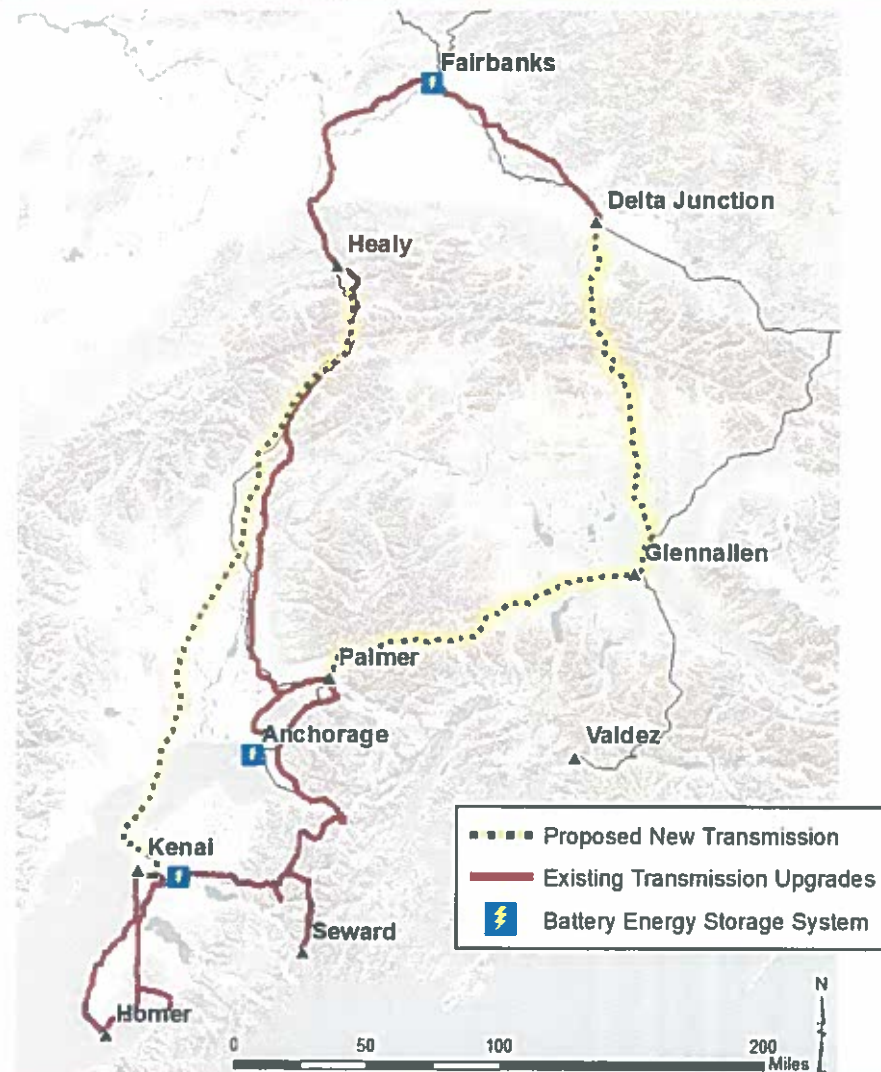


Cost Comparison



The Railbelt Vision

- Southern transmission
- Northern transmission
- Roadbelt transmission
- Energy storage



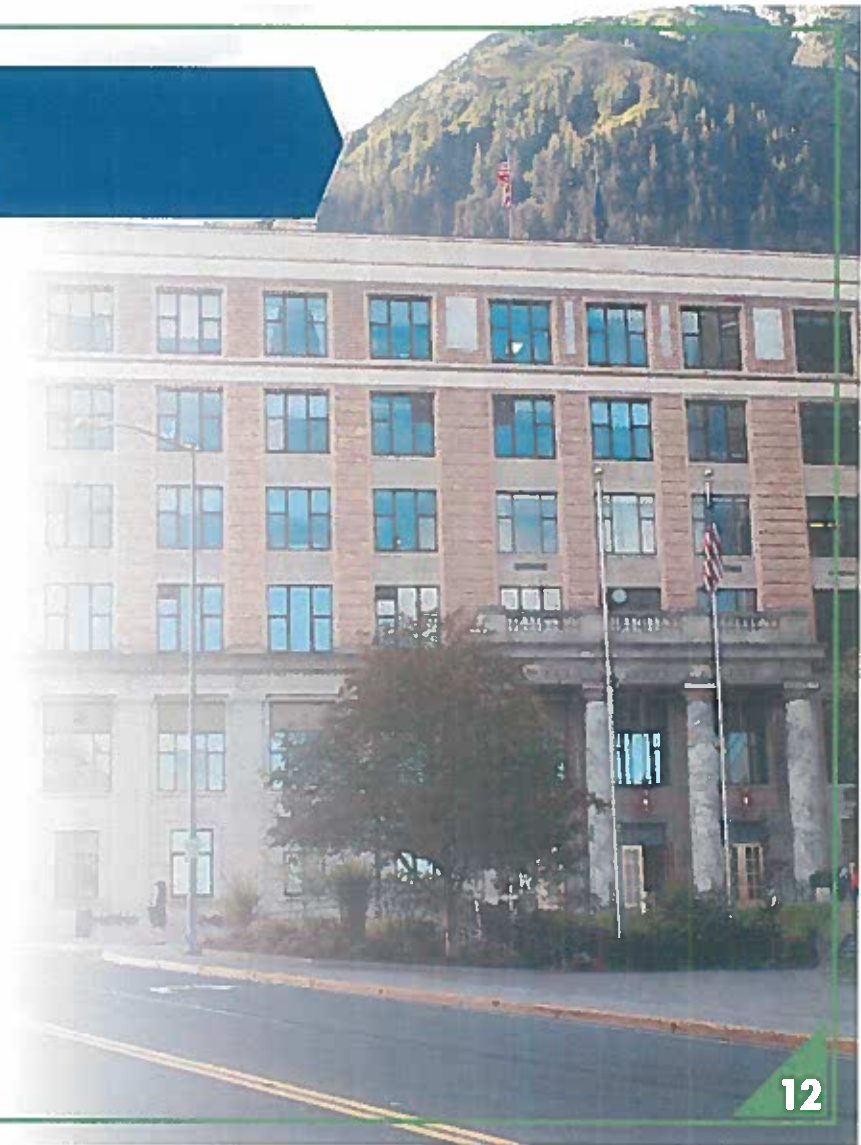


What the Vision will Achieve

- Increased generation availability and unconstrained dispatch
- Increased clean energy generation, including renewables
- Increased transfer capabilities
- Economies of scale
- Supports military's mission in Alaska
- Enables economic development
- Rate stability - benefits PCE communities

Legislative Priorities

- **Economic/affordable transition to lower carbon**
- **Transmission infrastructure/energy storage**
- **Leverage state and federal funding**
- **Reasonably priced long-term in-state supply of natural gas**





Questions?

✓ **Safe**
✓ **Reliable**
✓ **Affordable**
Energy for Alaskans