

Original sponsors: Zharoff, Anderson,  
Branson, et al

Offered: 4/5/79  
Referred: Rules

1 IN THE HOUSE

BY THE RULES COMMITTEE

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CS FOR HOUSE JOINT RESOLUTION NO. 30

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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ELEVENTH LEGISLATURE - FIRST SESSION

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Relating to the sale of revenue bonds

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of the Alaska Power Authority for the

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Terror Lake hydroelectric generating

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project at Kodiak, Alaska, and for

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the Solomon Gulch hydroelectric

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generating project near Valdez,

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Alaska.

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BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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WHEREAS the State of Alaska has funded a feasibility study for the

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Terror Lake hydroelectric project in the Kodiak Island Borough through money

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loaned from the Alaska Power Authority power project revolving fund and the

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water resources revolving fund in the amount of \$520,000; and

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WHEREAS the completed study shows that the hydroelectric project is

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feasible; and

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WHEREAS the Alaska Power Authority has submitted to the legislature and

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to the governor a statement of its recommendations for financing the hydro-

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electric project, as required in AS 44.56.180(b), and a statement outlining

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the general design, demonstration of financial feasibility, and maximum

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amount of revenue bonds necessary for the project; and

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WHEREAS according to statements by the authority, it is to finance the

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project only through the issuance of revenue bonds and may not construct,

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acquire, or own the project; and

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WHEREAS the statements by the authority provide that the project is to

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be designed, acquired, and constructed by the Kodiak Electric Association

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under an agreement with the authority which shall provide that the authority

1 have ownership rights in the project only as may be necessary to secure the  
2 payment of the principal and interest on revenue bonds issued for the pro-  
3 ject; and

4 WHEREAS the statements submitted to the governor and to the legislature  
5 fully satisfy the conditions set out in AS 44.56.180 which must be satisfied  
6 before the adoption of this resolution; and

7 WHEREAS the cost to be incurred in financing the project will require  
8 the issuance of revenue bonds of the authority in a presently estimated  
9 amount not to exceed \$120,000,000; and

10 WHEREAS it is considered to be in the best interests of the state that  
11 revenue bonds of the authority be issued to finance the cost of the project;  
12 and

13 WHEREAS the Copper Valley Electric Association, Inc. has received a  
14 Federal Energy Regulatory Commission license for the Solomon Gulch hydro-  
15 electric generating project near Valdez, Alaska, and construction has begun  
16 on the project; and

17 WHEREAS initial financing for the project has been secured from other  
18 sources but it is considered in the public interest to finance a portion of  
19 the project from the proceeds of the sale of revenue bonds of the Alaska  
20 Power Authority; and

21 WHEREAS the Alaska Power Authority has submitted to the legislature and  
22 to the governor a statement of its recommendations for financing a portion of  
23 the Solomon Gulch hydroelectric project, as required in AS 44.56.180(b), and  
24 a statement outlining the general design, demonstration of financial feasi-  
25 bility, and maximum amount of revenue bonds necessary for that purpose; and

26 WHEREAS, according to statements by the authority, it is to finance a  
27 portion of the project only through the issuance of revenue bonds and is not  
28 to construct, acquire or own the project; and

29 WHEREAS the statements by the authority indicate that the project is to

1 be designed, acquired, and constructed by the Copper Valley Electric Associ-  
2 ation under an agreement with the authority which shall provide that the  
3 authority have ownership rights in the project only as may be necessary to  
4 secure the payment of the principal and interest on revenue bonds issued for  
5 the project; and

6 WHEREAS the statements submitted to the governor and to the legislature  
7 fully satisfy the conditions set out in AS 44.56.180 which must be satisfied  
8 before the adoption of this resolution; and

9 WHEREAS the cost to be incurred in financing a portion of the project  
10 will require the issuance of revenue bonds of the authority in a presently  
11 estimated amount not to exceed \$20,000,000; and

12 WHEREAS it is considered to be in the best interests of the state that  
13 revenue bonds of the authority be issued to finance a portion of the cost of  
14 the project;

15 BE IT RESOLVED that the Alaska State Legislature approves the general  
16 design of the Terror Lake hydroelectric project in the Kodiak Island Borough  
17 and the sale of revenue bonds by the Alaska Power Authority in an amount not  
18 to exceed \$120,000,000 to pay the costs of the project; and be it

19 FURTHER RESOLVED that the Alaska State Legislature approves the general  
20 design of the Solomon Gulch hydroelectric project near Valdez, Alaska, and  
21 the sale of revenue bonds by the Alaska Power Authority in an amount not to  
22 exceed \$20,000,000 to pay the cost of a portion of the project.

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