

Original sponsors: Rogers, Moss,  
Parr and Smith

Offered: 5/14/80  
Referred: Rules

1 IN THE HOUSE BY THE FINANCE COMMITTEE  
2 CS FOR HOUSE JOINT RESOLUTION NO. 68 (Finance)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 ELEVENTH LEGISLATURE - SECOND SESSION

5 Relating to the Alaska Power Authority  
6 and giving approval to incurring revenue  
7 bonded indebtedness of specified  
8 projects of the Alaska Power Authority

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

10 WHEREAS the Alaska Power Authority has submitted to the legislature and  
11 to the governor its recommendations for financing various hydroelectric  
12 projects, as required by AS 44.56.180, and statements outlining the general  
13 design and demonstrating the financial feasibility of the projects; and

14 WHEREAS, according to statements by the Alaska Power Authority, the  
15 authority is to finance the Lake Elva hydroelectric generation project and  
16 will construct, acquire and own the project; and

17 WHEREAS the statements of the Alaska Power Authority indicate that the  
18 Lake Elva hydroelectric generation project is to be designed, acquired, and  
19 constructed for the Nushagak Electric Association under an agreement with the  
20 Alaska Power Authority which will provide that the authority has ownership  
21 rights in the project as necessary to secure the payment of the principal and  
22 interest on revenue bonds, if bonds are issued for the project; and

23 WHEREAS the statement of the authority submitted to the governor and to  
24 the legislature fully satisfies the conditions set out in AS 44.56.180; and

25 WHEREAS the costs to be incurred in financing the Lake Elva hydroelectric  
26 project will require the Alaska Power Authority to issue its revenue  
27 bonds in an amount which is estimated not to exceed \$15,000,000; and

28 WHEREAS it is in the best interests of the state that revenue bonds of  
29 the Alaska Power Authority be issued to finance the Lake Elva project; and

1       WHEREAS the Golden Valley Electric Associaton, Inc., plans to construct,  
2 acquire and operate a waste heat power generating project located at pump  
3 stations 7, 8, 9 and 10 of the trans-Alaska pipeline near Fairbanks; and

4       WHEREAS the project will provide an additional 27,500 kilowatts of  
5 generating capacity through the utilization of BTU's which are now being  
6 exhausted into the atmosphere and the project will thereby displace oil now  
7 in short supply; and

8       WHEREAS the Golden Valley Electric Association, Inc., has submitted an  
9 application to the Alaska Power Authority for assistance in financing the  
10 waste heat power generation project and the Alaska Power Authority has by its  
11 resolution determined to sell its bonds for the project; and

12       WHEREAS the Alaska Power Authority, under AS 44.56.180, has submitted to  
13 the governor and to the legislature a statement of its recommendations for  
14 financing the waste heat power generation project and a statement outlining  
15 the general design, demonstration of financial feasibility, and maximum  
16 amount of revenue bonds and appropriations necessary for the project; and

17       WHEREAS the statements of the Alaska Power Authority submitted to the  
18 governor and to the legislature fully satisfy the requirements contained in  
19 AS 44.56.180(b) and the statements required by AS 44.56.180(c); and

20       WHEREAS the statements of the Alaska Power Authority provide that through  
21 the issuance of revenue bonds the authority is to finance the waste heat  
22 power generation project only and is not to construct, acquire or own the  
23 project; and

24       WHEREAS, the statements of the Alaska Power Authority provide that the  
25 project is to be designed, acquired and constructed by the Golden Valley  
26 Electric Association, Inc., under an agreement with the Alaska Power Authority  
27 which will provide that the Alaska Power Authority has ownership rights in  
28 the project only as may be necessary to secure the payment of the revenue  
29 bond indebtedness; and

1           WHEREAS the costs to be incurred in financing the Golden Valley Electric  
2 Association, Inc. waste heat power generation project will require the issu-  
3 ance of revenue bonds of the Alaska Power Authority in a maximum estimated  
4 amount not to exceed \$110,000,000; and

5           WHEREAS it is in the best interests of the state that revenue bonds of  
6 the Alaska Power Authority be issued to finance the cost of the Golden Valley  
7 Electric Association, Inc. waste heat power generation project; and

8           WHEREAS the State of Alaska has expended considerable time, effort and  
9 money in order to study the Black Bear Lake hydroelectric project; and

10           WHEREAS a completed reconnaissance assessment shows the Black Bear Lake  
11 hydroelectric project is potentially feasible; and

12           WHEREAS a Federal Energy Regulatory Commission license application must  
13 be prepared by the Alaska Power Authority in order to seek approval to con-  
14 struct the Black Bear Lake hydroelectric project; and

15           WHEREAS the Alaska Power Authority, under AS 44.56.180, has submitted to  
16 the governor and the legislature a statement of its preliminary recommenda-  
17 tions for financing the Black Bear Lake hydroelectric project and a statement  
18 outlining the general design, demonstration of financial feasibility, and  
19 maximum amount of revenue bonds and appropriations necessary for the project;  
20 and

21           WHEREAS the statements submitted to the governor and to the legislature  
22 fully satisfy the requirements contained in AS 44.56.180 which must be satis-  
23 fied before adoption of this resolution; and

24           WHEREAS the statements of the Alaska Power Authority provide that through  
25 the issuance of revenue bonds the authority is to design, finance, construct,  
26 own and operate the Black Bear Lake hydroelectric project; and

27           WHEREAS the costs to be incurred in financing the Black Bear Lake hydro-  
28 electric project will require the issuance of revenue bonds of the Alaska  
29 Power Authority in a maximum presently estimated amount not to exceed

1 \$30,000,000; and

2 WHEREAS it is in the best interests of the state that revenue bonds of  
3 the Alaska Power Authority be issued to finance the cost of the Black Bear  
4 Lake hydroelectric project; and

5 WHEREAS the Homer Electric Association, Inc., a Rural Electric Associ-  
6 ation cooperative, plans to construct, acquire and install approximately  
7 3,750 new consumer connections and approximately 250 miles of electric power  
8 distribution lines; and

9 WHEREAS the Homer Electric Association, Inc., has submitted an appli-  
10 cation to the Alaska Power Authority for assistance in financing the consumer  
11 connections and distribution lines project, and the Alaska Power Authority  
12 has by resolution determined to sell its bonds to finance the project; and

13 WHEREAS the Alaska Power Authority, under AS 44.56.180, has submitted to  
14 the governor and to the legislature a statement of its recommendations for  
15 financing the Homer Electric Association project and a statement outlining  
16 the general design, demonstration of financial feasibility, and maximum  
17 amount of revenue bonds and appropriations necessary for the project; and

18 WHEREAS, the statements of the Alaska Power Authority submitted to the  
19 governor and to the legislature fully satisfy the requirements contained in  
20 AS 44.56.180(b) and the statements required by AS 44.56.180(c); and

21 WHEREAS according to the statements of the Alaska Power Authority, the  
22 authority intends, through the issuance of revenue bonds, to finance the  
23 Homer Electric Association project only and not to construct, acquire or own  
24 the project; and

25 WHEREAS the statements of the Alaska Power Authority provide that the  
26 project is to be designed, acquired and constructed by the Homer Electric  
27 Association, Inc., under an agreement with the Alaska Power Authority which  
28 will provide that the Alaska Power Authority has ownership rights in the  
29 project only as may be necessary to secure the payment of the revenue bond

1 indebtedness; and

2 WHEREAS the costs to be incurred in financing the project will require  
3 the issuance of revenue bonds of the Alaska Power Authority in a maximum  
4 estimated amount not to exceed \$3,360,000; and

5 WHEREAS it is in the best interests of the state that revenue bonds of  
6 the Alaska Power Authority be issued to finance the cost of the Homer Elec-  
7 tric Association project; and

8 WHEREAS the Naknek Electric Association, a Rural Electric Association  
9 cooperative, plans to construct, acquire and install a 1,000 kilowatt capa-  
10 city diesel-powered electric power generator in Naknek; and

11 WHEREAS the Naknek Electric Association has submitted an application to  
12 the Alaska Power Authority for assistance in financing the generator project,  
13 and the Alaska Power Authority has by resolution determined to sell its bonds  
14 to finance the project; and

15 WHEREAS the Alaska Power Authority, under AS 44.56.180, has submitted to  
16 the governor and to the legislature a statement of its recommendations for  
17 financing the generator project and a statement outlining the general design,  
18 demonstration of financial feasibility, and maximum amount of revenue bonds  
19 and appropriations necessary for the project; and

20 WHEREAS, the statements of the Alaska Power Authority submitted to the  
21 governor and to the legislature fully satisfy the requirements contained in  
22 AS 44.56.180(b) and the statements required by AS 44.56.180(c); and

23 WHEREAS, according to the statements of the Alaska Power Authority, the  
24 authority intends, through the issuance of revenue bonds, to finance the  
25 generator project only and not to construct, acquire or own the project; and

26 WHEREAS the statements of the Alaska Power Authority provide that the  
27 project is to be designed, acquired and constructed by the Naknek Electric  
28 Association under an agreement with the Alaska Power Authority which will  
29 provide that the Alaska Power Authority has ownership rights in the project

1 only as may be necessary to secure the payment of the revenue bond indebted-  
2 ness; and

3 WHEREAS the costs to be incurred in financing the generator project will  
4 require the issuance of revenue bonds of the Alaska Power Authority in a  
5 maximum estimated amount not to exceed \$730,000; and

6 WHEREAS it is in the best interests of the state that revenue bonds of  
7 the Alaska Power Authority be issued to finance the cost of the Naknek  
8 Electric Association generator project; and

9 WHEREAS the Matanuska Electric Association, Inc., a Rural Electric  
10 Association cooperative, plans to construct, acquire and install approximately  
11 800 new consumer connections and approximately 200 miles of electric power  
12 distribution lines; and

13 WHEREAS the Matanuska Electric Association, Inc., has submitted an  
14 application to the Alaska Power Authority for assistance in financing the  
15 consumer connections and distribution lines project, and the Alaska Power  
16 Authority has by resolution determined to sell its bonds to finance the  
17 project; and

18 WHEREAS the Alaska Power Authority, under AS 44.56.180, has submitted to  
19 the governor and to the legislature a statement of its recommendations for  
20 financing the Matanuska Electric Association project and a statement outlining  
21 the general design, demonstration of financial feasibility, and maximum  
22 amount of revenue bonds and appropriations necessary for the project; and

23 WHEREAS, the statements of the Alaska Power Authority submitted to the  
24 governor and to the legislature fully satisfy the requirements contained in  
25 AS 44.56.180(b) and the statements required by AS 44.56.180(c); and

26 WHEREAS according to the statements of the Alaska Power Authority, the  
27 authority intends, through the issuance of revenue bonds, to finance the  
28 Matanuska Electric Association project only and not to construct, acquire or  
29 own the project; and

1       WHEREAS the statements of the Alaska Power Authority provide that the  
2 project is to be designed, acquired and constructed by the Matanuska Electric  
3 Association, Inc., under an agreement with the Alaska Power Authority which  
4 will provide that the Alaska Power Authority has ownership rights in the  
5 project only as may be necessary to secure the payment of the revenue bond  
6 indebtedness; and

7       WHEREAS the costs to be incurred in financing the project will require  
8 the issuance of revenue bonds of the Alaska Power Authority in a maximum  
9 estimated amount not to exceed \$2,500,000; and

10       WHEREAS it is in the best interests of the state that revenue bonds of  
11 the Alaska Power Authority be issued to finance the cost of the Matanuska  
12 Electric Association project; and

13       WHEREAS the Glacier Highway Electric Association, Inc., a Rural Electric  
14 Association cooperative, plans to construct, acquire and install seven miles  
15 of electric power transmission lines, 15 miles of electric power distribution  
16 lines, and approximately 150 new consumer connections, to be located in the  
17 City and Borough of Juneau ; and

18       WHEREAS the Glacier Highway Electric Association, Inc., has submitted an  
19 application to the Alaska Power Authority for assistance in financing the  
20 transmission and distribution lines and consumer connections project, and the  
21 Alaska Power Authority has by resolution determined to sell its bonds to  
22 finance the project; and

23       WHEREAS the Alaska Power Authority, under AS 44.56.180, has submitted to  
24 the governor and to the legislature a statement of its recommendations for  
25 financing the Glacier Highway Electric Association project and a statement  
26 outlining the general design, demonstration of financial feasibility, and  
27 maximum amount of revenue bonds and appropriations necessary for the project;  
28 and

29       WHEREAS, the statements of the Alaska Power Authority submitted to the

1 governor and to the legislature fully satisfy the requirements contained in  
2 AS 44.56.180(b) and the statements required by AS 44.56.180(c); and

3 WHEREAS, according to the statements of the Alaska Power Authority, the  
4 authority intends, through the issuance of revenue bonds, to finance the  
5 Glacier Highway Electric Association project only and not to construct,  
6 acquire or own the project; and

7 WHEREAS the statements of the Alaska Power Authority provide that the  
8 project is to be designed, acquired and constructed by the Glacier Highway  
9 Electric Association, Inc., under an agreement with the Alaska Power Autho-  
10 rity which will provide that the Alaska Power Authority has ownership rights  
11 in the project only as may be necessary to secure the payment of the revenue  
12 bond indebtedness; and

13 WHEREAS the costs to be incurred in financing the project will require  
14 the issuance of revenue bonds of the Alaska Power Authority in a maximum  
15 estimated amount not to exceed \$800,000; and

16 WHEREAS it is in the best interests of the state that revenue bonds of  
17 the Alaska Power Authority be issued to finance the cost of the Glacier  
18 Highway Electric Association project; and

19 WHEREAS the Cordova Electric Cooperative, Inc., a Rural Electric Asso-  
20 ciation cooperative, plans to relocate the present main diesel power genera-  
21 tion plant, acquire and install a new diesel power generator, acquire general  
22 equipment, acquire and install feeder and distribution line improvements and  
23 construct a new headquarters building, in and near Cordova; and

24 WHEREAS the Cordova Electric Cooperative, Inc., has submitted an appli-  
25 cation to the Alaska Power Authority for assistance in financing these pro-  
26 jects, and the Alaska Power Authority has by resolution determined to sell  
27 its bonds to finance the projects; and

28 WHEREAS the Alaska Power Authority, under AS 44.56.180, has submitted to  
29 the governor and to the legislature a statement of its recommendations for

1 financing the Cordova Electric Cooperative projects and a statement outlining  
2 the general design, demonstration of financial feasibility, and maximum  
3 amount of revenue bonds and appropriations necessary for the projects; and

4 WHEREAS, the statements of the Alaska Power Authority submitted to the  
5 governor and to the legislature fully satisfy the requirements contained in  
6 AS 44.56.180(b) and the statements required by AS 44.56.180(c); and

7 WHEREAS, according to the statements of the Alaska Power Authority, the  
8 authority intends, through the issuance of revenue bonds, to finance the  
9 Cordova Electric Cooperative projects only and not to construct, acquire or  
10 own the projects; and

11 WHEREAS the statements of the Alaska Power Authority provide that the  
12 projects are to be designed, acquired and constructed by the Cordova Electric  
13 Cooperative, Inc., under an agreement with the Alaska Power Authority which  
14 will provide that the Alaska Power Authority has ownership rights in the  
15 projects only as may be necessary to secure the payment of the revenue bond  
16 indebtedness; and

17 WHEREAS the costs to be incurred in financing the project will require  
18 the issuance of revenue bonds of the Alaska Power Authority in a maximum  
19 estimated amount not to exceed \$6,500,000; and

20 WHEREAS it is in the best interests of the state that revenue bonds of  
21 the Alaska Power Authority be issued to finance the cost of the Cordova  
22 Electric Cooperative projects;

23 BE IT RESOLVED that the Alaska State Legislature

24 (1) approves the general design of the Lake Elva hydroelectric  
25 generation project near Dillingham, Alaska, and the incurring of revenue bond  
26 indebtedness by the Alaska Power Authority for the project in an amount not  
27 to exceed \$15,000,000;

28 (2) approves the general design of the Golden Valley Electric  
29 Association, Inc., waste heat power generation project near Fairbanks, and

1 the incurring of revenue bond indebtedness by the Alaska Power Authority in a  
2 maximum amount not to exceed \$110,000,000 to pay the costs of the project;

3 (3) approves the preparation of a Federal Energy Regulatory Commis-  
4 sion license application for the Black Bear Lake hydroelectric project, the  
5 general design of the Black Bear Lake hydroelectric project on Prince of  
6 Wales Island, and the incurring of revenue bond indebtedness by the Alaska  
7 Power Authority in a maximum amount not to exceed \$30,000,000 to pay the  
8 costs of the project;

9 (4) approves the general design of the Homer Electric Association,  
10 Inc. project to construct, acquire and install consumer connections and  
11 electric power distribution lines, and the incurring of revenue bond indebted-  
12 ness by the Alaska Power Authority in a maximum amount not to exceed  
13 \$3,360,000 to pay the costs of the project;

14 (5) approves the general design of the Naknek Electric Association  
15 project to construct, acquire and install a diesel-powered electric power  
16 generator, and the incurring of revenue bond indebtedness by the Alaska Power  
17 Authority in a maximum amount not to exceed \$730,000 to pay the costs of the  
18 project;

19 (6) approves the general design of the Matanuska Electric Associa-  
20 tion, Inc. project to construct, acquire and install consumer connections and  
21 electric power distribution lines, and the incurring of revenue bond indebted-  
22 ness by the Alaska Power Authority in a maximum amount not to exceed  
23 \$2,500,000 to pay the costs of the project;

24 (7) approves the general design of the Glacier Highway Electric  
25 Association, Inc., project to construct, acquire and install electric power  
26 transmission and distribution lines and consumer connections in the City and  
27 Borough of Juneau and the incurring of revenue bond indebtedness by the  
28 Alaska Power Authority in a maximum amount not to exceed \$800,000 to pay the  
29 costs of the project;

1           (8) approves the general design of the Cordova Electric Coopera-  
2 tive, Inc. projects in and near Cordova, and the incurring of revenue bond  
3 indebtedness by the Alaska Power Authority in a maximum amount not to exceed  
4 \$6,500,000 to pay the costs of the projects; and be it

5           FURTHER RESOLVED that the projects approved by this resolution may be  
6 combined in one bond issue with the amount needed to finance other Rural  
7 Electric Association cooperative projects approved by the legislature in  
8 accordance with AS 44.56.180.

9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29