

HB

510

(7)

COMMITTEE REPORT

HOUSE

1/15/80

FURTHER: FINANCE

Date: 4-11-80

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 510

"Making a special appropriation to the Department of Community and Regional Affairs for a grant to the Iliamna - Newhalen electrical cooperative; and providing for an effective date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for CS 510 same title
 new title
- and recommends CS 510 - DO PASS
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]
CHAIRMAN

June 15, 1979

9673

The Honorable Nels A. Anderson, Jr.
P.O. Box 234
Dillingham, Alaska 99576

SUBJECT: Power Generating Facilities Cost Estimates

Dear Mr. Anderson:

We intend to supply power to the FAA and Alascom facilities as well as residential and commercial consumers in Iliamna only at the first stage. In order to make a grant application possible, we have estimated our needs.

The necessary equipment is as follows:

Generator building prefabricated 30' x 30' @ \$60/ft ²	\$ 54,000.00
2 x 200 kW diesel generators (used equipment) @ \$100/kW	\$ 40,000.00
Switchgear & controls (used equipment)	\$ 10,000.00
Fuel storage tanks 70,000 gal @ \$1/gal	\$ 70,000.00
Substation 350 kVA @ \$100/kVA	\$ 35,000.00
Freight	<u>\$ 10,000.00</u>
	\$ 219,000.00
Engineering 10%	<u>\$ 20,000.00</u>
	\$ 239,000.00
Contingencies	<u>\$ 11,000.00</u>
	\$ 250,000.00

We plan on utilizing the existing FAA distribution system and at a later point in time extend service to Newhalen and eventually Nondalton.

Used equipment has been located and could be in service with 3 - 4 months from the time of purchase.

Mr. Nels A. Anderson, Jr.
Page 2

June 15, 1979
9673

We trust this information is sufficient for consideration in a grant program.

If further information is required, do not hesitate to contact me. We do appreciate your help.

Sincerely,

ILIAMNA-NEWHALEN ELECTRIC COOPERATIVE, INC.

Oora Fropp

for William Lucas
Manager

WL:wp

June 23, 1979

Governor Jay Hammond
Pouch A
Juneau, Ak 99811

Dear Governor Hammond:

Mr. William Lucas, manager for the Iliamna-Newhalen Electric Cooperative, Inc. has requested a \$250,000.00 grant to get their electric coop off the ground. I urge you to consider making this request an item for consideration at the August 6, 1979, special session in Juneau.

I am sure you are aware of the high cost of electricity in the Iliamna/Lake Clark area. The development of a cooperative in the area would be extremely helpful in reducing the cost of electricity to the villages.

Your support is respectfully requested for adding the Iliamna-Newhalen Electric Cooperative, Inc. grant request as a part of the special session in Juneau on August 6, 1979.

Sincerely,

Nels A. Anderson, Jr.

cc: Senator George Hohman
Mr. William Lucas

Bristol
Bay
Native
Corporation

445 E. 5TH AVENUE / P.O. BOX 220 / ANCHORAGE ALASKA 99510 / PH (907) 278-2302

May 3, 1977

Mr. J. Lowell Jensen
Executive Director
Alaska Public Utilities Commission
MacKay Building
Anchorage, Alaska 99501

Subject: ILIAMNA/NEWHALEN ELECTRIC COOPERATIVE

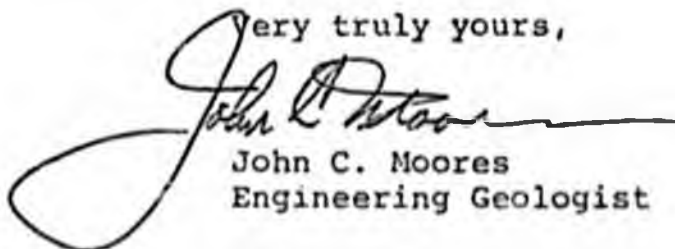
Dear Mr. Jensen:

The villages of Newhalen, Iliamna and Nondalton are in need of a source of power. The Iliamna/Newhalen Electric Cooperative will initially provide power to Iliamna and Newhalen with Nondalton added at a later date.

The BBNC does not wish to comment on the economic viability of the project or the proposed rates because of lack of expertise in this area. We are currently assisting Iliamna and Newhalen in acquiring a land interest upon which the generating facility is to be constructed.

The BBNC concurs with the purpose for which the land is to be provided and supports the concept. It is time all the villages of Alaska enjoyed the conveniences of electrical power.

Very truly yours,



John C. Moores
Engineering Geologist

cc: Senator Mike Gravel
Senator Ted Stevens
Governor Jay Hammond
Representative Nels Anderson ✓

Congressman Don Young
Senator George Hohman

ILIAMNA-NEWHALEN ELECTRIC COOPERATIVE, INC.

Loan Applications - Index of Documents

ALASKA 29A4 ILIAMNA

Board Resolutions:

1. Requesting loan from REA and 2% interest rate.
2. Accepting Financial Forecast.
3. Accepting System Planning Study.
4. Accepting Power Requirements Study.
5. Certification of Area Coverage and Line Extension Policy.
6. Naming Attorney, CPA and Manager.
7. Specifying Board Officers.
8. Certificate of Authority, REA Form 675.
9. Policy for accounts receivable, directors and employees.

Engineering Items:

1. REA Form 740c
2. REA Form 740g.
3. System Planning Study and Environmental Report.
4. Newspaper ad for generation.

Operation Items:

1. Financial Forecast with footnotes and list of assumptions.
2. Retail Rate Schedules.
3. A.P.U.C. Certificate.
4. Articles of Incorporation.
5. Bylaws.
6. Property Schedule, page 4 of Mortgage.
7. Opinion of Counsel concerning legality of corporation.
8. Contracts: REA Form 320.
9. REA Forms 266, 268, and 291.
10. Statements: Name of Bank and Account Number
Area Served
Debt Limit
Corporate Name

10/6/78