

Original sponsor: Rules/Governor

Offered: 5/29/81
Referred: Finance

<u>Funding Information</u>	
General Fund	\$76,081
Other Funds	-0-
	<u>\$76,081</u>

BY THE LABOR AND
COMMERCE COMMITTEE

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 336 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the
7 Department of Revenue and amending a 1980 appropria-
8 tions to the Alaska Power Authority; and providing for
9 an effective date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. The sum of \$21,547 is appropriated from the general fund to
12 the Department of Revenue, Alaska Renewable Resources Corporation, to pay a
13 prior year obligation of the fisheries project.

14 * Sec. 2. The sum of \$4,534 is appropriated from the general fund to the
15 Department of Revenue to pay shared taxes owed to the City of Houston for
16 the years 1975 - 1978.

17 * Sec. 3. Section 53, ch. 120, SLA 1980, page 81, line 12 is amended to
18 read:

	APPROPRIATION	GENERAL
	ITEMS	FUND
21	Discretionary study funds	<u>125,000</u> [75,000] <u>125,000</u> [75,000]

22 * Sec. 4. The unexpended and unobligated portions of the appropriations
23 made by secs. 1 and 2 of this Act lapse into the general fund June 30, 1981.

24 * Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-
25 070(c).

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Funding Information
 General Fund \$13,100,000
 Other Funds -0-
 \$13,100,000

Introduced: 3/13/81
 Referred: Labor & Commerce
 and Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
 REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 336

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the
 7 Alaska Housing Finance Corporation and to the Alaska
 8 Power Authority; making an amendment to ch. 120 SLA
 9 1980; and providing for an effective date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. The sum of \$10,650,000 is appropriated from the general
 12 fund to the Alaska Housing Finance Corporation for the mobile home loan
 13 program.

14 * Sec. 2. The sum of \$2,450,000 is appropriated from the general fund to
 15 the Alaska Power Authority to pay additional FY 81 costs for the Susitna
 16 feasibility study.

17 * Sec. 3. Section 2, ch. 120 SLA 1980 is amended to read:

18 * Sec. 2. The sum of \$126,955,000 is appropriated from the general
 19 fund to the Alaska Housing Finance Corporation to be allocated as
 20 follows:

21	Special mortgage loan purchase program	
22	(AS 18.56.098)	\$105,000,000
23	Mortgage and housing insurance fund	
24	(AS 18.56.095 and 18.56.093)	<u>6,650,000</u> [12,500,000]
25	Rural housing mortgage loan program	6,500,000
26	Rural housing mortgage insurance account	
27	in the housing insurance fund	
28	(AS 18.56.093)	325,000
29	Rural housing title insurance fund	

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(AS 18.56.093)	130,000
Home ownership fund (AS 18.56.091)	2,500,000
<u>Mobile home loan program</u>	<u>1,350,000</u>
<u>Rural non-owner occupied mortgage loan program</u>	<u>4,500,000</u>

* Sec. 4. The unexpended and unobligated parts of the appropriations made in this Act lapse into the general fund June 30, 1981.

* Sec. 5. This Act takes effect immediately in accordance with AS 01.10.070(c).

HB 336

March 13, 1981

The Honorable Jim Duncan
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill which would make supplemental appropriations to the Alaska Housing Finance Corporation (AHFC) and the Alaska Power Authority (APA), and would amend ch. 120 SLA 1980.

The appropriation to AHFC in sec. 1 of the bill (\$10,650,000) would provide money for the mobile home loan program. I understand that that program had run out of money by the end of February. This appropriation will enable the program to continue operating through the end of this fiscal year.

The appropriation to APA in sec. 2 of the bill (\$2,450,000) would pay additional FY 81 costs for the Susitna feasibility study. On February 4, 1981, APA was informed by the principal contractor for the project that within 60 days the FY 81 appropriation for this project would be spent. The cost of the study has been increased by three factors: (1) necessary program changes; (2) cost escalation due to inflation; and (3) increased logistical field support requirements and cost escalation of that logistical support.

Section 3 of the bill amends ch. 120 SLA 1980 by reallocating money appropriated to AHFC last year. The mortgage and housing insurance fund would be reduced by \$5,850,000, and that amount reallocated to the mobile home loan program (\$1,350,000) and the rural non-owner occupied mortgage loan program (\$4,500,000). The mobile home loan program is in urgent need of additional money,

as mentioned earlier in this letter. The rural non-owner occupied mortgage loan program is also short of money, and, unless more money is made available, several projects under construction will not be completed during the 1981 building season.

Sincerely,

Jay S. Hammond
Governor

SJM

By: Terry Miller
Lieutenant Governor

RECEIVED

MEMORANDUM FEB 19 1981 State of Alaska

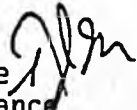
BUDGET AND MANAGEMENT

TO: Mr. Richard Aks
Division of Budget & Management
Office of the Governor

DATE: February 17, 1981

FILE NO:

TELEPHONE NO:

FROM: Terry J. McGuire 
Director of Finance
Alaska Power Authority

SUBJECT: Susitna Hydroelectric
Project

Attached is a copy of a letter recently received from Acres American Incorporated, principal contractor for the Susitna studies. The amount allocated to Acres and subcontractors does not include funds for Power Authority staff and other direct contractos with the Power Authority, or funds RSA'd to the Department of Fish and Game. The memo illustrates the need for the FY'81 supplemental funding request of the Power Authority.

Attachment:
as noted



RECEIVED

FEB 10 1981

BUDGET AND MANAGEMENT

February 4, 1981
P5700.11
T.700

RECEIVED

FEB 11 1981

ALASKA POWER AUTHORITY

Mr. Eric P. Yould
Executive Director
Alaska Power Authority
333 West 4th Avenue
Suite 31
Anchorage, Alaska 99501

Dear Eric:

Susitna Hydroelectric Project
Limitation of Funds

As required in the contract Acres hereby notifies the Authority that within the next 60 days we will exceed the \$15,255,000 currently allotted by Mr. McGuire's letter of July 1, 1980.

Please allot additional funds as soon as possible so that the current schedule can be maintained.

Very truly yours,

David C. Willett
Vice President

DCW/ljr

ACRES AMERICAN INCORPORATED

Construction Equipment

100 Liberty Street Building, Manhattan, New York

Telephone: 212-693-7000

Telex: 41-41-41 ACRES 100

Other Offices: Columbia, MD; Fairbanks, AK; Anchorage, AK; Washington, DC

ALASKA POWER AUTHORITY

333 WEST 4th AVENUE - SUITE 31 - ANCHORAGE, ALASKA 99501

Phone: (907) 277-7641
(907) 276-2715

July 21, 1980

RECEIVED

JUL 23 1980

Budget and Management

Mr. Ron Lehr, Director
Division of Budget
& Management
Pouch AM
Juneau, Alaska 99811

Re: FY'81 Supplemental Funding

Dear Mr. Lehr,

The Alaska Power Authority will be requesting supplemental funding for two programs for FY'81, the Susitna Feasibility Study and the Power Production Assistance Program. The Power Production Assistance Program request is for reinstatement of the FY'81 funds in the amount reduced by the Governor. The Susitna funding request includes a \$2.540 million supplemental FY'81 request and a \$13.019 FY'82 request as outlined in the attached cash flow projections. Explanations of items in the cash flow follows:

- A. (1) Excess liability insurance to include aircraft accident insurance purchased for the 2½ year period of the study. Item not identified programmed in the original budget estimate, but was subsequently determined to be necessary.
- (2) The U.S. Geological Survey withdrew federal funding from the stream gauging program for the Susitna basin after the budget estimate was completed. This action was not anticipated and it is a necessary activity which required a program funding addition.
- (3) System planning funds for compilation of a data base on system components were identified as necessary to maintain the schedule of the formulation and analysis of basin development plans leading to the Development Selection Report in March 1981. This activity was identified as a complication associated with deletion of power market and alternatives studies from the Acres contract, and as a duplication of work to be performed by the new Alternatives studies contractor.
- (4) Task 6 - Tussing Scope Changes - This activity and funding were identified as part of the program response to the comments of Arlon Tussing on the Plan of Study. This activity was not part of the power market and alternatives study which was

directed to be deleted from the Acres contract. This funding was appropriated to the Office of the Governor and retained for the Alternatives Study. Reference our letter to you dated June 25, 1980.

- (5) Task 11 - Tussing Scope Changes - The comments in (4) above apply.
- (6) Comments of FERC on the Plan of Study following preparation of the budget identified instream flow study activities that would be necessary before submission of the license application in Phase I. This work was originally planned to be accomplished in Phase II. A budget of \$125,000 for two years of work by Mr. Trihey, an expert in this area, was proposed as a necessary response to the FERC requirements.
- (7) Comments of FERC on the Plan of Study following preparation of the budget established that the more data on fisheries available at the time of license submission, the greater the potential for acceptance. Therefore, resident and juvenile fishery studies and fishing habitat studies originally programmed for one year of study in Phase I and additional years in Phase II were advanced to include 2 years in Phase I and additional years in Phase II. The identified cost increase represents ADF&G increased costs associated with this work.
- (8) and (9) ADF&G additional costs for salary increases and transportation cost increases. The budgets originally prepared did not reflect true negotiated salary rates for state employees in the original budget since they were unknown at that time. The budget increases for Fisheries and Big Game are calculated exactly, however, they are for STEP A salaries for every position range. ADF&G does not feel that all positions can be filled at STEP A, and will try to stay within budget through turnover and hiring delays.
- (10) Escalation on additional program study changes and additions.

B. The original budget estimate did not include any escalation of the Non-Discretionary Funding to include Native Inspector, External Review, Power Authority Study Coordination, and the Public Participation Program. Salary cost escalation is calculated based upon approved salary increases for exempt bargaining status employees which were unknown for the original budget preparation. External Review costs are escalated in accordance with the major Task budget escalation factor of 8½%/year.

C. Major cost escalation has been experienced in all activities associated with logistical support of field study activities, principally in camp operations, fuel, fuel resupply, and transportation. Based upon costs incurred to date and identification of realistic requirements, additional funding for logistical support is estimated at \$900,000.

D. The decision to submit a license application to FERC to construct the project will be made by approximately April 1, 1982. Phase I funding does not include field activities starting in the spring of 1982. Phase II field activities could begin in the spring of 1982 and continue on through the license application processing period. An estimated \$1.720 million is necessary to fund Phase II activities up to June 30, 1982. Included in this is bulk fuel purchase and transport to the field storage site which may have to be performed in January and February of 1982 in order to have an adequate field fuel supply to initiate Phase II field activities.

In summary, the Susitna program estimated cost for Phase I has increased from \$29.612 million to \$32.113 for the 2½ year study if the Phase II cost estimate requirements are not considered. This 8.45% increase is composed of \$1.29 million of Program Changes and Additions (4.45%), \$311,000 (1%) of escalation not calculated in the original budget estimate for activities administered by the Power Authority, and \$900,000 (3%) for increased requirements and extraordinary escalation associated with field logistical support requirements.

Sincerely,



Eric P. Yould
Executive Director

cc:

Mr. Chuck Conway
Mr. Jerry Weinwand

MEMORANDUM

080801
State of Alaska

TO: Ron Lehr, Director
Division of Budget & Management
Office of the Governor

DATE: September 30, 1980

FILE NO:

TELEPHONE NO:

277-7641

RECEIVED

FROM: Terry J. McGuire *TJM*
Director of Finance
Alaska Power Authority

SUBJECT: FY 1981 Supplemental
Funding

NOV 2 1980

MANAGEMENT

The Alaska Power Authority is requesting supplemental funding for two programs for FY 1981, the Power Production Assistance Program and the Susitna Feasibility Study. The Power Production Assistance Program request is for reinstatement of the FY 1981 funds in the amount reduced by the Governor, \$1.4 million. The Susitna funding request is for \$2.540 million in supplemental funding during FY 1981.

The reinstatement of FY 1981 funding to the Power Production Assistance Program to the original level will permit the Power Authority to more fully satisfy the requirements specified in HCS CSSB 438, Article 3A, to reduce electric rates charged for residential service, service to charitable organizations and service to local community facilities. Under the PPA Program, all electric utilities in the State that satisfy specific eligibility requirements described in the legislation qualify for financial assistance from the Power Production Cost Assistance Fund. Unless supplemental funding is received by the Power Authority, the existing fund will be insufficient to satisfy the full FY 1981 requirements.

The supplemental funding requested for the Susitna Feasibility Study is due to several factors, shown below.

- A.1) Increased liability insurance and aircraft accident insurance purchased for the study. This item was not programmed in the original budget estimate, but was subsequently determined to be necessary.
- 2) After the original budget estimate was completed the U.S. Geologic Survey withdrew federal funding from the stream gaging program for the Susitna basin. This action was not anticipated and is a necessary activity which required a program funding addition.
- 3) Funds were identified as necessary to maintain the schedule of planning leading to the System Studies and Basin Development Selection Report in March 1981. This activity was identified as a complication associated with deletion of power market and alternative studies from the Acres contract.
- 4) Activities and funding were identified as part of the program response to the comments of Arlon Tussing on the Plan of Study. This activity, Tussing Task 6, was not part of the power market and alternatives study which was directed to be deleted from the Acres Contract. This funding was appropriated to the Office of the Governor and retained for the Alternatives Study (reference our letter to you, June 25, 1980). Activities and funding were also identified for the Tussing Scope Changes, Task 11, to which our comments to Task 6 also apply.
- 5) Comments of FERC on the Plan of Study following budget preparation identified in-stream flow study activities that would be required before license application submission, in Phase I. This work was originally planned for Phase II.

MEMORANDUM

State of Alaska

TO: Ron Lehr

DATE: September 30, 1980

FILE NO:

TELEPHONE NO:

FROM: Terry J. McGuire *TJM*

SUBJECT: Page 2 of 2

- 6) FERC comments on the Plan of Study, following preparation of the budget, established that the more detailed data available on fisheries at the time of license submission, the greater the potential for acceptance. Therefore, resident and juvenile fishery studies and fishing habitat studies, originally scheduled for one year during Phase I and additional years in Phase II, were advanced to include 2 years in Phase I and additional years in Phase II.
- 7) ADF&G additional costs for salary increases and transportation cost increases. The original budget did not reflect actual negotiated salary rates for state employees, since they were unknown at that time. The budget increases for Fisheries and Big Game are calculated exactly, however they are for Step A salaries for every position range. ADF&G does not feel that all positions can be filled at Step A, but will try to stay within budget through turnover and hiring delays.
- B. The original budget estimate did not include any escalation of the Non-Discretionary Funding for the Native Inspector, External Review, Power Authority Study Coordination, and the Public Participation Program. Salary cost escalation is based upon approved salary increases for exempt bargaining status employees, which were unknown for the original budget preparation. External Review cost escalation is consistent with the major Task budget escalation factor of 8½%/year.
- C. Major cost escalation has been experienced in all activities associated with logistical support of field study activities, principally in camp operations, fuel, fuel resupply, and transportation.

For a detailed cash flow projection of these factors and escalations on additional program study changes and additions, our letter to you of July 21, 1980 is attached.

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

CATEGORY	New Legislation
COVER PROGRAM	Economic Development
AGENCY	Commerce & Economic Development
DIVISION	Alaska Power Authority
BUDGET REQUEST UNIT	Alaska Power Authority
BUDGET COMPONENT	Not assigned yet
APPROPRIATION	SLA 1980, Ch 120, SCS CSHB 1002 amS
ALLOCATION	New Legislation, SB 438, Line 16, Pg 70

		INITIAL AUTHORIZATION	This RP Request	RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01	PERSONAL SERVICES									
02	TRAVEL									
03	CONTRACTUAL									
04	COMMODITIES									
05	EQUIPMENT									
06	LANDS, BUILDINGS									
07	GRANTS, CLAIMS									
08	MISCELLANEOUS									
	Other	1,451	1,400							2,851
	TOTAL	1,451	1,400							2,851
1002	FEDERAL RECEIPTS									
1003	G/F MATCH									
1004	GENERAL FUND	1,451	1,400							2,851
1005	I/A RECEIPTS									
1028	PROGRAM RECEIPTS									
15	FULL TIME									
16	PART TIME									
17	TEMPORARY									
18	MAN-MONTHS									

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

CATEGORY	Development
COVER PROGRAM	Energy & Power Development
AGENCY	Commerce & Economic Development
DIVISION	Alaska Power Authority
BUDGET REQUEST UNIT	Alaska Power Authority
BUDGET COMPONENT	08-71-4-195, Susitna Feas. Analysis
APPROPRIATION	SLA 1980, Ch. 120, SCSCS-HB 1002-amS
ALLOCATION	Development, Page 81, Line 9

	INITIAL AUTHORIZATION	This RP Request	RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01	PERSONAL SERVICES								
02	TRAVEL								
03	CONTRACTUAL								
04	COMMODITIES								
05	EQUIPMENT								
06	LANDS, BUILDINGS								
07	GRANTS, CLAIMS								
08	MISCELLANEOUS								
	OTHER	3,095.80	2,540						5,635.80
	TOTAL	3,095.80	2,540						5,635.80
1002	FEDERAL RECEIPTS								
1003	G/F MATCH								
1004	GENERAL FUND	3,095.80	2,540						5,635.80
1005	I/A RECEIPTS								
1028	PROGRAM RECEIPTS								
15	FULL TIME								
16	PART TIME								
17	TEMPORARY								
18	MAN-MONTHS								

SUSITNA HYDRO PROJECTS
CASH FLOW PROJECTIONS THROUGH JUNE 30, 1982

		<u>Cost of Project</u>	<u>FY 1980 & 1981</u>	<u>FY 1982</u>
Cash Flow Jan. 1980				
Estimated Cost of Project		29,612,280	19,414,718	10,197,562 10,107,562
Program Changes or Additions				
1) Liability Insurance	47,000		47,000	
2) Task 3, Acres additional work related to USGS	52,100		26,000	26,100
3) Task 6, System Planning	220,000		220,000	
4) Task 6, Tussing Changes	200,000		200,000	
5) Task 11, Tussing Changes	100,000		100,000	
6) Task 7, Mr. Trihey	125,000		62,000	63,000
7) Task 7, ADF&G Accelerated Studies	268,100		218,100	50,000
Task 7, ADF&G Add'l costs for salaries & increases and Transportation:				
8) Big Game	96,000		48,000	48,000
9) Fisheries	90,200		45,200	45,000
10) Increased Escalation due to increased costs	91,465		60,000	31,465
	<u>1,289,865</u>	1,289,865	<u>1,026,300</u>	<u>263,565</u>
Escalation on costs controlled by Alaska Power Authority not computed on Cash Flow Jan. 1980		311,000	73,000	238,000
Camp operation, fuel and transportation costs overrun and extraordinary escalation		900,000	300,000	600,000
Phase II funding requirements in FY'82 (Apr - Jun 1982)				
) Fuel	300,000			
) Helicopter costs	300,000			
) Camp Operations & Maintance	120,000			
) ADF&G	300,000			
) Acres & Other Subcontractors	<u>700,000</u>	1,720,000	<u>1,720,000</u>	<u>1,720,000</u>
Total Cost of Project		33,833,145	20,814,018	13,019,127
Funds Received To Date (FY'80 8,178,000)		18,273,800	18,273,800	-0-
(FY'81 7,000,000)				
(FY'81 3,095,800)				
Funds to be applied for as of 7/15/80		15,559,345	2,540,218	13,019,127

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT
March 26, 1981

JAY S. HAMMOND, GOVERNOR

POUCH AM
JUNEAU, ALASKA 99811
PHONE: (907) 465-2211

HB 336

Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Amendment to HB 336
Department of Revenue
Amendment Requests: \$4,534 GF
To Pay Shared Taxes Owed to City of Houston

Dear Representative Cotten:

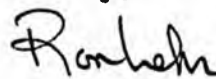
Please revised HB 336 to appropriate \$4,534 GF to the Department of Revenue to pay Shared Taxes owed to the City of Houston for the years 1975 - 1978.

At the time the Legislature created the Municipal Assistance Fund in 1978, the City of Houston had not been receiving shared taxes under the Gross Business Receipts Tax Law because businesses within the Houston City limits were reporting taxes to be shared to another municipality. The City of Houston requested an audit in FY 81 which disclosed that \$4,534 should have been shared with Houston for the years 1975 - 1978. Under the previous law, Revenue would have simply adjusted future payments to the overpaid municipality. However, since that law was repealed and a substantial amount of time has elapsed, a supplemental appropriation is requested.

Please add a new section to HB 336 to read as follows:

The sum of \$4,534 is appropriated from the general fund to the Department of Revenue for the purpose of paying shared taxes owed to the City of Houston for the years 1975 - 1978.

Sincerely,



Dr. Ronald D. Lehr
Director

Attachments

cc: Senators Ed Dankworth and Don Bennett, Senate Finance Chairmen
Representative Hurlbert, House Labor and Commerce Chairman
Jay Hogan
Keith Specking

MEMORANDUM

State of Alaska

TO: Ronald D. Lehr, Director
Division of Budget and Management
Office of the Governor

DATE: March 20, 1981

FILE NO:

5080413

TELEPHONE NO: 465-2300

FROM: Thomas K. Williams *Joseph Donohue*
Commissioner of Revenue

SUBJECT: Supplemental Appropriation
Request

At the time the legislature created the Municipal Assistance Fund (AS 43.20.016), the City of Houston had not been receiving shared taxes under the previous gross receipts tax law (AS 43.70.080). This was due to the businesses within the Houston city limits reporting taxes to be shared to another Municipality. The City of Houston requested an audit in FY 81 which disclosed that \$4,534 should have been shared with Houston for the years 1975-1978.

Under the sharing provisions of the previous law (AS 43.70.080), our practice was to adjust future payments to the overpaid municipality. However, since the law was repealed, we are requesting supplemental funds to reimburse Houston, and since there is no appropriation available we propose that no adjustment be made against the overpaid municipality.

RECEIVED
MAR 20 1981
BUDGET AND MANAGEMENT

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

POL'CH AM — JUNEAU 99811
PHONE 465-2213

JAY S. HAMMOND, GOVERNOR

HB 336

March 24, 1981

Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Amendment to HB 336
Department of Commerce and Economic Development
Alaska Power Authority
Supplemental Request for \$50,000 GF for
Takatz Hydro Study

Dear Representative Cotten:

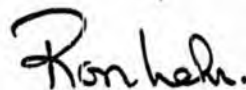
Please revise H. 336 to amend Chapter 120/SLA 1980 and appropriate \$50,000 general funds to enable the Alaska Power Authority to conduct a reconnaissance study of the electrical power needs of Sitka beyond Green Lake and to review potential power supply options including the Takatz project.

Please add a new section to HB 336 to read as follows:

Section 53, Chapter 120, SLA 1980, page 81, line 12 is amended to read as follows:

Discretionary Study Funds	<u>Appropriation Items</u> 125,000(75,000)	<u>General Fund</u> 125,000(75,000)
---------------------------	---	--

Sincerely,



Dr. Ronald D. Lehr
Director

CC: Senate Finance Chairman
House Labor & Commerce Chairman
The Honorable Richard Eliason
Jay Hogan
Keith Specking
Eric Yould

MEMORANDUM RECEIVED

State of Alaska

MAR 20 1981

TO: Ron Lehr
Director
Div. of Budget & Management

BUDGET AND MANAGEMENT

DATE: March 12, 1981

FILE NO:

508081

TELEPHONE NO: 277-7641

FROM: Eric P. Yould *EPY*
Executive Director
Alaska Power Authority

SUBJECT: Takatz Study

The Power Authority requests that \$50,000 in funding for the Takatz Study be requested for supplemental FY 81 funding if it can be accomplished in this Legislative session. If not, please reinstate funding for the study in FY 82. The City of Sitka strongly desires to accomplish preliminary analysis of the future power needs beyond Green Lake, and to identify if Takatz is the best project to satisfy those needs. The project development process is very time consuming, and it would require at least 5 to 6 years from completion of this initial study before the project would be completed. Your timely consideration of this request would be appreciated.

MEMORANDUM

State of Alaska

RECEIVED
SEP 25 1980
BUDGET AND MANAGEMENT

TO: Jay S. Hammond
Governor

DATE: September 23, 1980

FILE NO: RP #81-53

TELEPHONE NO: 465-3500

FROM: Ron D. Lehr, Director
Division of Budget and
Management
Office of the Governor

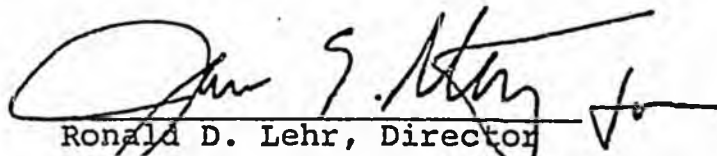
SUBJECT: Alaska Power Authority
Revised Program Request

The Alaska Power Authority requests authority to transfer \$50,000 to Takatz from the \$990,000 allocated to Old Harbor in Section 1 of Chapter 54, SLA 80. The purpose of this reallocation is to conduct a reconnaissance study of the electrical power supply and demand of Sitka. This will include an analysis of current end-use power demand plus a review of potential power supply options, including the Takatz project. A recommendation will be made as to which supply option or combination of options will provide the least expensive power, consistent with the demand projections.

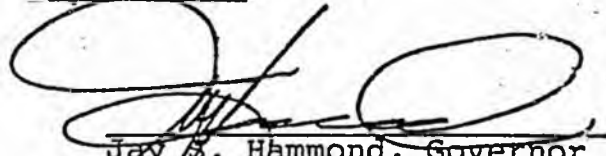
The Old Harbor allocation includes funding for a feasibility analysis plus construction of the project. The feasibility analysis has been initiated with funds for construction available for this transfer.

The Division of Budget and Management has been given statutory authority to determine whether the allocations in Chapter 54, SLA 80, should be treated as loans or grants. Consistent with previous determinations, funding for the Takatz project will be considered a loan.

Your approval is recommended.


Ronald D. Lehr, Director
Division of Budget and Management
Office of the Governor

Approved this 24th day of September, 1980.


Jay S. Hammond, Governor
State of Alaska

Approved this 24th day of September, 1980.

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

JAY S. HAMMOND, GOVERNOR

POUCH AM — JUNEAU 99811
PHONE 465-2213

HB 336

March 18, 1981

The Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Amendment to H.B. 336
Request for Net-Zero Supplemental
Department of Commerce and Economic
Development
Delete/Add Supplemental for Lime Village
Wind Power System

Dear Representative Cotten:

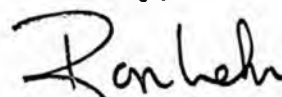
Please amend H.B. 336 to add a new section that would change the intent language for \$90,000 appropriated in Chapter 50/SLA 80, page 66, line 7 from "Lime Village Wind Power System" to "Lime Village Alternative Energy System." This adjustment is necessary because the Division of Energy and Power Development has expended \$1,500 of the available funds and determined that wind power is not feasible at Lime Village. The Division proposes to use the remaining funds for an alternative energy system combining solar power and biomass.

Please add a new section to H.B. 336 to read as follows:

Section 286, Chapter 50, SLA 1980, page 66, line 7 is repealed and re-enacted to read:

	Appropriation Item	Other Funds
Lime Village Alternative Energy System	\$90,000	90,000

Sincerely,



Dr. Ronald D. Lehr
Director

Sam Cotten, Chairman
House Finance Committee

--2--

March 18, 1981

CC: The Honorable Vern Hurlbert, Chairman
House Labor and Commerce Committee
The Honorable Don Bennet and Ed Dankworth, Co-Chairmen
Senate Finance Committee
Jay Hogan, Legislative Finance
Keith Specking, Governor's Office

MEMORANDUM

State of Alaska

Richard REIVED
MAR 05 1981

BUDGET AND MANAGEMENT

TO: Ron Lehr
Budget Review Committee
Office of the Governor

DATE: March 2, 1981

FILE NO:

5080810

Thru: Lois Cook *LC*
Director
Division of Administrative Service

TELEPHONE NO:

SUBJECT: Lime Village Wind
Appropriation

From: *CMQ* Clarissa Quinlan
Director
Division of Energy and Power Development

During the last legislative session the Division of Energy and Power Development received an appropriation of \$90,000 to study wind potential at Lime Village, Alaska.

After installation of an anemometer and subsequent wind recording, the potential for wind electric use in this remote village appears minimal. (See attached)

The Division hereby requests that a Delete/Add supplemental appropriation be considered changing the mandate of the legislative intent for the Lime Village appropriation to include solar and biomass. Several options appear to be viable and will be explored once the mandate has been changed. The major emphasis will be focused on subsistence electrical needs and its use in refrigeration. These items were identified by Representative Hurlbert and the villagers themselves as being priorities.

The concensus that solar and/or biomass should be explored is the result of cursory exploration of alternatives by staff and consultants. Attached you will find some of the options explored to date.

The Division will need approximately 3 months for procurement and installation of materials after the Delete/Add action has taken place.

Attachments

*photocopies of reports -
- wood house -
part coils in stone
- spend \$1500 to do
wind -
- no lights except for house
wood stove for heat
10 houses*

Space Administration
Lewis Research Center
Cleveland, Ohio
44135

552 - B C
all of This



Reply to Attn of. 4212

January 27, 1981

Mr. Don Markle
Dept. of Commerce and
Economic Development
Division of Energy
7th Floor Markay Bldg.
338 Denali
Anchorage, AK 99501

RECEIVED

FEB 4 1981

ALASKA ENERGY OFFICE

Dear Don:

Enclosed per our telecon of 26 January is information on terrestrial photovoltaic systems we have installed at remote sites for DOE and AID. I'll send you a copy of our procurement package in a few weeks. Please call if you have any further questions.

Sincerely,

Bill

William J. Bifano
Manager, Development and
Support Project Office

Enclosures

356 - 1 - d



December 8, 1980

RECEIVED
DEC 11 1980

Mr. Don Markle
Division of Energy
7th Floor, MacKay Bldg.
338 Denali
Anchorage, AK 99501

ALASKA ENERGY OFFICE

Dear Don:

I am enclosing a recent report which should give you some ideas as to the present state of the photovoltaics (PV) technology, as well as some ideas as to projects which have been done that might be of interest. This report also contains a list of PV manufacturers.

As I mentioned on the phone, I am very interested in this project and am looking into the possibility of formally establishing myself and a colleague, Ms. Kay Firor, as consultants to this potential project. Please let me know if this is acceptable to you and I will inform you of our managements' feelings.

Sincerely,

A handwritten signature in cursive script that reads "Steve Hogan". The signature is written in dark ink and includes a horizontal line extending to the right.

Steve Hogan

SH:ba

Don Markle

DOEPD

Mat Sui Community College
Kuparuk River -

Here's a handful of info on Solar refrigeration. Was fairly comprehensive last year when compiled, however I suspect there are newer systems available. Some of the best are made overseas.

still believe that thermal pile - eutectic salt storage is much simpler & cheaper despite initial failures statewide (would like to find reports on those attempts for analysis).

I Must have these back, so make copies and return to above address.

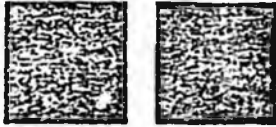
later

Ralph Hulbert



WIND SYSTEMS ENGINEERING, INC.

Renewable Energy Engineers



1551 EAST TUDOR ROAD
ANCHORAGE, AK 99507

(907) 274-2627

January 21, 1981

Don Markle
State of Alaska
Dept. of Commerce &
Economic Development
338 Denali Street
Anchorage, AK 99501

Re: Lime Village

Dear Don,

Attached please find some information on photovoltaic systems. The system I would recommend looking at strongly is the model H812 which will give you about 264 watts according to their rated power output or basically enough power in the summer time to operate a refrigerator and some other appliances. The type of refrigerator we should be looking at would be one similar to the Arco Solar, which is a very efficient model, and is designed to be operated with a photovoltaic system. This is in contrast to the Instamatic IE-12 which is designed to be operated on an RV for occasional use. So with the photovoltaic system and a refrigerator, in the summer time you could have enough power for refrigerating foods. In the winter time you wouldn't have as much power for refrigeration because of lack of sunlight. But with a system of that size you certainly would have enough for at least a CB radio and since you can store food outside in the arctic entryway, you no longer need the cold storage. I've scribbled the prices for the systems which doesn't include some accessories that we might consider like the ground-mounting hardware (\$160) and the meter panels (\$165), and certainly battery enclosures (\$11) and possibly extra batteries (\$150 ea) would be worth while looking at.

The data logging sheets for the anemometer have been sent to Lime Village as per your request.

Sincerely,

Mark A. Newell
President

MN/js

Enclosures as stated

354-1-C



RECEIVED
JAN 28 1981

ALASKA ENERGY OFFICE

January 28, 1981

Mr. Don Markle
State of Alaska
Dept. of Commerce and Economic Development
Division of Energy & Power
7th Floor MacKay Bldg.
338 Denali Street
Anchorage, AK 99501

Dear Don:

I'm enclosing the information we discussed on the telephone; I hope it is of use. I feel that unless weather conditions are drastically different at Lime Village (such as heavy cloud cover due to nearby mountains) than at Bethel, the insolation data for Bethel may be used, and the installation of monitoring equipment is not necessary.

The process of deciding on system sizing is highly dependent on the loads. Hence, it is very important that you define precisely what loads are anticipated, the energy required (a function of the instantaneous power and time), and the required storage which depends on the back-up supply time needed. When these figures are decided upon, the minimum necessary array size may be determined using the worst-case winter insolation data. You can then determine what excess would be available for summer usage.

As always, please feel free to get in touch should there be any way I can help.

Sincerely,

A handwritten signature in cursive script that reads "Steve Hogan".

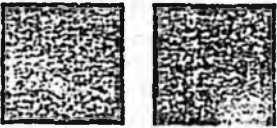
Steve Hogan

SH:ba

Enclosure



355-3110 WSEI Contract 6-2
 WIND SYSTEMS ENGINEERING, INC.
 Renewable Energy Engineers



1551 EAST TUDOR ROAD
 ANCHORAGE, AK 99507
 (907) 274-2627

January 19, 1981

Don Markle
 State of Alaska
 Dept. of Commerce and
 Economic Development
 338 Denali Street
 Anchorage, AK 99501

Re: Lime Village Wind Project

Dear Don,

After over three months of data collection from the anemometer located at Lime Village the average wind speed looks dismal. With a 4 mph average it looks doubtful a wind system is practical. The winter winds may prove to be substantially higher than the summer and fall recorded, however a battery storage system would not be practical for the expected period of calm. In brief my recommendation is that a wind system in Lime Village would be a disappointment and should not be attempted. If the legislative intent could be reinterpreted, a photovoltaic system may hold some promise. It would be prudent to install a pyronometer as soon as possible to get some baseline data for design purposes. We would be happy to explore this possibility with you at your convenience.

Sincerely,

Mark A Newell

Mark A. Newell
 President

January 28, 1981

Mr. Don Markle
 State of Alaska
 Dept. of Commerce and
 Division of Energy &
 7th Floor Mackay Bldg
 338 Denali Street
 Anchorage, AK 99501

Dear Don:

I'm enclosing the info
 I feel that unless we
 (such as heavy cloud
 data for Bethel may be
 necessary.

The process of decidin
 it is very important t
 energy required (a fun
 storage which depends
 decided upon, the mini
 winter insolation data
 summer usage.

As always, please feel

Sincerely,

Steve Hogan
 Steve Hogan

Handwritten text at bottom right edge

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

JAY S. HAMMOND, GOVERNOR

POUCH AM — JUNEAU 99811
PHONE 465-2213

March 17, 1981

The Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Re: Amendment to H.B.336
Amendment Request: \$21,547 GF
Department of Revenue, ARRC.
Purpose: To fund outstanding
prior year obligation.

Dear Representative Cotten:

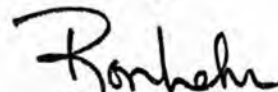
Please revise H.B.336 to appropriate \$21,547 in general funds to fund a prior year obligation of the Alaska Renewable Resources Corporation.

During FY 80, ARRC contracted for technical assistance on a fisheries development project. In the middle of FY 80, the Legislature expressed a desire to reappropriate a portion of ARRC's funds to establish new development projects. When ARRC provided the Legislature with a listing of unobligated funds available for reappropriation, the amount estimated for the fisheries project did not include the technical assistance contract. The Legislature acted on the reappropriation in Chapter 93/SLA 1980 and sufficient funds were not available to pay the bill. ARRC did not lapse sufficient funds at the end of FY 80 to allow payment of the obligation from FY 81 funds.

Please add a new section to H.B 336 to read as follows:

The sum of \$21,547 is appropriated from the general fund to the Department of Revenue, Alaska Renewable Resource Corporation, to pay a prior year obligation in the Fisheries Project.

Sincerely,



Dr. Ronald D. Lehr
Director

cc: The Honorable Don Bennett and M. E. Dankworth, Senate Finance Committee
The Honorable Vernon Hurlbert, House Labor and Commerce Committee
Keith Specking
Jay Hogan

HB 336

MEMORANDUM

State of Alaska *Richard*

TO: Ron Lehr, Director
Division of Budget & Management
Office of the Governor

DATE: March 3, 1981

FILE NO:

5080409 RECEIVED
MAR 0 1981

TELEPHONE NO: 465-2336

20
FROM: Norene Hirsh, Finance Officer
Administrative Service Division
Department of Revenue

BUDGET AND MANAGEMENT
SUBJECT: Supplemental Appropriation
for Alaska Renewable Resources
Fisheries Capital Account

The Alaska Renewable Resources Corporation requests a supplemental appropriation to fund a prior year obligation for \$21,546.86 (copy of invoice attached).

Under Ch 80 SLA79 (copy attached) ARRC was authorized \$11,149,800 appropriated from the Development Fund for specific projects. These projects and their appropriations were:

Fisheries Project	\$4,817,900
Timber Project	\$2,753,000
Agriculture Project	\$2,753,000
Renewable Energy Project	\$825,000

During the last legislative session, new legislation was introduced under Ch 93 SLA80 (copy attached) to reappropriate \$5.6 million of the unobligated portions of these appropriations to establish funding for the Forest Products Producers Assistance Fund and the Commercial Fish Processors Assistance Fund.

When residuals from the appropriations authorized in Ch 80 SLA79 were ear-marked for the reappropriation, ARRC alloted too great a portion from the Fisheries Project account, not recognizing that there was still an outstanding obligation against that project. What should have occurred was \$1,440.00 should have been transferred from the Fisheries Project account instead of \$1,469.00, thus leaving an excess to pay the outstanding obligation.

As the appropriation lapsed June 30, 1980 and was not sufficient to pay this bill, advice was solicited from the Attorney General's Office.

By copy of their attached response the Alaska Renewable Resources Corporation hereby requests a supplemental appropriation to meet a fiscal year 1980 Capital obligation.

APPROVED: *Thomas K. Williams*

Thomas K. Williams, Commissioner

MEMORANDUM

State of Alaska

TO: Norene Hirsh
Administrative Services

DATE: August 18, 1980

FILE NO:

TELEPHONE NO:

FROM:

Phil Hubbard

SUBJECT: General Warrant
Voucher

Please originate general warrant voucher made payable as indicated and charged against the appropriate capital account as authorized by AS 37.12.115 - TECHNICAL ASSISTANCE:

Payee: Perkins, Coie, Stone, Olsen & Williams
420 "L" Street, Suite 301
Anchorage, Alaska 99501

Amount: \$21,546.86
Collation Code: 04-71-7-401 (700) Fisheries

Investors: Stoknavik - \$ 4,706.60

Trinity
(Nick Delaney) - \$11,229.05

SeaFisher - \$ 161.21

Martin Seafood -\$ 5,450.00

Please "alpha" for immediate processing and flag for no mailing. Call X-4616 when warrants are available for ARRC.

Thank you.

Attachment: Invoice

*(Copy Invoice)
4/FY-80 Capital
Accts.)*

* 20,044.65

+ 5,471.81

+ 5,450.00

+ 15,000.85

G

* 0.00

* 3,491.80

+ 12.00

+ 3.80

+ 120.40

+ 12.00

+ 104.60

+ 425.00

+ 850.00

+ 410.00

+ 185.00

+ 775.00

+ 375.00

+ 225.00

Gen. Corp. Factors

* 0.00

* 0.00

* 0.00

* 4,475.00

+ 775.00

+ 775.00

+ 775.00

+ 775.00

+ 775.00

+ 375.00

+ 225.00

* 0.00

* 16,005.85

+ 161.21

+ 104.05

+ 11,125.00

+ 6.60

+ 4,700.00

* 0.00

* 21,546.86
+ 5,450.00
+ 161.21
+ 11,229.05
+ 4,700.60

CA

IN ACCOUNT WITH
PERKINS, COIE, STONE, OLSEN & WILLIAMS
420 "L" STREET — SUITE 301
ANCHORAGE, ALASKA 99501

AREA CODE 907 - 279 - 8861

PLEASE REFER TO NO. 2654

(IDENTIFICATION NO. 91 - 0591206)

Alaska Renewable Resources Corporation
P.O. Box 1647
Juneau, Alaska 99802

June 16, 1980

WCB/jwg

Professional services for the month of April 1980 with respect to the following matters:

STOKNAVIK VESSEL FINANCING

Conferences with Messrs. Olson and Littleton to discuss status of matter; review of documents; correspondence and telephone conferences with Mr. Godfrey; telephone conference with Alaska Native Foundation; conferences regarding review of promissory notes for usury, issues on formation of corporation, loan agreement and agreement with Icicle; preparation of Fish Purchase Agreement and other loan documents; research regarding loans by corporation to directors and officers under Alaska law; filing of Articles of Incorporation; telephone conference and correspondence with Alaska Department of Commerce regarding correction of Articles of Incorporation; revision of organizational meeting documents; telephone conferences with Mr. Price; review of documents; conferences with Olson, Godfrey, McConnell and Koweluk regarding closing procedures.

TOTAL-----\$ 4,780 T.A P

KEN JOHNSON FINANCING (PACIFIC BARGE)

Preparation of Note, Security Agreement, Corporate Resolution and Financing Statement.

TOTAL-----\$ 1,225 CORP

TEPA STOCK PURCHASE

Telephone conference with Mr. Olson regarding investigation by Attorney General; conference regarding privilege; file review; telephone conferences and interview with Attorney General's office.

TOTAL-----\$ 373 *corp*

SEAWARD SHIPYARD

Telephone conferences with Messrs. Hubbard, Littleton and Shrum regarding closing; preparation and review of closing documents; correspondence with Messrs. Brown and Littleton; telephone conferences and meeting with Mr. Olson regarding document execution; conferences with Mr. Courtage regarding MacDonald deed of trust consent; telephone conferences with Messrs. Brown and Hubbard regarding funding; preparation of Financing Statements and Supplemental Security Agreement; filing of Financing Statements in Juneau and Ketchikan; telephone conferences with Messrs. Brown and Hubbard regarding final disbursement.

TOTAL-----\$ 725 *corp*

SEA FISHER

Correspondence with UCC Division of Department of Commerce and Economic Development; review of closing documents.

TOTAL-----\$ 185 *corp*

ANCHOR RENEWABLE FARMS

Conferences with Messrs. Olson and Littleton to discuss Construction Loan Agreement; revision of Construction Loan Agreement, Licensing Agreement and Promissory Note.

TOTAL-----\$ 410 *corp*

IKE WHITECROW LOAN

Telephone conference with Mr. Spear; research regarding security interests in patents; preparation of License and Grant

Agreement; preparation of loan documents; conferences with Messrs. Olson and Littleton.

TOTAL-----\$ 850 ^{corp}

NICK DELANEY

Review of proposal; meetings and telephone conferences with Mr. Price regarding documentation requirements, redocumentation of vessel and loan closing; research and telephone conferences with Alaska Department of Commerce regarding name availability; telephone conferences with Mr. Goldade regarding marine survey; telephone conferences, correspondence and meetings with client and Mr. and Mrs. Delaney regarding procedure and corporate requirements, name of company, registered agent, and documents; research regarding licensing agreements and warranty questions; telephone conference with Alaska Department of Commerce regarding filing of Articles of Incorporation; review of status of outstanding amounts with Alaska Pacific Seafoods; telephone conferences with Mr. Van Leuven; telephone conference with Mr. Parpenetti in Juneau regarding Certificate of Incorporation and certification of vessel; review of correspondence regarding insurance; telephone conference with insurance broker; telephone conference and correspondence with Ms. Traylor; review of ship construction contract; forwarding of documents to Mr. Price; preparation of Subscription Agreement, Articles of Incorporation, Bylaws, incorporation documents, Pre-Incorporation Agreement, Loan Agreement, Subordinated Note, Bill of Sale, Preferred Mortgage, stock certificates, Affidavits, directors' resolution for consent in lieu of organizational meeting, resolution regarding assumption of obligation, Consent to Mortgage, Closing Memorandum, officer's certificate, suppliers' certificates, and affidavits of suppliers; filing of documents; staff conferences regarding meeting with client, formation of corporation, Articles of Incorporation and Bylaws, legends on stock, filing of Articles of Incorporation, organizational meeting, preparation of documents, execution of documents, bank resolutions; execution of Pre-Incorporation Agreement and Articles of Incorporation.

TOTAL-----\$11,125 ^{T.A.}

PINE'S SAWMILL FINANCING

Client conferences regarding loan terms; preparation of Note, Security Agreement and Financing Statements; telephone

conference with Mr. Littleton regarding title to vehicles;
correspondence with client regarding Financing Statements.

TOTAL-----\$ 425 ^{corp.}

MARTIN'S SEAFOOD FINANCING

Conference with Mr. Littleton to discuss terms; research regarding permissibility of prepayment penalties under Alaska law; review of documents; telephone conferences with Alaska Title Guaranty Company regarding title report; order preliminary commitment report; preparation of Loan Agreement, Deed of Trust, Convertible Note Agreement, and Security Agreement; telephone conference with client regarding loan documents; telephone conference with Mr. Holland's office; research regarding consequences to lender of exercising control over borrower's operations; conference regarding research; telephone conferences with Messrs. Littleton and Thurlow.

TOTAL-----\$ 5,450 ^{T.R.}

Approved: [Signature]
Contract: General Corporate matters 3,497.80
Technical Assistance 21,546.86
~~25,044.66~~
25,044.66

Total Services-----	\$24,520.00
Disbursements (per attached statement)-----	<u>524.66</u>
TOTAL SERVICES AND DISBURSEMENTS-----	\$25,044.66

Note balance due from previous statements-----	<u>\$11,714.75</u>
TOTAL DUE-----	<u><u>\$36,759.41</u></u>

Disbursements recorded in the month of April as follows:

GENERAL

Filing fee with Department of Commerce----\$ 82.00
Xerox----- 22.60 *f* \$104.60 *corp*

STORNAVIK

Xerox----- *f* 6.60 *T.R.*

KEN JOHNSON FINANCING

Filing of financing statements - Juneau---\$ 6.00
Filing of financing statements - Anchorage 6.00 *f* \$ 12.00 *corp*

SEAWARD SHIPYARD FINANCING

Air freight to Ketchikan-----\$ 46.00
Filing of financing statements - Ketchikan 6.00
Filing of financing statements - Juneau--- 6.00
Xerox----- 62.40 *f* \$120.40 *corp*

SEA FISHER LOAN

Phone-----\$ 4.05
Landweer Co. mortgage exp.----- 156.16
Xerox----- 1.00 *f* \$161.21 *T.A. Corp*

STEIK ENTERPRISES LOAN

Xerox----- *f* \$ 3.80 *corp*

NICK DELANEY

Application for reservation of name-----\$ 10.00
Messenger service----- 7.00
Filing of Articles of Incorporation,
franchise tax----- 82.00
Phone----- 5.05 *f* \$104.05 *T.A.*

PINE'S SAWMILL FINANCING

Filing of Financing Statements-Fairbanks--\$ 6.00
Filing of Financing Statements-Juneau---- 6.00 *f* \$ 12.00 *corp*
TOTAL DISBURSEMENTS-----\$524.66

	ALLOCATIONS	APPROPRIATION ITEMS	APPROPRIATION FUND SOURCES		
			GENERAL FUND	OTHER FUNDS	
1					1
2					2
3	• • • • •	• • • • •	• • • • •	• • • • •	3
4	• • • • • DEVELOPMENT	• • • • • DEVELOPMENT	• • • • •	• • • • •	4
5	• • • • •	• • • • •	• • • • •	• • • • •	5
6	DEPARTMENT OF REVENUE				6
7	MUNICIPAL BOND BANK AUTHORITY RESERVE FUND	1,300,000	1,300,000		7
8	COMMERCIAL FISH & AGRICULTURE BANK CAPITAL	2,000,000		2,000,000	8
9	THE AMOUNT APPROPRIATED FOR THE COMMERCIAL FISH AND				9
10	AGRICULTURE BANK IS AN ESTIMATE AND THE ACTUAL				10
11	APPROPRIATION MAY NOT EXCEED THE AMOUNT LAPSED FROM THE				11
12	APPROPRIATION BY SECTION 13, CM 113, SLA 78.				12
13	ALASKA RENEWABLE RESOURCES CORPORATION				13
14	RENEWABLE RESOURCES INVESTMENT FUND	11,150,000		11,150,000	14
15	FISHERIES PROJECTS	4,817,400		4,817,400	15
16	TIMBER PROJECTS	2,753,000		2,753,000	16
17	AGRICULTURE PROJECTS	2,753,000		2,753,000	17
18	RENEWABLE ENERGY PROJECTS	823,900		823,900	18
19	DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT				19
20	ALASKA HOUSING FINANCE CORPORATION				20
21	MORTGAGE INSURANCE FUND	4,000,000	4,000,000	2,000,000	21
22	IT IS THE INTENT OF THE LEGISLATURE THAT \$1 MILLION OF				22
23	THE APPROPRIATION TO THE STATE MORTGAGE INSURANCE FUND				23
24	OF THE ALASKA HOUSING FINANCE CORPORATION BE PAID TO THE				24
25	MORTGAGE INSURANCE FUND IN THE AMOUNTS REQUESTED BY THE				25
26	CORPORATION AS NECESSARY IN CONNECTION WITH THE ISSUANCE				26
27	OF INSURED MORTGAGE PROGRAM BONDS OF THE CORPORATION				27
28	ONLY IF THE BONDS ARE ISSUED FOR THE MORTGAGE FINANCING				28
29	OF MOBILE HOMES.				29
30	ECONOMIC ENTERPRISE MATCHING GRANT FUNDS	123,500	123,500		30
31	ENERGY & POWER DEVELOPMENT	1,133,000	889,000	250,000	31
32	SINGLE WIRE GROUND RETURN DEMO PROJECT (ED 17)	540,000			32
33	THE APPROPRIATION OF \$540,000 IS FOR A SINGLE WIRE				33
34	TRANSMISSION PROJECT FOR ARIACHIK, NAPARIK, NAPASKIAK,				34
35	& OSCARVILLE.				35
36	SMUGHER TO ROBUK SINGLE WIRE TRANSMISSION (ED 21)	345,000			36
37	ALTERNATIVE ENERGY DEMONSTRATION PROJECTS	250,000			37
38	ALASKA POWER AUTHORITY	2,715,000	300,000	2,415,000	38

Original sponsor: Rules Committee

Offered: 6/2/80

1 IN THE HOUSE

BY THE FREE CONFERENCE COMMITTEE

2 FREE CONFERENCE CS FOR HOUSE BILL NO. 1023

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act amending and transferring appropriations made
7 to the Alaska Renewable Resources Corporation; and
8 providing for an effective date."

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

10 * Section 1. The appropriations made to the Alaska Renewable Resources
11 Corporation in sec. 25, ch. 80, SLA 1979, at page 66, lines 13 - 18, are
12 amended to read:

	APPROPRIATION	OTHER
	ITEMS	FUNDS
Alaska Renewable Resources Corporation		
Renewable Resources Investment		
Fund	11,150,000	11,150,000
18 <u>1,469.0</u> Fisheries Projects	<u>3,348,900</u> [4,817,900]	<u>3,348,900</u> [4,817,900]
19 <u>1,753.0</u> Timber Projects	<u>1,000,000</u> [2,753,000]	<u>1,000,000</u> [2,753,000]
20 <u>1,953.0</u> Agriculture Projects	<u>800,000</u> [2,753,000]	<u>800,000</u> [2,753,000]
21 <u>425.0</u> Renewable Energy Projects	<u>400,900</u> [825,900]	<u>400,900</u> [825,900]
22 <u>5,600.0</u> ^{TL.} Forest Products Producers		
Assistance Fund	<u>5,200,000</u>	<u>5,200,000</u>
Commercial Fish Processors		
Assistance Fund	<u>400,000</u>	<u>400,000</u>

23 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
24 070(c).

28 CH.93 SLA80

29 FCCS# 1023

MEMORANDUM

State of Alaska

TO: Hon. T.K. Williams, Commissioner
Department of Revenue

DATE: December 29, 1980

FILE NO: (Rev.) 4768/4767

ATTN: Norene Hirsh, Fiscal Officer

Division of Admin. Services TELEPHONE NO: 465-3666

FROM: WILSON L. CONDON
ATTORNEY GENERAL

SUBJECT: Payment of Perkins,
Coie bill to ARRC

By:

Rodger W. Pegues
Assistant Attorney General

This responds to your request for advice on this matter.

There is no question that the billing for technical assistance was payable out of the appropriation to ARRC for capital projects for fiscal year 1980. However, to the extent that it exceeds the amount which was lapsed from that appropriation (or if not lapsed, available to pay it), it can only be paid by a supplemental appropriation to ARRC.

The state law on the subject is quite explicit:

An indebtedness arising from a prior year for which the appropriation has lapsed shall be paid from the current year's appropriations, if this expenditure does not exceed the balance lapsed

AS 37.25.010(b). This statute has consistently been applied to mean just what it says: A prior year's bill cannot be paid from a current appropriation unless an amount sufficient to have paid it was left over from the prior year's appropriation. The purpose of the statute, to prevent agencies from incurring obligations in any year in excess of their appropriations for that year, can only be achieved by applying the statute in precisely this way, and Director of Finance Mullin informs us that it has always been so applied.

Accordingly, if -- as it appears -- there was an over-expenditure and no way to reallocate money in the appropriation for fiscal year 1980 to cover it, the Perkins Coie billing cannot be paid from the appropriation for fiscal year 1981.

RWP/pjg

cc: Joseph K. Donohue
Deputy Commissioner
Department of Revenue

DIST. MADE

TO: *TAW, L. Mullin*

FY 80 SUPPLEMENTAL REQUEST ANALYSIS

	1	2	3	4	5	6	7	8	9	10	11
	FY 78 ACTUAL	FY 79 FINAL AUTH.	FY 80 ACTUAL	FY 80 GOV. BUDGET	FY 80 INITIAL AUTH.	FY 80 CURRENT AUTH.	FY 80 EXPENDITURES + ENCUMBRANCES 7/1/ to 12/31/80	FY 80 OTHER OBLIGATIONS 7/1/ to 12/31/80	FY 80 PROJECTED EXPENDI- TURES + ENCUMBRANCES to 6/30	FY 80 (DEFICIT) OR EXCESS	FY 80 CONTINUA
PERSONAL SERVICES											
TRAVEL											
QUARTERLY SERVICES											
COMMODITIES											
EQUIPMENT											
VEHICLES, BLDG. ...											
GRANTS, CLAIMS, ...					4,817,900	3,348,900	3,348,900	21,546.86	-0-	21,546.86	
MISCELLANEOUS											
TOTAL					4,817,900	3,348,900	3,348,900	21,546.86	-0-	21,546.86	
FEDERAL RECEIPTS											
REQUIRED GF MATCHING											
OTHER GENERAL FUND											
INTER-AGENCY RECEIPTS											
Development Fund					4,817,900	3,348,900	3,348,900	21,546.86	-0-	21,546.86	

AGENCY: Revenue

BRU: Alaska Renewable Resources Corp.

COMPONENT: Alaska Renewable Resources Corp. REVISED: _____

STATE OF ALASKA
Inter-Department Route Slip

TO:
MAIL STATION NUMBER 0102

DEPARTMENT Office of the Governor

ATTENTION Richard, (Aks)

- | | |
|--|--|
| <input type="checkbox"/> Approval | <input type="checkbox"/> Note & Return |
| <input type="checkbox"/> Signature | <input type="checkbox"/> Initial & Return |
| <input type="checkbox"/> Comment | <input type="checkbox"/> Return As Requested |
| <input type="checkbox"/> Contact Me | <input type="checkbox"/> Return For Approval |
| <input type="checkbox"/> Prepare Reply | <input type="checkbox"/> Necessary Action |
| <input type="checkbox"/> For Your File | <input checked="" type="checkbox"/> Your Information |

Remarks:

*In regard to Sep 80
Financial Statement
prepared by
Dept. of Admin. Finance*

FROM:
MAIL STATION NUMBER 0400

DEPARTMENT Revenue

BY Nan Adams DATE 2/24/81

MEMORANDUM

State of Alaska

FEB 23 RECD

TO: Nancy Adams
Dept. of Revenue
Juneau

DATE: 2-19-81

FILE NO:

TELEPHONE NO:

FROM: Wayne Littleton
ARRC
Anchorage

SUBJECT: Release of
encumbered FY 80
capital project
accounts

Please release the following unobligated portions of the capital project accounts:

<u>Account Name</u>	<u>Encumbered Balance</u>
Timber	\$ 26,488.89
Agriculture	\$605,177.52
Renewable Energy	\$ 36,400.00

To the best of our knowledge, there are no outstanding obligations against these capital project accounts.

However, ARRC still has outstanding obligations against the Fisheries account. Do not release the fisheries account:

Fisheries	\$ 1,524.20
-----------	-------------

Please contact me if there are any questions at 279-5602.
Thank you.

RECEIVED
FEB 25 1981
BUDGET AND MANAGEMENT

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

POUCH AM - JUNEAU 99511
PHONE 465-2213

JAY S. HAMMOND, GOVERNOR

HB 336

March 18, 1981

The Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Re: Amendment to H.B. 336
Department of Commerce
& Economic Development
Supplemental request for
\$1,661,100 general funds
for the Energy Audits and
Refunds and Grants.

Dear Representative Cotten:

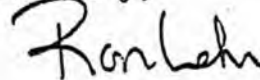
Please amend H.B. 336 to appropriate \$1,661,100 in general funds to the Department of Commerce & Economic Development for the Energy Audits and Energy Grants and Refunds programs. This appropriation adjustment is necessary because program funds have been depleted and demand for the program continues at an extremely high level.

This supplemental appropriation will fund about 3500 audits for the period from April 1 to June 30, 1981.

Please add a new section to H.B. 336 to read as follows:

The sum of \$1,661,100 is appropriated from the general fund to the Department of Commerce & Economic Development for the energy audits program under AS.46.11.030 and energy refunds and grants under AS.45.89.020.

Sincerely,



Dr. Ronald D. Lehr
Director

cc: The Honorable Don Bennett and Ed Dankworth
The Honorable Vern Hurlbert
Keith Specking
Jay Hogan

MAR 03 1981

RECEIVED

TO: Ron Lehr, Deputy Director
Division of Management and Budget
Office of the Governor

MAR 2 1981

DATE: February 20, 1981

BUDGET AND MANAGEMENT

FILE NO:

5080808

GOVERNORS OFFICE
TELEPHONE NO:

Thru: Charles Webber
Commissioner
Department of Commerce and Economic
Development

SUBJECT: Request for \$1,621.1
Supplemental Funds for the
Residential Energy Conservation
Program

From: Clarissa Quinlan, Director
Division of Energy and Power Development
Department of Commerce and Economic
Development

BACKGROUND

The Residential Energy Audit Program was mandated by the 1980 Legislature in SB 438. The legislation was quite comprehensive and provided for a great many new and innovative programs in the energy field. A new program providing for the subsidized performance of residential energy audits by State trained and certified auditors was a part of Legislation. Additionally grants or refunds were to be made available to homeowners for up to \$300 for single-family residences and \$200 for each multi-family residence for those energy conservation measures having a seven year pay back or less as substantiated by a residential energy audit.

There were numerous problems in implementing the three interrelated phases of this program. The program was completely implemented by December 1, 1980. Prior to that in October the program was initiated with provisional procedures in those communities where commercial energy audits were already available. The Division, in the original fiscal note accompanying the Bill, had projected that approximately \$1.28 million would be required to subsidize approximately 10,000 audits at a cost of \$128 per audit.

It was found, when we began actual implementation of the program, that the costs of the audits have justifiably varied from community to community with \$128 being the lowest cost. In order for the higher cost (rural) areas of Alaska to participate in this statewide program, less than 10,000 audits could be accomplished.

Demand for participation in the State sponsored energy auditor training has been overwhelming. Classes in the urban centers were filled within one day after open registration and waiting lists have been long. The Division was also recruiting and training instructors as well as establishing new curricula for Residential Energy Auditing course work. The public's response to this program has far exceeded the financial resource allocations in the original legislation.

Memo to Ron Lehr, Deputy Director
Request for \$1,621.1 Supplemental Funds for the
Residential Energy Conservation Program
Page Two

Since the implementation of the program and with only four months remaining in FY 81, we will have expended \$1.0 million in contracts (either completed or in process) and obligated the remaining balance by the end of March for the performance of approximately 7,700 audits.

A new occupation has been developed through this program and many individuals have been provided with employment since December, 1980. The Division has been inundated with calls demanding energy audit training and requesting information about residential energy audit contracting procedures. The existing contractors are approximately three to four weeks backlogged with requests from residents for energy audits. The demand for more State auditors is clearly present.

At this time, the program has momentum, good public acceptance and high participation from the audit contractors and the general public. It would be detrimental to the program to be forced to terminate the training and contracting due to lack of funds, especially since the contractors in all except some very rural areas will have performed the maximum allowed under their contracts on or before March 31, 1981. Without supplemental funding the energy audit program will be in limbo until FY 82 funding becomes available in July 1981.

BENEFIT GAINED BY CONTINUED OPERATION

1. Energy audits alone can (if stated energy conservation "practices" shown in the energy audit are implemented) save the average homeowner approximately 25% in annual energy costs. The 25% savings is verified by the Department of Energy in their brochure entitled "Low Cost No Cost". They state that:

By following all the suggestions, or whichever ones apply to you, we think you can save 25% of your fuel oil, gas and electricity bills. At current energy prices, these suggestions will put from \$100 to \$500 a year back into your pocket in a typical home ... Due to higher fuel costs this year, your energy bill will probably go up--however, if you follow low cost/no cost your bill could be reduced by 25%. Savings in this brochure are based on costs of 5¢ per kwh for electricity, 37¢ per therm for gas and 80¢ per gallon for oil. If your costs are higher your savings will be too.

2. A homeowner's "awareness" of possible energy conservation practices and measures is considerably heightened and a great deal of energy education occurs during the course of the home audit.
3. Newly obtained employment will be continued.
4. Energy conservation measures will continue to be installed in homes statewide thus saving the individual homeowner dollars expended for energy often decreasing the use of fossil fuel.

Due to the above, we request the supplemental appropriation in order to maintain continued operation of this highly valuable energy conservation program. Supplemental request is based on inclusion of staffing requested in previously submitted revised program request.

REQUEST FOR SUPPLEMENTAL FUNDING FOR REMAINDER OF FY 81 (MARCH THROUGH JUNE)

<u>Audit Development</u>	<i>PS. for Travel</i>	<i>14.0 7.6</i>	<u>Account Code</u>
Technical review and upgrading of Residential Energy Audit		\$ 15.0	
Professional Services for Commercial and Institutional Energy Audit Standards		25.0	
Total		<u>40.0</u>	300

Training

Professional Services for Revision of training materials		5.0	300
Instructors fees for four additional intensive workshops (Sitka, Unalaska, Dillingham, Nome)		12.0	
Travel and Per Diem		5.0	200
Instructors fees for approximately 10 Residential Energy Auditor recertification and proficiency upgrading workshops (2 Fairbanks, 3 Anchorage, 1 Juneau, 1 Ketchikan, 1 Bethel, 1 Kodiak, 1 Barrow)		26.4	300
Travel and per diem		10.2	200
Training materials and supplies (Residential Energy Audit classes, Recertification workshops, Professional Commercial Auditor Seminars)		10.0	300
Total		<u>\$ 68.6</u>	

Energy Audits (approximately 3,500 Statewide) *2000.0* 500.0 300

Required forms and manuals *80.0* 20.0 300

Energy Refund/Grants

An additional 3,500 audits Statewide calculated at approximately \$275 per audit *3000.0*
~~592.5~~ 700

Monitoring of Energy Audits

These funds will be used to insure that the audit quality is maintained by all energy auditors performing the State Energy Audit. These funds will provide quality control checks on all audits completed. On-site checks will be made on auditors.

170.0 - on-site checks
~~30.0~~ 300

Homeowner Workshops

"How-to-do-it" homeowner workshops to be sponsored in 5 Alaska communities under the auspices of a local community organization.

40.0
~~\$ 20.0~~ 300

Statistical Analysis & Information Retrieval

50.0
~~\$20.0~~ 300

TOTAL

\$ 1,661.1

Contracting out?
 6000.0 - 2000.0 = 4000.0

Are you using too much fuel to heat your home?

Home Energy Audits are now available in the Nome area.

Having your home checked out can mean:

1. That you can find out where your house is losing heat and ways to cut your fuel consumption;
2. That you may be eligible for up to \$300.00 in grants from the State of Alaska to make repairs, insulate and cut heat loss;
3. That you may be eligible to borrow up to \$5000. at 5% interest from the State to make major weatherization repairs on your home.

For more information contact Frank DiCostanzo, State certified home energy auditor at 2739.



FEB 3 1981

Energy Audits Funds Low

ANCHORAGE (AP) — The \$1.2 million appropriated by the 1980 Legislature for residential energy audits in fiscal 1981 will be obligated by mid-March, the Division of Energy and Power Development says.

Director Clarissa Quinlan said during the last eight weeks alone the division has contracted for some 6,300 residential energy audits at a cost of \$1 million.

The program provides for state-financed energy audits of homes, with grants, refunds and low-interest loans available for energy conservation measures recommended by the audits.

Gov. Jay Hammond has asked the Legislature to continue the program at a similar level of funding for fiscal 1982.

SERVICE

Fairbanks
News Miner
Fairbanks, AK

FEB 3 1981

ate roundup 25

Energy audit funds committee

By The Associated Press

ANCHORAGE—The \$1.2 million appropriated by the 1980 Legislature for residential energy audits in fiscal 1981 will be obligated by mid-March, the Division of Energy and Power Development says.

Director Clarissa Quinlan said during the last eight weeks alone the division has contracted for some 6,300 residential energy audits at a cost of \$1 million.

The program provides for state-financed energy audits of homes, with grants, refunds and low-interest loans available for energy conservation measures recommended by the audits.

The state ... end of the year ... Mitchell said reorganization

Popular state energy audits draw huge response from homeowners

70
25

JEANNE ABBOTT
City News homes editor

The biggest bargain in town has homeowners beating a path to the doors of a new collection of businesses led energy auditors.

For only \$10, a homeowner (or renter) can have his home audited for energy efficiency. Although the audit costs an average of \$125 to perform, the state picks up most of the cost. Most auditors are swamped with requests for the service.

"We've had an overwhelming response," says Dana Hedberg of Heat Loss Analysis, one of the 79 firms in Anchorage certified to perform the state-subsidized audits. "There are more requests for audits than money available for them."

The legislature appropriated \$10 million for the residential audits for fiscal year 1981. According to Steve Vaden of the Alaska Energy and Power Department office, the money for audits has already been allocated.

When the auditors complete a contract, we won't be able to get new unless the legislature appropriates more money," Vaden said this week.

But because we've committed the money doesn't mean a homeowner can't get an audit. The quota hasn't been filled, and an auditor can provide the

The grants are going faster than the loans, because it's upfront money.

service until his money runs out."

Based on the strong response, it is expected that most quotas will be filled by mid-March. The audits only began eight weeks ago.

Says Vaden: "Some contracts will run out faster than others."

When a homeowner or renter calls a company to request an audit, the appointment will generally be arranged for a two- to-three hour period.

During the appointment, an auditor will make an on-site inspection of the heating system, insulation, caulking and weatherstripping plus looking at the history of energy bills.

Vaden says all of the auditors were trained in November and passed an examination to be certified.

"An auditor will write up a report indicating how much energy a home is losing, and what can be done to improve the situation," he says.

The state legislature also appropriated money for outright grants and loans to undertake measures recommended by the audit.

Some \$2.2 million was allo-

cated for the grants which provide \$300 per housing unit (\$200 for a duplex) to fund the simpler measures — insulation, caulking, weatherstripping.

For major projects, like heat conversion, there are loans of up to \$5,000 available at low interest. The loans are administered through the state Division of Business Loans. They are part of a \$1.6 million program.

Vaden said 79 grants had been awarded through the energy office, and 42 of those were dedicated in January. The total amount awarded is \$22,000.

"The grants are going faster than the loans, because it's upfront money," says Vaden. With the grants, an audit must show that the money can be recouped in energy savings within seven years.

"Out of the \$22,000 we can already project a \$16,000 savings within the first year alone," he says. "That's pretty encouraging."

There are a total of 60 auditors certified statewide in Anchorage, Fairbanks, the Mat-Su Valley, Kodiak, Kenai, Juneau and Ketchikan. Training programs are yet to be held in Valdez, Bethel and Barrow.

Vaden said Gov. Jay Hammond has asked the legislature to continue the program, with an 8 percent increase in funding.

Numbers to call for an audit are:

- Alaska Energy Audits — 277-9342.
- Alaska Home Evaluators — 276-9254.
- Anchorage Community Development Corp. — 276-1625.
- Garnet-Adams — 349-4729.
- Bilderbach Enterprises — 344-5736.
- Chugach Electric Association — 276-3500.
- Arctic Energy Management — 266-1511.
- Heat Loss Analysis — 277-1601.
- Kyle Green — 376-5920.
- Charles Johnson — 688-2036.
- John Matus — 349-5087.
- C. Howdy Smith — 333-0769.
- Fred Thoman — 337-5609.
- Alaska Weatherbeaters — 243-5029.
- Pat Meyer — 344-5163.
- Charles Richner — 333-6272.
- Jean Currey — 344-8543.
- D. C. S. Energy Audits — 264-4870.
- Relches Services — 276-3760.
- John Werner — 276-6379

JAN 28 1981

State takes conservation lead with residential energy audits

By Empire Staff

Alaska took the lead in residential energy conservation last spring when the Legislature created a comprehensive energy act.

Part of the legislation provides for state-financed energy audits of residences with grants, rebates and low-interest loans available to the homeowner who wants to implement the improvements recommended by the audit. There is no obligation to make any of the improvements suggested by the audit.

For \$10 a resident can have his home inspected by a specially contracted auditor—not a state employee—to find out where heat losses are occurring and receive recommendations on how to make the home more energy efficient.

The two to three hour audit costs about \$128, but the state pays for all but \$10 of the audit.

People interested in having an energy audit of their home should contact Steve Shannon, energy specialist with the Division of Energy and Power Development at 465-2591 or write to him at Pouch "D", Juneau, Alaska 99611.

An auditor will make a variety of recommendations ranging from no-cost energy-saving projects a homeowner can do himself to massive retrofits.

News Miner
Fairbanks AK

JAN 28 1981

undertakings such as installing insulation levels of the home, the system, the heating system, and caulk the window and doors, said Shannon. An auditor will take a look at the solar potential of the home, he said.

There are no income requirements for a person to qualify for an energy audit. An audit is completed the state will provide grants or up to \$300 for the purchase and installation of energy saving items that are recommended by an approved auditor. It is expected to have a payback of seven years, said Steve Baden, public information officer for the Division of Energy and Power Development.

People who have received an approved energy audit of their home may also qualify for a low-interest loan up to \$5,000 for energy conservation improvements that the energy auditor recommends. The energy audit must have a payback of less than 10 years.

Audits in Juneau are just beginning. A new energy office is opening in Southeast. The office is located on the second floor of the State Office Building.

ALASKA CLIPPING SERVICE
Anchorage Times
Anchorage, AK
FEB 3 1981

Energy audits now hot item

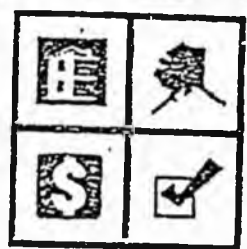
Associated Press

Anchorage — The \$1.2 million appropriated by the 1980 Legislature for residential energy audits in fiscal 1981 will be obligated by mid-March, the Division of Energy and Power Development says.

Director Clarissa Quinlan said during the last eight weeks alone the division has contracted for some 6,300 residential energy audits at a cost of \$1 million.

The program provides for state-financed energy audits of homes, with grants, refunds and low-interest loans available for energy conservation measures recommended by the audits.

Gov. Jay Hammond has asked the Legislature to continue the program at a similar level of funding for fiscal 1982, but that money, if approved, will not become available until July 1.



ALASKA RESIDENTIAL ENERGY CONSERVATION

The Division of Energy and Power Development will make grants/refunds up to \$300 for the purchase and installation of energy saving improvements recommended by an approved audit. You may also qualify for a 15% loan up to \$5,000. There is a \$10 charge per audit.

For more information and a list of contracted auditors call the Fairbanks audit information number

479-4383

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

March 26, 1981

JAY S. HAMMOND, GOVERNOR

POUCH AM
JUNEAU, ALASKA 99811
PHONE: (907) 465-2211

Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Amendment to HB 336
Department of Revenue
Amendment Requests: \$4,534 GF
To Pay Shared Taxes Owed to City of Houston

Dear Representative Cotten:

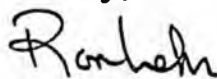
Please revised HB 336 to appropriate \$4,534 GF to the Department of Revenue to pay Shared Taxes owed to the City of Houston for the years 1975 - 1978.

At the time the Legislature created the Municipal Assistance Fund in 1978, the City of Houston had not been receiving shared taxes under the Gross Business Receipts Tax Law because businesses within the Houston City limits were reporting taxes to be shared to another municipality. The City of Houston requested an audit in FY 81 which disclosed that \$4,534 should have been shared with Houston for the years 1975 - 1978. Under the previous law, Revenue would have simply adjusted future payments to the overpaid municipality. However, since that law was repealed and a substantial amount of time has elapsed, a supplemental appropriation is requested.

Please add a new section to HB 336 to read as follows:

The sum of \$4,534 is appropriated from the general fund to the Department of Revenue for the purpose of paying shared taxes owed to the City of Houston for the years 1975 - 1978.

Sincerely,



Dr. Ronald D. Lehr
Director

Attachments

cc: Senators Ed Dankworth and Don Bennett, Senate Finance Chairmen
Representative Hurlbert, House Labor and Commerce Chairman
Jay Hogan
Keith Specking

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

POUCH AM — JUNEAU 99811
PHONE 465-2213

JAY S. HAMMOND, GOVERNOR

HB 336

March 24, 1981

Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Amendment to HB 336
Department of Commerce and Economic Development
Alaska Power Authority
Supplemental Request for \$50,000 GF for
Takatz Hydro Study

Dear Representative Cotten:

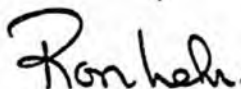
Please revise HB 336 to amend Chapter 120/SLA 1980 and appropriate \$50,000 general funds to enable the Alaska Power Authority to conduct a reconnaissance study of the electrical power needs of Sitka beyond Green Lake and to review potential power supply options including the Takatz project.

Please add a new section to HB 336 to read as follows:

Section 53, Chapter 120, SLA 1980, page 81, line 12 is amended to read as follows:

	<u>Appropriation Items</u>	<u>General Fund</u>
Discretionary Study Funds	<u>125,000(75,000)</u>	<u>125,000(75,000)</u>

Sincerely,



Dr. Ronald D. Lehr
Director

CC: Senate Finance Chairman
House Labor & Commerce Chairman
The Honorable Richard Eliason
Jay Hogan
Keith Specking
Eric Yould

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

POUCH AM — JUNEAU 99811
PHONE 465-2213

JAY S. HAMMOND, GOVERNOR

March 18, 1981

The Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Amendment to H.B. 336
Request for Net-Zero Supplemental
Department of Commerce and Economic
Development
Delete/Add Supplemental for Lime Village
Wind Power System

Dear Representative Cotten:

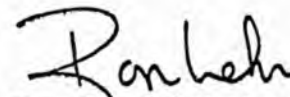
Please amend H.B. 336 to add a new section that would change the intent language for \$90,000 appropriated in Chapter 50/SLA 80, page 66, line 7 from "Lime Village Wind Power System" to "Lime Village Alternative Energy System." This adjustment is necessary because the Division of Energy and Power Development has expended \$1,500 of the available funds and determined that wind power is not feasible at Lime Village. The Division proposes to use the remaining funds for an alternative energy system combining solar power and biomass.

Please add a new section to H.B. 336 to read as follows:

Section 286, Chapter 50, SLA 1980, page 66, line 7 is repealed and re-enacted to read:

	Appropriation Item	Other Funds
Lime Village Alternative Energy System	\$90,000	90,000

Sincerely,



Dr. Ronald D. Lehr
Director

Sam Cotten, Chairman
House Finance Committee

--2--

March 18, 1981

CC: The Honorable Vern Hurlbert, Chairman
House Labor and Commerce Committee
The Honorable Don Bennet and Ed Dankworth, Co-Chairmen
Senate Finance Committee
Jay Hogan, Legislative Finance
Keith Specking, Governor's Office

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

JAY S. HAMMOND, GOVERNOR

POUCH AM — JUNEAU 99811
PHONE 465-2213

March 17, 1981

The Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Re: Amendment to H.B.336
Amendment Request: \$21,547 GF
Department of Revenue, ARRC.
Purpose: To fund outstanding
prior year obligation.

Dear Representative Cotten:

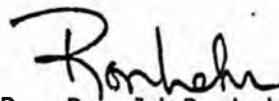
Please revise H.B.336 to appropriate \$21,547 in general funds to fund a prior year obligation of the Alaska Renewable Resources Corporation.

During FY 80, ARRC contracted for technical assistance on a fisheries development project. In the middle of FY 80, the Legislature expressed a desire to reappropriate a portion of ARRC's funds to establish new development projects. When ARRC provided the Legislature with a listing of unobligated funds available for reappropriation, the amount estimated for the fisheries project did not include the technical assistance contract. The Legislature acted on the reappropriation in Chapter 93/SLA 1980 and sufficient funds were not available to pay the bill. ARRC did not lapse sufficient funds at the end of FY 80 to allow payment of the obligation from FY 81 funds.

Please add a new section to H.B 336 to read as follows:

The sum of \$21,547 is appropriated from the general fund to the Department of Revenue, Alaska Renewable Resource Corporation, to pay a prior year obligation in the Fisheries Project.

Sincerely,



Dr. Ronald D. Lehr
Director

cc: The Honorable Don Bennett and M. E. Dankworth, Senate Finance Committee
The Honorable Vernon Hurlbert, House Labor and Commerce Committee
Keith Specking
Jay Hogan

HB 336

STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

POUCH AM — JUNEAU 99811
PHONE 465-2213

JAY S. HAMMOND, GOVERNOR

HB 336

March 18, 1981

The Honorable Sam Cotten
Chairman, House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Re: Amendment to H.B. 336
Department of Commerce
& Economic Development
Supplemental request for
\$1,661,100 general funds
for the Energy Audits and
Refunds and Grants.

Dear Representative Cotten:

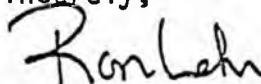
Please amend H.B. 336 to appropriate \$1,661,100 in general funds to the Department of Commerce & Economic Development for the Energy Audits and Energy Grants and Refunds programs. This appropriation adjustment is necessary because program funds have been depleted and demand for the program continues at an extremely high level.

This supplemental appropriation will fund about 3500 audits for the period from April 1 to June 30, 1981.

Please add a new section to H.B. 336 to read as follows:

The sum of \$1,661,100 is appropriated from the general fund to the Department of Commerce & Economic Development for the energy audits program under AS.46.11.030 and energy refunds and grants under AS.45.89.020.

Sincerely,



Dr. Ronald D. Lehr
Director

cc: The Honorable Don Bennett and Ed Dankworth
The Honorable Vern Hurlbert
Keith Specking
Jay Hogan

COMMITTEE REPORT
HOUSE

5/29

FURTHER: FINANCE

3/13/81

(5)

Date: _____

Mr. Speaker:

The Committee on LABOR & COMMERCE has had HB 336

"An Act making supplemental appropriations to the Alaska Housing Finance Corporation and to the Alaska Power Authority; making an amendment to ch. 120 SLA 1980; and providing for an effective date."

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 336 (L & C) same title
 new title
- and recommends ~~NO REC~~
- 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:

Vernon Furber No Rec

Jan Fuller No Rec

Ferry Martin " "

Vernon Furber
CHAIRMAN

Pequee

Original sponsor: Rules/Governor

Offered: 5/29/81
Referred: Finance

<u>Funding Information</u>	
General Fund	\$76,081
Other Funds	-0-
	<u>\$76,081</u>

BY THE LABOR AND
COMMERCE COMMITTEE

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 336 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the
7 Department of Revenue and amending a 1980 appropria-
8 tions to the Alaska Power Authority; and providing for
9 an effective date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. The sum of \$21,547 is appropriated from the general fund to
12 the Department of Revenue, Alaska Renewable Resources Corporation, to pay a
13 prior year obligation of the fisheries project.

14 * Sec. 2. The sum of \$4,534 is appropriated from the general fund to the
15 Department of Revenue to pay shared taxes owed to the City of Houston for
16 the years 1975 - 1978.

17 * Sec. 3. Section 53, ch. 120, SLA 1980, page 81, line 12 is amended to
18 read:

	APPROPRIATION	GENERAL
	ITEMS	FUND
21	Discretionary study funds	<u>125,000</u> [75,000] <u>125,000</u> [75,000]

22 * Sec. 4. The unexpended and unobligated portions of the appropriations
23 made by secs. 1 and 2 of this Act lapse into the general fund June 30, 1981.

24 * Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-
25 070(c).

26

27

28

29

Letter + Backup

Funding Information	
General Fund	\$13,100,000
Other Funds	-0-
	<u>\$13,100,000</u>

Introduced: 3/13/81
Referred: Labor & Commerce and
and Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 336

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the
7 Alaska Housing Finance Corporation and to the Alaska
8 Power Authority; making an amendment to ch. 120 SLA
9 1980; and providing for an effective date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. The sum of \$10,650,000 is appropriated from the general
12 fund to the Alaska Housing Finance Corporation for the mobile home loan
13 program.

14 * Sec. 2. The sum of \$2,450,000 is appropriated from the general fund to
15 the Alaska Power Authority to pay additional FY 81 costs for the Susitna
16 feasibility study.

17 * Sec. 3. Section 2, ch. 120 SLA 1980 is amended to read:

18 * Sec. 2. The sum of \$126,955,000 is appropriated from the general
19 fund to the Alaska Housing Finance Corporation to be allocated as
20 follows:

21	Special mortgage loan purchase program	
22	(AS 18.56.093)	\$105,000,000
23	Mortgage and housing insurance fund	
24	(AS 18.56.095 and 18.56.093)	<u>6,650,000</u> [12,500,000]
25	Rural housing mortgage loan program	6,500,000
26	Rural housing mortgage insurance account	
27	in the housing insurance fund	
28	(AS 18.56.093)	325,000
29	Rural housing title insurance fund	

1	(AS 18.56.093)	130,000
2	Home ownership fund (AS 18.56.091)	2,500,000
3	<u>Mobile home loan program</u>	<u>1,350,000</u>
4	<u>Rural non-owner occupied mortgage loan program</u>	<u>4,500,000</u>

5 * Sec. 4. The unexpended and unobligated parts of the appropriations
6 made in this Act lapse into the general fund June 30, 1981.

7 * Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-
8 070(c).

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010343

HB 336

March 13, 1981

The Honorable Jim Duncan
Speaker of the House
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill which would make supplemental appropriations to the Alaska Housing Finance Corporation (AHFC) and the Alaska Power Authority (APA), and would amend ch. 120 SLA 1980.

The appropriation to AHFC in sec. 1 of the bill (\$10,650,000) would provide money for the mobile home loan program. I understand that that program had run out of money by the end of February. This appropriation will enable the program to continue operating through the end of this fiscal year.

The appropriation to APA in sec. 2 of the bill (\$2,450,000) would pay additional FY 81 costs for the Susitna feasibility study. On February 4, 1981, APA was informed by the principal contractor for the project that within 60 days the FY 81 appropriation for this project would be spent. The cost of the study has been increased by three factors: (1) necessary program changes; (2) cost escalation due to inflation; and (3) increased logistical field support requirements and cost escalation of that logistical support.

Section 3 of the bill amends ch. 120 SLA 1980 by reallocating money appropriated to AHFC last year. The mortgage and housing insurance fund would be reduced by \$5,850,000, and that amount reallocated to the mobile home loan program (\$1,350,000) and the rural non-owner occupied mortgage loan program (\$4,500,000). The mobile home loan program is in urgent need of additional money,

as mentioned earlier in this letter. The rural non-owner occupied mortgage loan program is also short of money, and, unless more money is made available, several projects under construction will not be completed during the 1981 building season.

Sincerely,

Jay S. Hammond
Governor

SJM

By: Terry Miller
Lieutenant Governor

RECEIVED

MEMORANDUM FEB 19 1981 State of Alaska


BUDGET AND MANAGEMENT

TO Mr. Richard Aks
Division of Budget & Management
Office of the Governor

DATE: February 17, 1981

FILE NO:

TELEPHONE NO:

FROM Terry J. McGuire 
Director of Finance
Alaska Power Authority

SUBJECT: Susitna Hydroelectric
Project

Attached is a copy of a letter recently received from Acres American Incorporated, principal contractor for the Susitna studies. The amount allocated to Acres and subcontractors does not include funds for Power Authority staff and other direct contractors with the Power Authority, or funds RSA'd to the Department of Fish and Game. The memo illustrates the need for the FY'81 supplemental funding request of the Power Authority.

Attachment:
as noted



RECEIVED
FEB 10 1981
BUDGET AND MANAGEMENT

February 4, 1981
P5700.11
T.700

RECEIVED
FEB 11 1981
ALASKA POWER AUTHORITY

Mr. Eric P. Yould
Executive Director
Alaska Power Authority
333 West 4th Avenue
Suite 31
Anchorage, Alaska 99501

Dear Eric:

Susitna Hydroelectric Project
Limitation of Funds

As required in the contract Acres hereby notifies the Authority that within the next 60 days we will exceed the \$15,255,000 currently allotted by Mr. McGuire's letter of July 1, 1980.

Please allot additional funds as soon as possible so that the current schedule can be maintained.

Very truly yours,

David C. Willett
Vice President

DCW/ljr

ACRES AMERICAN INCORPORATED

1000 17th Street
100 City Bank Building Main at Court
New York, New York 10038
Telephone: (212) 697-7500 Telex: 511000 ACRES
Other Offices: Columbia, MD; Pittsburgh, PA; St. Louis, MO; Washington, DC

ALASKA POWER AUTHORITY

333 WEST 4th AVENUE - SUITE 31 - ANCHORAGE, ALASKA 99501

Phone: (907) 277-7641
(907) 276-2715

July 21, 1980

RECEIVED

JUL 23 1980

Budget and Management

Mr. Ron Lehr, Director
Division of Budget
& Management
Pouch AM
Juneau, Alaska 99811

Re: FY'81 Supplemental Funding

Dear Mr. Lehr,

The Alaska Power Authority will be requesting supplemental funding for two programs for FY'81, the Susitna Feasibility Study and the Power Production Assistance Program. The Power Production Assistance Program request is for reinstatement of the FY'81 funds in the amount reduced by the Governor. The Susitna funding request includes a \$2.540 million supplemental FY'81 request and a \$13.019 FY'82 request as outlined in the attached cash flow projections. Explanations of items in the cash flow follows:

- A. (1) Excess liability insurance to include aircraft accident insurance purchased for the 2½ year period of the study. Item not identified programmed in the original budget estimate, but was subsequently determined to be necessary.
- (2) The U.S. Geological Survey withdrew federal funding from the stream gauging program for the Susitna basin after the budget estimate was completed. This action was not anticipated and it is a necessary activity which required a program funding addition.
- (3) System planning funds for compilation of a data base on system components were identified as necessary to maintain the schedule of the formulation and analysis of basin development plans leading to the Development Selection Report in March 1981. This activity was identified as a complication associated with deletion of power market and alternatives studies from the Acres contract, and as a duplication of work to be performed by the new Alternatives studies contractor.
- (4) Task 6 - Tussing Scope Changes - This activity and funding were identified as part of the program response to the comments of Arlon Tussing on the Plan of Study. This activity was not part of the power market and alternatives study which was

directed to be deleted from the Acres contract. This funding was appropriated to the Office of the Governor and retained for the Alternatives Study. Reference our letter to you dated June 25, 1980.

- (5) Task 11 - Tussing Scope Changes - The comments in (4) above apply.
- (6) Comments of FERC on the Plan of Study following preparation of the budget identified instream flow study activities that would be necessary before submission of the license application in Phase I. This work was originally planned to be accomplished in Phase II. A budget of \$125,000 for two years of work by Mr. Trihey, an expert in this area, was proposed as a necessary response to the FERC requirements.
- (7) Comments of FERC on the Plan of Study following preparation of the budget established that the more data on fisheries available at the time of license submission, the greater the potential for acceptance. Therefore, resident and juvenile fishery studies and fishing habitat studies originally programmed for one year of study in Phase I and additional years in Phase II were advanced to include 2 years in Phase I and additional years in Phase II. The identified cost increase represents ADF&G increased costs associated with this work.
- (8) and (9) ADF&G additional costs for salary increases and transportation cost increases. The budgets originally prepared did not reflect true negotiated salary rates for state employees in the original budget since they were unknown at that time. The budget increases for Fisheries and Big Game are calculated exactly, however, they are for STEP A salaries for every position range. ADF&G does not feel that all positions can be filled at STEP A, and will try to stay within budget through turnover and hiring delays.
- (10) Escalation on additional program study changes and additions.

B. The original budget estimate did not include any escalation of the Non-Discretionary Funding to include Native Inspector, External Review, Power Authority Study Coordination, and the Public Participation Program. Salary cost escalation is calculated based upon approved salary increases for exempt bargaining status employees which were unknown for the original budget preparation. External Review costs are escalated in accordance with the major Task budget escalation factor of 8½%/year.

C. Major cost escalation has been experienced in all activities associated with logistical support of field study activities, principally in camp operations, fuel, fuel resupply, and transportation. Based upon costs incurred to date and identification of realistic requirements, additional funding for logistical support is estimated at \$900,000.

D. The decision to submit a license application to FERC to construct the project will be made by approximately April 1, 1982. Phase I funding does not include field activities starting in the spring of 1982. Phase II field activities could begin in the spring of 1982 and continue on through the license application processing period. An estimated \$1.720 million is necessary to fund Phase II activities up to June 30, 1982. Included in this is bulk fuel purchase and transport to the field storage site which may have to be performed in January and February of 1982 in order to have an adequate field fuel supply to initiate Phase II field activities.

In summary, the Susitna program estimated cost for Phase I has increased from \$29.612 million to \$32.113 for the 2½ year study if the Phase II cost estimate requirements are not considered. This 8.45% increase is composed of \$1.29 million of Program Changes and Additions (4.45%), \$311,000 (1%) of escalation not calculated in the original budget estimate for activities administered by the Power Authority, and \$900,000 (3%) for increased requirements and extraordinary escalation associated with field logistical support requirements.

Sincerely,



Eric P. Yould
Executive Director

cc:

Mr. Chuck Conway
Mr. Jerry Weinwand

MEMORANDUM

State of Alaska

TO: Ron Lehr, Director
Division of Budget & Management
Office of the Governor

FROM: Terry J. McGuire *TJM*
Director of Finance
Alaska Power Authority

DATE: September 30, 1980

FILE NO:

TELEPHONE NO:

277-7641

SUBJECT:

FY 1981 Supplemental
Funding

RECEIVED

SEP 30 1980

MANAGEMENT

The Alaska Power Authority is requesting supplemental funding for two programs for FY 1981, the Power Production Assistance Program and the Susitna Feasibility Study. The Power Production Assistance Program request is for reinstatement of the FY 1981 funds in the amount reduced by the Governor, \$1.4 million. The Susitna funding request is for \$2.540 million in supplemental funding during FY 1981.

The reinstatement of FY 1981 funding to the Power Production Assistance Program to the original level will permit the Power Authority to more fully satisfy the requirements specified in HCS CSSB 438, Article 3A, to reduce electric rates charged for residential service, service to charitable organizations and service to local community facilities. Under the PPA Program, all electric utilities in the State that satisfy specific eligibility requirements described in the legislation qualify for financial assistance from the Power Production Cost Assistance Fund. Unless supplemental funding is received by the Power Authority, the existing fund will be insufficient to satisfy the full FY 1981 requirements.

The supplemental funding requested for the Susitna Feasibility Study is due to several factors, shown below.

- A.1) Increased liability insurance and aircraft accident insurance purchased for the study. This item was not programmed in the original budget estimate, but was subsequently determined to be necessary.
- 2) After the original budget estimate was completed the U.S. Geologic Survey withdrew federal funding from the stream gaging program for the Susitna basin. This action was not anticipated and is a necessary activity which required a program funding addition.
- 3) Funds were identified as necessary to maintain the schedule of planning leading to the System Studies and Basin Development Selection Report in March 1981. This activity was identified as a complication associated with deletion of power market and alternative studies from the Acres contract.
- 4) Activities and funding were identified as part of the program response to the comments of Arlon Tussing on the Plan of Study. This activity, Tussing Task 6, was not part of the power market and alternatives study which was directed to be deleted from the Acres Contract. This funding was appropriated to the Office of the Governor and retained for the Alternatives Study (reference our letter to you, June 25, 1980). Activities and funding were also identified for the Tussing Scope Changes, Task 11, to which our comments to Task 6 also apply.
- 5) Comments of FERC on the Plan of Study following budget preparation identified in-stream flow study activities that would be required before license application submission, in Phase I. This work was originally planned for Phase II.

MEMORANDUM

State of Alaska

TO: Ron Lehr

DATE: September 30, 1980

FILE NO:

TELEPHONE NO:

FROM: Terry J. McGuire *TJM*

SUBJECT: Page 2 of 2

- 6) FERC comments on the Plan of Study, following preparation of the budget, established that the more detailed data available on fisheries at the time of license submission, the greater the potential for acceptance. Therefore, resident and juvenile fishery studies and fishing habitat studies, originally scheduled for one year during Phase I and additional years in Phase II, were advanced to include 2 years in Phase I and additional years in Phase II.
 - 7) ADF&G additional costs for salary increases and transportation cost increases. The original budget did not reflect actual negotiated salary rates for state employees, since they were unknown at that time. The budget increases for Fisheries and Big Game are calculated exactly, however they are for Step A salaries for every position range. ADF&G does not feel that all positions can be filled at Step A, but will try to stay within budget through turnover and hiring delays.
- B. The original budget estimate did not include any escalation of the Non-Discretionary Funding for the Native Inspector, External Review, Power Authority Study Coordination, and the Public Participation Program. Salary cost escalation is based upon approved salary increases for exempt bargaining status employees, which were unknown for the original budget preparation. External Review cost escalation is consistent with the major Task budget escalation factor of 8½%/year.
- C. Major cost escalation has been experienced in all activities associated with logistical support of field study activities, principally in camp operations, fuel, fuel resupply, and transportation.

For a detailed cash flow projection of these factors and escalations on additional program study changes and additions, our letter to you of July 21, 1980 is attached.

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

CATEGORY	New Legislation
COVER PROGRAM	Economic Development
AGENCY	Commerce & Economic Development
DIVISION	Alaska Power Authority
BUDGET REQUEST UNIT	Alaska Power Authority
BUDGET COMPONENT	Not assigned yet
APPROPRIATION	SLA 1980, Ch. 120, SCS CSHB 1002 amS
ALLOCATION	New Legislation, SB 438, Line 16, Pg 70

		INITIAL AUTHORIZATION	This RP Request	RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01	PERSONAL SERVICES									
02	TRAVEL									
03	CONTRACTUAL									
04	COMMODITIES									
05	EQUIPMENT									
06	LANDS, BUILDINGS									
07	GRANTS, CLAIMS									
08	MISCELLANEOUS									
	Other	1,451	1,400							2,851
	TOTAL	1,451	1,400							2,851
1002	FEDERAL RECEIPTS									
1003	G/F MATCH									
1004	GENERAL FUND	1,451	1,400							2,851
1005	I/A RECEIPTS									
1028	PROGRAM RECEIPTS									
15	FULL TIME									
16	PART TIME									
17	TEMPORARY									
18	MAN-MONTHS									

STATE OF ALASKA
Office of the Governor
Budget & Management Div.

REVISED PROGRAM SUMMARY
by
BUDGET COMPONENT

CATEGORY	Development
COVER PROGRAM	Energy & Power Development
AGENCY	Commerce & Economic Development
DIVISION	Alaska Power Authority
BUDGET REQUEST UNIT	Alaska Power Authority
BUDGET COMPONENT	08-71-4-195, Susitna Feas. Analysis
APPROPRIATION	SLA 1980, Ch. 120, SCSCS-HB 1002-amS
ALLOCATION	Development, Page 81, Line 9

		INITIAL AUTHORIZATION	This RP Request	RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01	PERSONAL SERVICES									
02	TRAVEL									
03	CONTRACTUAL									
04	COMMODITIES									
05	EQUIPMENT									
06	LANDS, BUILDINGS									
07	GRANTS, CLAIMS									
08	MISCELLANEOUS									
	OTHER	3,095.80	2,540							5,635.80
	TOTAL	3,095.80	2,540							5,635.80
1002	FEDERAL RECEIPTS									
1003	G/F MATCH									
1004	GENERAL FUND	3,095.80	2,540							5,635.80
1005	I/A RECEIPTS									
1028	PROGRAM RECEIPTS									
15	FULL TIME									
16	PART TIME									
17	TEMPORARY									
18	MAN-MONTHS									

SUSITNA HYDRO PROJECTS
CASH FLOW PROJECTIONS THROUGH JUNE 30, 1982

		<u>Cost of Project</u>	<u>FY 1980 & 1981</u>	<u>FY 1982</u>
Cash Flow Jan. 1980 Estimated Cost of Project		29,612,280	19,414,718	10,197,562 10,107,562
A	Program Changes or Additions			
(1)	Liability Insurance	47,000	47,000	
(2)	Task 3, Acres additional work related to USGS	52,100	26,000	26,100
(3)	Task 6, System Planning	220,000	220,000	
(4)	Task 6, Tussing Changes	200,000	200,000	
(5)	Task 11, Tussing Changes	100,000	100,000	
(6)	Task 7, Mr. Trihey	125,000	62,000	63,000
(7)	Task 7, ADF&G Accelerated Studies	268,100	218,100	50,000
	Task 7, ADF&G Add'l costs for salaries & increases and Transportation:			
(8)	Big Game	96,000	48,000	48,000
(9)	Fisheries	90,200	45,200	45,000
(10)	Increased Escalation due to increased costs	91,465	60,000	31,465
		<u>1,289,865</u>	<u>1,026,300</u>	<u>263,565</u>
B	Escalation on costs controlled by Alaska Power Authority not computed on Cash Flow Jan. 1980	311,000	73,000	238,000
C	Camp operation, fuel and transportation costs overrun and extraordinary escalation	900,000	300,000	600,000
D	Phase II funding requirements in FY'82 (Apr - Jun 1982)			
(1)	Fuel	300,000		
(2)	Helicopter costs	300,000		
(3)	Camp Operations & Maintance	120,000		
(4)	ADF&G	300,000		
(5)	Acres & Other Subcontractors	<u>700,000</u>	<u>1,720,000</u>	<u>1,720,000</u>
	Total Cost of Project	33,833,145	20,814,018	13,019,127
	Funds Received To Date (FY'80 8,178,000) (FY'81 7,000,000)	<u>18,273,800</u>	<u>18,273,800</u>	<u>-0-</u>
	(FY'81 3,095,800)			
	Funds to be applied for as of 7/15/80	15,559,345	2,540,218	13,019,127

ALASKA STATE LEGISLATURE

TWELFTH Legislature FIRST.. Session

HOUSEBILL..... NO. 336
 By THE RULES COMMITTEE.....
 BY REQUEST OF THE GOVERNOR

"An Act making supplemental appropriations to the Alaska Housing Finance Corporation and to the Alaska Power Authority; making an amendment to ch. 120 SLA 1980; and providing for an effective date."

Suppl. appro./Ak Housing Fin. Corp. & Ak Power Authority

Introduced in the House ... 3/13, 19... 81

HISTORY IN THE HOUSE

19 81	Read first time and referred to Committee on Labor & Commerce and Finance Reported back with recommendation that
Mar. 13	
	Read second time and
	Read third time and
	PASS Effective Date Yeas Yeas Nays Nays Absent Absent Excused Excused
	Reconsideration PASS Effective Date Yeas Yeas Nays Nays Absent Absent Excused Excused Reported correctly engrossed Signed by Speaker Sent to Senate
	CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19	Read first time and referred to Committee on
	Reported back with recommendation that
	Read second time and
	Read third time and
	PASS Effective Date Yeas Yeas Nays Nays Absent Absent Excused Excused
	Reconsideration PASS Effective Date Yeas Yeas Nays Nays Absent Absent Excused Excused Reported correctly engrossed Signed by President Returned to House
	SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19	Received from Senate
	Concurred in Senate amendment thus adopting: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling Reported correctly enrolled Sent to Governor by Governor
	Filed with Lt. Governor
	Chapter No.