

Introduced: 3/2/83
Referred: Resources and Finance

1 IN THE HOUSE

BY McBRIDE AND WENDTE

2

HOUSE BILL NO. 232

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act authorizing the Chester Lake Hydroelectric
7 Project and approving the project construction cost
8 under AS 44.83.185(c); and providing for an effective
9 date."

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

11 * Section 1. The Chester Lake hydroelectric project is authorized, and
12 a construction cost of \$13,200,000 is approved, under the provisions of
13 AS 44.83.185(c).

14 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
15 10.070(c).

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 232

Title Authorizing Chester Lake Hydro. approving project costs: efd

Requested by Rep Ringstad

Date May 2 1983

II. FISCAL DETAIL

Agency Affected Commerce & Economic Development - Alaaka Power Auth

Program Category Affected _____

ERU, Program, Or Subprogram(s) Affected _____

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		-0-	-0-	-0-		

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
		-0-	-0-	-0-		

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

IV. DATE May 2, 1983

PREPARED BY Rep. John Ringstad

AGENCY House Resources

Original: Legislative Finance

PHONE 465 3715

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/82)

The following individuals may testify on HB 232:

Representative McBride (or staff), prime sponsor

A representative of Metlakatla

Alaska State Legislature

How - w

REPRESENTATIVE
JACK MCBRIDE



BOX 7563
KETCHIKAN, ALASKA 99901

COMMITTEES
COMMUNITY & REGIONAL AFFAIRS
TRANSPORTATION
SPECIAL COMMITTEE ON FISHERIES

WHILE IN JUNEAU
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4919

House of Representatives

MEMORANDUM

To: Representative Al Adams Date: May 19, 1983
Chairman House Finance Committee

From: Representative Jack McBride *Jack* Subject: Chester Lake Hydro
Representative Ron Wendte

This memo is to request a hearing before House Finance on HB 232, regarding the Chester Lake Hydro project in Metlakatla. As Sol Atkinson of Metlakatla may have explained to you, this bill does not require an appropriation at this time. It is merely authorizing legislation and would enable Alaska Power Authority to spend an existing \$650,000 (left over from a previous appropriation) for engineering and design of the project.

We feel that this project is a high priority as it will solve two serious problems of the Metlakatla Indian Community: replacement of a very dilapidated dam which is now the only water source for the community and construction of a much-needed source of energy. A copy of the bill and summary of the project are attached.

We appreciate whatever consideration you can give to this.

SUMMARY OF CHESTER LAKE HYDRO - METLAKATLA

The proposed Chester Lake Dam and hydro project would solve two problems for the Metlakatla Indian Community: replacement of a very dilapidated dam which is now the only water source for the community, and provide a much-needed source of energy.

The existing Chester Lake Dam has been labeled "hazardous, dangerous, and dilapidated" and is essential for storage and distribution of the Community's water source.

The community's power is currently provided by Purple Lake Dam which is rated at a capacity of 3 megawatts with an additional 3 megawatts provided by the Quarry Diesel Plant which has two generators rated at 1.5 megawatts each. This combination of hydro and diesel does not meet the criteria known as "prime power" and particularly during times of draught and low water flow, the community comes dangerously close to running short of power. As a matter of fact, due to a recent dry spell, Metlakatla is presently experiencing a severe problem. Purple Lake is dry and one of their two generators is off-line due to repairs. With an additional 45 houses projected to be added to the community as well as the community college, trailer park, swimming pool, and church, power needs are going to become critical in the near future during periods of low water flow. Metlakatla is a community which is not easily connected to power supplies from other communities.

In 1981, the legislature appropriated one million dollars for a feasibility study with the understanding that Metlakatla would enter into an agreement with the Alaska Power Authority to take over the contract.

Of the one million dollars, \$350,000 has been expended by APA to produce a report entitled "Chester Lake Project Feasibility Report" which recommends development of Chester Lake for hydro and water supply.

\$650,000 remains to be used for design and engineering work. State law, however, precludes the expenditure of funds for design work until authorizing legislation is passed for the entire project. HB 232 would accomplish this. In addition, Metlakatla has been awarded a 5 1/2 million dollar REA loan for 35 years at 5 1/2% interest. Alternatives for financing the remaining portion of the project are being prepared by the APA.

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