

COMMITTEE REPORT
SENATE

FURTHER:

4/19/84

Date 5/26/84

Mr. President

The Committee on FINANCE considered CSHB 684(Fin) and special appropriations to the Alaska Power Authority; efd.

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

- do pass
- do pass with attached amendment(s)
- replace with/or adopt 5 CS for CS for HB 684(Fin)
- new title
- same title and recommends do pass
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS

Bob Mulcahy

Dennis

Gene C. Pachard

Joe J. ... No Rec

V. ... NR

Jim ... NR
Chairman

Chairman recommendation _____

-SENATE FINANCE COMMITTEE
LETTER OF INTENT
FOR
SCS CSHB 684 (Finance)

SCS CSHB 684 (Finance) appropriates funds for construction and rate stabilization for the Bradley Lake hydroelectric project and the Susitna River hydroelectric project.

It is the intent of the legislature that the Alaska Power Authority spend no funds for construction or rate stabilization for either of these projects until power sales contracts have been signed by the utilities that will purchase power from the projects.

Further, it is the intent of the legislature that no funds for construction or rate stabilization shall be spent on either project until (1) the Alaska Power Authority board of directors adopts a written finding that the respective project is economically and financially feasible and recommends that it be constructed and (2) the provisions of AS 44.83.183 and AS 44.83.185, which require submittal by the Alaska Power Authority of a feasibility study, plan of finance, and an independent cost estimate, and submittal by the Office of Management and Budget of a review report recommending approval or disapproval have been complied with. It is the intent of the legislature that the report by the Office of Management and Budget be in a written form.

Original sponsor: Rules/Governor

Funding Information

General Fund	\$487,200,000
Other Funds	-0-
	<u>\$487,200,000</u>

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 684 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making special appropriations to the Alaska
7 Power Authority; and providing for an effective
8 date."

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

10 * Section 1. The sum of \$210,000,000 is appropriated from the general
11 fund to the power development revolving loan fund established by AS 44.33.-
12 600, for loans to be made to the Alaska Power Authority.

13 * Sec. 2. AS 44.83 is amended by adding new sections to read:

14 Sec. 44.83.165. CONTINUING APPROPRIATION FOR POWER COST EQUALI-
15 ZATION. The sum of \$21,700,000 is appropriated on July 1 of each
16 fiscal year from the general fund to the power cost equalization fund
17 (AS 44.83.162).

18 Sec. 44.83.410. CONTINUING APPROPRIATION FOR SUSITNA RIVER
19 HYDROELECTRIC PROJECT. The sum of \$200,000,000 is appropriated on
20 July 1 of each fiscal year from the general fund to the authority for
21 deposit in the power development fund (AS 44.83.382) for the purpose
22 of equity investment in, and rate stabilization for, the Susitna River
23 hydroelectric project.

24 Sec. 44.83.420. CONTINUING APPROPRIATION FOR BRADLEY LAKE HYDRO-
25 ELECTRIC PROJECT. The sum of \$50,000,000 is appropriated on July 1 of
26 each fiscal year from the general fund to the authority for deposit in
27 the power development fund (AS 44.83.382) for the purpose of equity
28 investment in, and rate stabilization for, the Bradley Lake hydroelec-
29 tric project.

1 * Sec. 3. The sum of \$5,500,000 is appropriated from the general fund
2 to the Alaska Power Authority for the purpose of contracting with the City
3 of Seward for the Seward to Davies Creek intertie and electrical system.

4 * Sec. 4. The appropriations made in secs. 1, 2 and 3 of this Act are
5 not one-year appropriations and do not lapse under AS 37.25.010.

6 * Sec. 5. AS 44.83.410 is repealed June 30, 1991

7 * Sec. 6. AS 44.83.420 is repealed June 30, 1988.

8 * Sec. 7. This Act takes effect July 1, 1984.
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General Fund	\$487,200,000
Other Funds	-0-
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BY THE FINANCE COMMITTEE

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4 THIRTEENTH LEGISLATURE - SECOND SESSION

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COMMITTEE REPORT

SENATE

FURTHER:

FINANCE

4/2/84

Date 4-18-84

Mr. President

The Committee on RESOURCES considered CSHB 684 (Fin) am
special appropriations to the Alaska Power Authority; efā.

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

- do pass
- do pass with attached amendment(s)
- replace with/or ~~adopt~~ 5 CS for CS HB 684 (Fin) ^{Res}
- new title
- same title and recommends _____
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

Zig

Paul Truitt

Bob Mulcahy

V. J. ...

Julius ...

MEMBERS HAVING
OTHER RECOMMENDATIONS

~~Robert ...~~

Dutton ...
Chairman

Do Pass
Chairman recommendation

HB 684

BILL SHEFFIELD
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 13, 1984

The Honorable Joe Hayes
Alaska House of Representatives
Pouch V
Juneau, AK 99811

Dear Representative Hayes:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill making a special appropriation to the Alaska Power Authority. This special appropriation is for rate stabilization for the utilities that will be purchasing power from the Lake Tyee, Swan Lake, Terror Lake, and Solomon Gulch hydroelectric facilities. The money will be used to reduce the wholesale power rate for these utilities during the early years of the operation of the hydroelectric facilities when hydroelectric costs will be significantly higher than their projected costs for diesel generation.

At the current stage of negotiations on the power sales agreements the rate stabilization fund is treated as a grant, and the special appropriation bill reflects this approach. However, the authority is still looking at the possibility of funding rate stabilization with a loan rather than a grant. If the loan approach is used, an amendment to this bill will be proposed to reflect the change.

Sincerely,

Bill Sheffield
Governor

Offered: 3/29/84
For Today's Supplemental
Calendar

Original sponsor: Rules/Governor

Funding Information
General Fund \$249,000,000
Other Funds -0-
\$249,000,000

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 684 (Finance) am
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making special appropriations to the Alaska
7 Power Authority; and providing for an effective
8 date."

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

10 * Section 1. The sum of \$49,000,000 is appropriated from the general
11 fund to the Alaska Power Authority for the purpose of rate stabilization in
12 accordance with the terms of power sales agreements and bond covenants for
13 the issuance of revenue bonds for the Lake Tyee, Swan Lake, Terror Lake,
14 and Solomon Gulch hydroelectric facilities.

15 * Sec. 2. The sum of \$1,400,000,000 is appropriated from the general
16 fund to the Alaska Power Authority power development fund for the purpose
17 of funding the completion of the Watana Dam in the Susitna Hydroelectric
18 Project and the Bradley Lake Power Project. Beginning July 1, 1984, the
19 commissioner of revenue shall make monthly deposits to the power develop-
20 ment fund of the appropriation made by this Section. A monthly deposit
21 shall be in an amount determined by the commissioner of revenue to be in
22 excess of the general fund revenues necessary to finance state government
23 operation for the month in which the deposit is made. Not less than
24 \$200,000,000 shall be deposited to the power development fund in each
25 fiscal year beginning with fiscal year 1985 and the entire amount shall be
26 deposited no later than June 30, 1991.

27 * Sec. 3. The appropriations made in secs. 1 and 2 of this Act are not
28 one-year appropriations and do not lapse under AS 37.25.010.

29 * Sec. 4. Section 1 of this Act takes effect the day after all of the

1 power purchasers served by the Lake Tyee (City of Petersburg and City of
2 Wrangell), Swan Lake (City of Ketchikan), Terror Lake (Kodiak Electric
3 Association), and Solomon Gulch (Copper Valley Electric Association) hydro-
4 electric projects have entered into power sales agreements with the Alaska
5 Power Authority.

6 * Sec. 5. Section 2 of this Act takes effect the day after all of the
7 power purchasers served by the Susitna hydroelectric project enter into
8 power sale agreements with the Alaska Power Authority.

9 * Sec. 6. The sum of \$10,000,000 is appropriated from the general fund
10 to the power cost assistance fund established in AS 44.83.162.

11 * Sec. 7. Section 6 of this Act takes effect immediately in accordance
12 with AS 01.10.070(c).

Alaska State Legislature

BETTYE FAHRENKAMP, Chairman
ROBERT H. ZIEGLER, SR., Vice Chairman
DICK ELIASON
PAUL FISCHER
VIC FISCHER
BOB MULCAHY
ARLISS STURGULEWSKI



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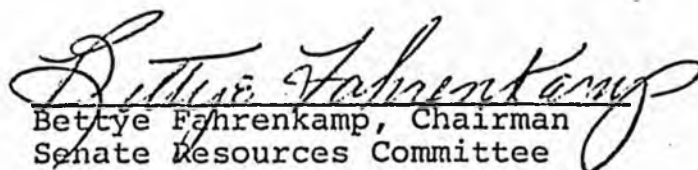
Senate

Committee on Resources

SENATE RESOURCES COMMITTEE
LETTER OF INTENT
FOR
SCS CSHB 684 (Resources)

SCS CSHB 684 (Finance) appropriates funds for construction and rate stabilization for the Bradley Lake hydroelectric project and the Susitna River hydroelectric project.

It is the intent of the legislature that the Alaska Power Authority spend no funds for construction or rate stabilization for either of these projects until power sales agreements have been signed by the utilities which will purchase power from the projects. Further, until compliance with the provisions of AS 44.83.183 and AS 44.83.185, which require submittal by the Alaska Power Authority of a feasibility study, plan of finance and an independent cost estimate, and submittal by the Office of Management and Budget of a review report recommending approval or disapproval, no funds shall be spent. It is the intent of the legislature that the report by the Office of Management and Budget be in a written form.


Bettye Fahrenkamp, Chairman
Senate Resources Committee

Offered: 4/19/84
Referred: Finance

Original sponsor: Rules/Governor

<u>Funding Information</u>	
General Fund	\$309,000,000
Other Funds	-0-
	<u>\$309,000,000</u>

1 IN THE HOUSE BY THE RESOURCES COMMITTEE
2 SENATE CS FOR CS FOR HOUSE BILL NO. 684 (Resources)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRTEENTH LEGISLATURE - SECOND SESSION
5 A BILL
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11 fund to the Alaska Power Authority for the purpose of rate stabilization in
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13 for the issuance of revenue bonds for the Lake Tye, Swan Lake, Terror
14 Lake, and Solomon Gulch hydroelectric facilities.
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3 * Sec. 5. AS 44.83.410 is repealed June 30, 1991.

4 * Sec. 6. AS 44.83.420 is repealed June 30, 1988.

5 * Sec. 7. Section 1 of this Act takes effect the day after the power
6 purchasers served by the Lake Tyee, Swan Lake, Terror Lake and Solomon
7 Gulch hydroelectric projects have entered into power sales agreements with
8 the Alaska Power Authority.

9 * Sec. 9. Sections 2 - 6 of this Act take effect July 1, 1984.