

COMMITTEE REPORT
SENATE

FURTHER:

4/25/85

Date 5/1/85

Mr. President

The Committee on FINANCE considered CSHB 219(Fin) applicability of the Alaska Public Utilities Commission Act to certain electric utilities; power development loans; and the energy program for Alaska.

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 CSHB 219 (Finance)
- new title
- same title and recommends amendments to the bill
- 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

[Signature]

[Signature]

Carl Foster McKe...

Chairman

Chairman recommendation

Offered: 4/14/85
Referred: Rules

Original sponsor: House Special Committee
on State Loans

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2

545401
CS FOR HOUSE BILL NO. 219 (Finance)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to the applicability of the Alaska
Public Utilities Commission Act to certain electric
utilities; power development loans; and the energy
program for Alaska."

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

11 * Section 1. AS 42.05.711(b) is amended to read:

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(b) Public utilities owned and operated by a political subdivi-
sion of the state and electric operating entities established as an
instrumentality of two or more public utilities owned and operated by
a political subdivision of the state, none of whose utilities is in
competition with any other utility, are exempt from the provisions of
this chapter, other than the provisions of AS 42.05.221 - 42.05.281,
unless the owner and operator elects to be subject to all provisions
of this chapter.

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* Sec. 2. AS 44.33.620(a) is amended to read:

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(a) A loan from the fund shall [MUST] be repaid in accordance
with the terms that the department determines to be appropriate. In
establishing the terms, including provision for a return to the state
of an amount in excess of the principal amount of the loan, the de-
partment shall consider the revenue that the authority could reason-
ably derive from the sale of power from the projects based upon

27

(1) [THE MARKET RATE OF INTEREST FOR A LOAN OF COMPARABLE
SIZE AND DURATION AT THE TIME THE LOAN IS MADE; AND

28

29

(2)] the [ESTIMATED] costs, at the time the power sales

1 agreement is initially negotiated or renegotiated, of alternative
2 sources of energy generation for utilities purchasing power from a
3 project financed with a loan from the fund;

4 (2) the effect of the loan terms on the wholesale power
5 costs to all utilities purchasing power from the initial project;

6 (3) the long-term benefits to consumers and communities of
7 stable wholesale power costs;

8 (4) the affordability of initial wholesale power costs that
9 result from the loan terms with utilities purchasing power from the
10 initial project;

11 (5) increasing repayment, not to exceed five years, of debt
12 service payment per kilowatt hour gradually over the initial period of
13 a loan repayment schedule to the extent necessary to avoid significant
14 rate increases to the consumer;

15 (6) the existing excess capacity of power projects; and

16 (7) the effects of increased capacity utilization, infla-
17 tion, and alternative energy production costs over the life of the
18 initial project.

19 * Sec. 3. AS 44.33.620 is amended by adding a new subsection to read:

20 (d) In (a) of this section "initial project" means the project
21 described in AS 44.83.398(a).

22 * Sec. 4. AS 44.33 is amended by adding a new section to read:

23 Sec. 44.33.625. RATE REOPENERS. A power sales agreement for the
24 sale of power from the initial project, as described in AS 44.83.-
25 398(a), financed with a loan under AS 44.33.610 may include among its
26 provisions an agreed schedule of wholesale power rates notwithstanding
27 the provisions of AS 44.83.398, but must include a provision for a
28 rate reopener. *at least every 15 years.*

29 * Sec. 5. AS 44.83.425(5) is amended to read:

1 (5) "qualified utility" means an electric utility or an
2 electric operating entity established as an instrumentality of two or
3 more electric utilities [THAT IS] certified by the Alaska Public
4 Utilities Commission to serve all or part of a market area that is
5 served or will be served by the power project, [AND] that the author-
6 ity determines is capable of operating and maintaining the power
7 project.

May 11, 1985

The Honorable Jan Faiks, Chair
Senate Finance Committee
Pouch V
Juneau, Alaska 99811

Dear Madam Chair:

My name is Jim Franzel. I am a member of the Petersburg City Council and it is my signature that appears on the Four Dam Pool/APA memorandum of understanding, dated May 8, 1985. I would like to briefly comment on several items, mostly related to the M.O.U., for the record.

(1) I believe that Petersburg would have preferred not to have a rate reopener, but if we must have one, we will be negotiating for some tight limitations.

(2) The mention of Bradley Lake in the M.O.U. has been difficult to assess in the limited time we have had to work with it. Comparing the APA forecast loads and projected project construction costs for Bradley Lake versus the Four Dam Pool projects, it looks like the Four Dam Pool will have higher electric rates. I want to emphasize that, since Bradley Lake has not been constructed, it is my understanding that if there are construction cost overruns (as there were with Tyee,) the Petersburg rate payers will not eventually be penalized for something that isn't their fault.

(3) If HB 219 becomes law, the Four Dam Pool communities will have among the most expensive residential electrical rates in Alaska at present. I think this will be a concern to the voters of Petersburg.

(4) The Petersburg City Council intends to put the negotiated contract to a vote of the people.

I would like to express that I feel we have made significant progress with the M.O.U. agreement. However, we still have a long way to go.

I pledge that I will support the M.O.U. to my governing body.

Finally, I think that it is to everyone's advantage to settle this issue. Thank You.

Sincerely,



Jim Franzel
Petersburg City Council

Alaska State Legislature



House of Representatives

REPRESENTATIVE
JOHN L. SUND

Box 8440
KETCHIKAN, ALASKA 99901
(907) 225-5552

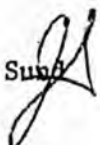
WHILE IN JUNEAU
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4919

CHAIR, HOUSE SPECIAL COMMITTEE ON LOANS
VICE-CHAIR, JUDICIARY COMMITTEE
MEMBER, SPECIAL COMMITTEE ON OIL AND GAS
MEMBER, RESOURCES COMMITTEE

5/10/85

MEMORANDUM

TO: Sen. Jan Faiks, Co-Chair
Sen. John Sackett, Co-Chair
Senate Finance Committee
Sen Dick Eliason
Sen. Frank Ferguson
Sen. Paul Fischer
Sen. Rick Halford
Sen. Jay Kerttula

FROM: Rep. John Sund 

RE: HB 219 "An act relating to the applicability of the Alaska Public Utilities Commission Act to certain electric utilities; power development loans; and the energy program for Alaska."

Attached please find a package of backup information on HB 219, the four-dam-pool bill. Please let me know if there is any further information I can provide you.

The package contains:

- The Finance Committee Substitute for the bill
- A Memorandum of Understanding dated May 8, 1985
- Schedule of debt service charges for the project
- Schedule of retail electric rates
- Memo to Senate Resources with sectional analysis HB 219
- Spreadsheet of debt repayment

Offered: 4/14/85
Referred: Rules

Original sponsor: House Special Committee
on State Loans

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2

CS FOR HOUSE BILL NO. 219 (Finance)

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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FOURTEENTH LEGISLATURE - FIRST SESSION

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A BILL

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22 with the terms that the department determines to be appropriate. In
23 establishing the terms, including provision for a return to the state
24 of an amount in excess of the principal amount of the loan, the de-
25 partment shall consider the revenue that the authority could reason-
26 ably derive from the sale of power from the projects based upon

27 (1) [THE MARKET RATE OF INTEREST FOR A LOAN OF COMPARABLE
28 SIZE AND DURATION AT THE TIME THE LOAN IS MADE; AND

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4 Utilities Commission to serve all or part of a market area that is
5 served or will be served by the power project, [AND] that the author-
6 ity determines is capable of operating and maintaining the power
7 project.

MEMORANDUM OF UNDERSTANDING

Between the Alaska Power Authority
and
Representatives of the Four Dam Pool Communities.
governing
Power Sales Contracts for the Four Dam Pool

Representatives of the APA and the Four Dam Pool utilities (Ketchikan, Kodiak, Copper Valley, Wrangell, and Petersburg) have reached agreement in principle on the terms and conditions of a power sales contract for the sale of power from the Solomon Gulch, Swan Lake, Lake Tyee, and Terror Lake hydroelectric projects (the "Initial Project"). Although the specific details of such a contract must still be resolved and drafted, the undersigned representatives hereby agree to recommend to their governing bodies the approval of power sales contracts embodying, among other things, the principles set forth in this Memorandum.

1. The Alaska Power Authority ("APA") and the purchasing utilities of the Four-Dam Pool communities ("Purchasing Utilities") agree to enter into a power sales agreement that will run for 50 years, subject to periodic renegotiations and other conditions set forth below.
2. At the end of the contract period, there will be no debt service component of the wholesale rate charged by the APA for power from the four projects. Debt service payments that may be required to pay for additions and expansions of the four projects that are made subsequent to the execution of these agreements will be governed by future agreements.
3. The Purchasing Utilities agree to pay a wholesale rate for energy purchased from the APA that is generated by the four projects that has a debt service component, and a component relevant to all other annual costs.
4. The annual costs exclusive of the debt service component shall include costs of on-site operations and maintenance, safety inspections and investigations, insurance, project-specific administrative and general expenses, and renewals and replacements.
5. Annual costs referred to in Section 4 will be based on prudent utility practice, and will be subject to mutual agreement arrived at through an annual process that establishes an operating budget for the coming year. An O&M

oversight committee composed of all parties to the agreement will be established. In the event disputes over these annual costs cannot be resolved by the parties, the matter will be referred to arbitration by a certified engineer mutually agreeable to the parties.

6. All annual costs referred to in Section 4 will be pooled and divided by the total annual sales from the four projects, so that all Purchasing Utilities pay the same annual cost component of the wholesale rate.
7. The debt service component of the wholesale rate has two elements: an element paid for energy shown in Schedule A as "forecast sales," and an element paid for energy in addition to the "forecast sales," which is referred to as "additional sales."
8. The "additional sales" debt service element in Schedule A will be charged only after the total annual sales from all four projects exceed the "forecast sales" for that year; that is, the distinction between "forecast sales" and "additional sales" applies to the entire four dam system (as configured at the time this agreement is executed).
9. The purchasing utilities will schedule the energy produced by the projects into their load ahead of energy from other sources, except from existing hydroelectric projects.
10. Upon the initiation of either party, the debt service rates shown in Schedule A may be renegotiated after 15 years. The contract shall require reasonable notice of intent to renegotiate rates, and the contract may direct the parties to consider certain factors and conditions in establishing a new rate schedule.
11. The parties to this agreement do not expect that the composite wholesale rate that results from this agreement will be less than the composite wholesale rate charged by the APA for energy produced from the Bradley Lake hydroelectric project.
12. The APA shall bear the risk of uninsured project failures, substandard project performance, and failure of any Purchasing Utility to make payments required by the contract.

DATED May 8, 1985

ALASKA POWER AUTHORITY

By: Robert D. Vent

CITY OF KETCHIKAN

By: Charles E. Fournier

COPPER VALLEY ELECTRIC ASSOCIATION

By: Andrew E. Hoze

KODIAK ELECTRIC ASSOCIATION

By: William E. Shepherd

CITY OF WRANGELL

By: James R. ...

CITY OF PETERSBURG

By: John ...

SCHEDULE A

<u>YEAR</u>	<u>FORECAST SALES (MWH)</u>	<u>DEBT SERVICE RATE FOR FORECAST SALES (CENTS/KWH)</u>	<u>DEBT SERVICE RATE FOR ADDITIONAL SALES (CENTS/KWH)</u>
1986	181,496	2.6	1.6
1987	191,437	2.8	1.8
1988	199,181	3.2	2.2
1989	206,042	3.5	2.5
1990	212,994	4.0	3.0
1991	219,067	4.0	3.0
1992	226,907	4.0	3.0
1993	236,183	4.0	3.0
1994	245,893	4.0	3.0
1995	255,439	4.0	3.0
1996	260,533	4.0	3.0
1997	265,897	4.0	3.0
1998	271,482	4.0	3.0
1999	277,343	4.0	3.0
2000	283,488	4.0	3.0
2001	288,220	4.0	3.0
2002	290,043	4.0	3.0
2003	291,926	4.0	3.0
2004	293,889	4.0	3.0
2005	295,935	4.0	3.0
2006	298,067	4.0	3.0
2007	300,290	4.0	3.0
2008	302,608	4.0	3.0
2009	305,023	4.0	3.0
2010	307,541	4.0	3.0
2011	310,165	4.0	3.0
2012	312,901	4.0	3.0
2013	315,753	4.0	3.0
2014	318,725	4.0	3.0
2015	321,824	4.0	3.0
2016	325,053	4.0	3.0
2017	328,420	4.0	3.0
2018	331,929	4.0	3.0
2019	335,587	4.0	3.0
2020	339,400	4.0	3.0
2021	343,375	4.0	3.0
2022	347,518	4.0	3.0
2023	351,836	4.0	3.0
2024	356,338	4.0	3.0
2025	361,030	4.0	3.0
2026	365,921	4.0	3.0
2027	371,019	4.0	3.0

TMP57

<u>YEAR</u>	<u>FORECAST SALES (MWH)</u>	<u>DEBT SERVICE RATE FOR FORECAST SALES (¢1 KWH)</u>	<u>DEBT SERVICE RATE FOR ADDITIONAL SALES (¢1 KWH)</u>
2028	376,334	4.0	3.0
2029	378,607	4.0	3.0
2030	378,607	4.0	3.0
2031	378,607	4.0	3.0
2032	378,607	4.0	3.0
2033	378,607	4.0	3.0
2034	378,607	4.0	3.0
2035	378,607	4.0	3.0
2036	378,607	4.0	3.0
2037	378,607	4.0	3.0

RETAIL RATES
(cents per kwh)

<u>Community</u>	<u>@ 200 kwh/month</u>	<u>@ 500 kwh/month</u>	<u>@ 700 kwh/month</u>
Copper Valley			
-Glenallen	23.5	20.1	18.8
-Valdez	21.3	16.0	14.7
Kodiak	19.0	18.1	17.5
Wrangell	19.1	16.3	15.7
Petersburg	13.9	11.7	11.2
Ketchikan	14.3	10.8	10.2

COMPONENTS OF THE RATES
(cents per kwh)

<u>Community</u>	<u>APA O&M</u>	<u>APA Debt Service</u>	<u>Other^{*/}</u>	<u>Total (@ 700 kwh/month)</u>
Copper Valley				
-Glenallen	2.76	2.64	13.4	18.8
-Valdez	2.76	2.64	9.3	14.7
Kodiak	2.00	2.64	12.86	17.5
Wrangell	4.59	2.64	8.47	15.7
Petersburg	4.59	2.64	3.97	11.2
Ketchikan	2.26	2.64	5.3	10.2

^{*/} "Other" includes distribution, administrative and general, reserve generation, and other generation (other hydro as well as diesel in the case of Ketchikan and Petersburg.)

Alaska State Legislature



House of Representatives

REPRESENTATIVE
JOHN L. SUND

Box 6440
KETCHIKAN, ALASKA 99901
(907) 225-5552

WHILE IN JUNEAU
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JUNEAU, ALASKA 99811
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CHAIR, HOUSE SPECIAL COMMITTEE ON LOANS
VICE-CHAIR, JUDICIARY COMMITTEE
MEMBER, SPECIAL COMMITTEE ON OIL AND GAS
MEMBER, RESOURCES COMMITTEE

4/22/85

MEMORANDUM

TO: Sen. Arliss Sturgulewski, Chair,
Senate Resources Committee

FROM: Rep. John Sund *JS*

RE: HB 219 "An act relating to the applicability of the Alaska Public Utilities Commission Act to certain electric utilities; power development loans; and the energy program for Alaska."

The purpose of this bill is to resolve the problems holding up four-dam-pool power sales agreements and to provide for payback of the \$196 million appropriation made last year to complete the hydroelectric projects. The Alaska Power Authority and the six communities served by the four dams have been negotiating power sales agreements for 2½ years without success. The goal is a long-term power sales agreement that provides affordable electricity for the communities and a maximum return on the state's investment.

\$210 million was appropriated last year; \$196 million has been spent to complete the dams and pay off short-term construction financing issued by the APA. This appropriation was structured as a loan from the Department of Commerce and Economic Development to the APA to be paid off through power sales from the project. AS 44.33.620 sets terms for the loan.

As in existing law, the Finance Committee Substitute does not set in law exact terms for the loan, nor does it set power rates. These are left open for further negotiation. The bill provides specific guidelines for resolving the issue under a plan developed by Gordon Harrison of the APA board.

The APA and the six communities report recent significant progress in power sales agreement negotiations; the plan they are now working with requires the passage of CSHB 219 (Fin). Action is required this session to permit sales agreements which will capture additional loads for the under-utilized hydroelectric capacity.

The bill is supported by both the APA and the four-dam-pool communities. Bob Heath, Executive Director of the APA and representatives of the communities are expected to testify before the Resources Committee.

Sectional analysis:

Section 1:

Sections 1 and 5, propose a change in law to allow two communities to get together for joint operation of a dam. The main purpose is to allow the Thomas Bay Power Authority to operate the Tyee Dam. Tyee serves two communities (Wrangell and Petersburg); Current law requires one or the other to operate the dam. This section corrects that by adding "electric operating entities established as an instrumentality of two or more public utilities owned and operated by a political subdivision of the state" to the APUC statutes. Like the communities, the 'joint operating entity' would not be subject to APUC regulation.

Section 2:

This section amends the loan terms for the Power Development Revolving Loan Fund (AS 44.33.620). This fund was created last session and the statutory loan terms give little direction to the APA. The added language sets clear guidelines for the agencies to work with. Deleted is the requirement that the loan terms be set considering market rates of interest.

Section 3 adds a definition: "initial project" means the four dams.

Section 4 adds a provision for power sales contract rate reopeners. This protects the state in times of inflation when the power sales rate could not provide sufficient loan repayment in real terms and protects the communities should the price of alternate power generation drop significantly. An important provision is added allowing an agreed schedule of wholesale power rates to be included in the contracts. This allows a contract to be reached through negotiation which will provide for certainty in power rates as needed by utility planners. This also will provide for a greater return to the state in debt service from the project.

Section 5 adds joint operating entities to the definition of "qualified utilities" which may purchase power from the APA. (See explanation of Section 1)

EXHIBIT A: WHOLESALe POWER RATE SCHEDULE
 Alaska Power Authority--Four Dam Pool
 Memorandum of Understanding

YEAR	SCHEDULED DEBT SERVICE (CENTS/KWH)	ESTIMATED O & M COST (CENTS/KWH)	PROJECTED WHOLESALE POWER RATE (CENTS/KWH)
--A--	----B----	----C----	----D----
1986	2.60	2.72	5.32
1987	2.80	2.72	5.52
1988	3.20	2.76	5.96
1989	3.50	2.81	6.31
1990	4.00	2.87	6.87
1991	4.00	2.94	6.94
1992	4.00	3.00	7.00
1993	4.00	3.04	7.04
1994	4.00	3.08	7.08
1995	4.00	3.13	7.13
1996	4.00	3.24	7.24
1997	4.00	3.36	7.36
1998	4.00	3.47	7.47
1999	4.00	3.59	7.59
2000	4.00	3.72	7.72
2001	4.00	3.86	7.86
2002	4.00	4.00	8.00
2003	4.00	4.27	8.27
2004	4.00	4.48	8.48
2005	4.00	4.71	8.71
2006	4.00	4.94	8.94
2007	4.00	5.19	9.19
2008	4.00	5.45	9.45
2009	4.00	5.72	9.72
2010	4.00	6.01	10.01
2011	4.00	6.30	10.30
2012	4.00	6.61	10.61
2013	4.00	6.94	10.94
2014	4.00	7.28	11.28
2015	4.00	7.63	11.63
2016	4.00	8.00	12.00
2017	4.00	8.38	12.38
2018	4.00	8.78	12.78
2019	4.00	9.20	13.20
2020	4.00	9.63	13.63
2021	4.00	10.08	14.08
2022	4.00	10.55	14.55
2023	4.00	11.04	15.04
2024	4.00	11.54	15.54
2025	4.00	12.07	16.07
2026	4.00	12.61	16.61
2027	4.00	13.18	17.18
2028	4.00	13.76	17.76
2029	4.00	14.50	18.50
2030	4.00	15.36	19.36
2031	4.00	16.27	20.27
2032	4.00	17.24	21.24
2033	4.00	18.27	22.27
2034	4.00	19.35	23.35
2035	4.00	20.51	24.51

Notes:

1. O & M based on forecast loads without Additional Sales.
2. O & M includes \$500,000 per year capital cost for Renewals and Replacements.
3. O & M inflation assumed to be 6% per year.
4. Additional Sales to be charged for Debt Service at 1 Cent/kwh less than Scheduled Debt Service.

Case Number 2
 Loan Principal (\$=000's) \$196,000
 O&M Cost Inflation Rate 6.00%

EXHIBIT B: PROJECTED OPERATING RESULTS AND RATES OF RETURN
 Alaska Power Authority--Four Dam Pool
 Memorandum of Understanding

Average Rate of Return:
 Without Additional Sales 5.47%
 With Additional Sales 6.10%

YEAR	PROJECTED			OPERATIONS & MAINTENANCE						
	SCHEDULED DEBT SVC. (CENTS/KWH)	O & M COST (CENTS/KWH)	WHL. POWR RATE (CENTS/KWH)	SALES (MWH)	GROSS REVENUES (\$=000's)	NET REVENUES (\$=000's)	ADMIN (\$=000's)	ON-SITE (\$=000's)	R & R (\$=000's)	TOTAL O & M (\$=000's)
A	B	C	D	E	F	G	H	I	J	K
1986	2.60	2.72	5.32	181,496	9,658	5,219	863	3,576	500	4,939
1987	2.80	2.72	5.52	191,437	10,566	5,860	915	3,791	500	5,205
1988	3.20	2.76	5.96	199,181	11,861	6,874	970	4,018	500	5,488
1989	3.50	2.81	6.31	206,042	12,998	7,711	1,028	4,259	500	5,787
1990	4.00	2.87	6.87	212,994	14,624	9,020	1,090	4,515	500	6,104
1991	4.00	2.94	6.94	219,067	15,203	9,263	1,155	4,785	500	6,440
1992	4.00	3.00	7.00	226,907	15,873	9,576	1,224	5,073	500	6,797
1993	4.00	3.04	7.04	236,183	16,622	9,947	1,298	5,377	500	7,175
1994	4.00	3.08	7.08	245,893	17,411	10,336	1,375	5,700	500	7,575
1995	4.00	3.13	7.13	255,439	18,217	10,718	1,458	6,042	500	8,000
1996	4.00	3.24	7.24	260,533	18,871	10,921	1,546	6,404	500	8,450
1997	4.00	3.36	7.36	265,897	19,562	11,136	1,638	6,788	500	8,927
1998	4.00	3.47	7.47	271,482	20,291	11,359	1,737	7,196	500	9,432
1999	4.00	3.59	7.59	277,343	21,062	11,594	1,841	7,627	500	9,968
2000	4.00	3.72	7.72	283,488	21,876	11,840	1,951	8,085	500	10,536
2001	4.00	3.86	7.86	288,220	22,667	12,029	2,068	8,570	500	11,138
2002	4.00	4.06	8.06	290,043	23,378	12,102	2,192	9,084	500	11,777
2003	4.00	4.27	8.27	291,926	24,130	12,177	2,324	9,629	500	12,453
2004	4.00	4.48	8.48	293,889	24,926	12,256	2,463	10,207	500	13,170
2005	4.00	4.71	8.71	295,935	25,768	12,337	2,611	10,820	500	13,931
2006	4.00	4.94	8.94	298,067	26,659	12,423	2,768	11,469	500	14,736
2007	4.00	5.19	9.19	300,290	27,602	12,512	2,934	12,157	500	15,591
2008	4.00	5.45	9.45	302,608	28,600	12,604	3,110	12,886	500	16,496
2009	4.00	5.72	9.72	305,023	29,657	12,701	3,296	13,659	500	17,456
2010	4.00	6.01	10.01	307,541	30,775	12,802	3,494	14,479	500	18,473
2011	4.00	6.30	10.30	310,165	31,958	12,907	3,704	15,348	500	19,552
2012	4.00	6.61	10.61	312,901	33,211	13,016	3,926	16,269	500	20,695
2013	4.00	6.94	10.94	315,753	34,537	13,130	4,162	17,245	500	21,906
2014	4.00	7.28	11.28	318,725	35,940	13,249	4,411	18,279	500	23,191
2015	4.00	7.63	11.63	321,824	37,425	13,373	4,676	19,376	500	24,552
2016	4.00	8.00	12.00	325,053	38,997	13,502	4,957	20,539	500	25,995
2017	4.00	8.38	12.38	328,420	40,662	13,637	5,254	21,771	500	27,525
2018	4.00	8.78	12.78	331,929	42,424	13,777	5,569	23,077	500	29,147
2019	4.00	9.20	13.20	335,587	44,289	13,923	5,903	24,462	500	30,865
2020	4.00	9.63	13.63	339,400	46,263	14,076	6,258	25,930	500	32,687
2021	4.00	10.08	14.08	343,375	48,354	14,235	6,633	27,485	500	34,619
2022	4.00	10.55	14.55	347,518	50,566	14,401	7,031	29,135	500	36,666
2023	4.00	11.04	15.04	351,836	52,909	14,573	7,453	30,883	500	38,836
2024	4.00	11.54	15.54	356,338	55,389	14,754	7,900	32,736	500	41,136
2025	4.00	12.07	16.07	361,030	58,015	14,941	8,374	34,700	500	43,574
2026	4.00	12.61	16.61	365,921	60,795	15,137	8,877	36,782	500	46,158
2027	4.00	13.18	17.18	371,019	63,739	15,341	9,409	38,989	500	48,898
2028	4.00	13.76	17.76	376,334	66,855	15,553	9,974	41,328	500	51,802
2029	4.00	14.50	18.50	378,607	70,024	15,644	10,572	43,808	500	54,880
2030	4.00	15.36	19.36	378,607	73,287	15,644	11,206	46,436	500	58,143
2031	4.00	16.27	20.27	378,607	76,745	15,644	11,879	49,222	500	61,601
2032	4.00	17.24	21.24	378,607	80,411	15,644	12,592	52,176	500	65,267
2033	4.00	18.27	22.27	378,607	84,297	15,644	13,347	55,306	500	69,153
2034	4.00	19.35	23.35	378,607	88,417	15,644	14,148	58,624	500	73,272
2035	4.00	20.51	24.51	378,607	92,783	15,644	14,997	62,142	500	77,679

-----ADDITIONAL SALES TRUE-UP CALCULATION-----

YEAR	ADDITIONAL SALES (MWH)	GROSS REVENUE (\$=000'S)	DEBT SVC. TRUE-UP (\$=000'S)	O & M TRUE-UP (\$=000'S)	NET REVENUE (\$=000'S)	MELDED RATE (CENTS/KWH)	YEAR
A	L	M	N	O	P	Q	R
1986	10,828	10,234	108	295	5,392	5.11	1986
1987	21,656	11,761	217	589	6,250	5.14	1987
1988	32,484	13,796	325	895	7,588	5.43	1988
1989	42,312	15,668	423	1,188	8,769	5.66	1989
1990	54,140	18,341	541	1,552	10,644	6.08	1990
1991	54,140	18,960	541	1,592	10,887	6.16	1991
1992	54,140	19,660	541	1,622	11,200	6.23	1992
1993	54,140	20,432	541	1,645	11,572	6.28	1993
1994	54,140	21,244	541	1,668	11,960	6.34	1994
1995	54,140	22,078	541	1,696	12,342	6.41	1995
1996	54,140	22,792	541	1,756	12,546	6.51	1996
1997	54,140	23,546	541	1,818	12,760	6.62	1997
1998	54,140	24,338	541	1,881	12,983	6.73	1998
1999	54,140	25,173	541	1,946	13,218	6.84	1999
2000	54,140	26,053	541	2,012	13,464	6.96	2000
2001	54,140	26,925	541	2,092	13,653	7.10	2001
2002	54,140	27,742	541	2,198	13,726	7.26	2002
2003	54,140	28,605	541	2,310	13,801	7.44	2003
2004	54,140	29,518	541	2,426	13,880	7.63	2004
2005	54,140	30,482	541	2,549	13,962	7.82	2005
2006	54,140	31,501	541	2,677	14,047	8.03	2006
2007	54,140	32,579	541	2,811	14,136	8.25	2007
2008	54,140	33,717	541	2,951	14,229	8.47	2008
2009	54,140	34,921	541	3,098	14,325	8.71	2009
2010	54,140	36,193	541	3,252	14,426	8.96	2010
2011	54,140	37,537	541	3,413	14,531	9.22	2011
2012	54,140	38,957	541	3,581	14,640	9.49	2012
2013	54,140	40,458	541	3,756	14,754	9.78	2013
2014	54,140	42,045	541	3,939	14,873	10.07	2014
2015	54,140	43,721	541	4,130	14,997	10.39	2015
2016	53,554	45,422	536	4,283	15,109	10.72	2016
2017	50,187	46,876	502	4,206	15,142	11.14	2017
2018	46,678	48,390	467	4,099	15,177	11.58	2018
2019	43,020	49,966	430	3,957	15,214	12.04	2019
2020	39,207	51,608	392	3,776	15,252	12.53	2020
2021	35,232	53,315	352	3,552	15,292	13.05	2021
2022	31,089	55,090	311	3,280	15,333	13.60	2022
2023	26,771	56,935	268	2,955	15,377	14.19	2023
2024	22,269	58,851	223	2,571	15,422	14.81	2024
2025	17,577	60,840	176	2,121	15,469	15.46	2025
2026	12,686	62,903	127	1,600	15,517	16.16	2026
2027	7,588	65,042	76	1,000	15,568	16.90	2027
2028	2,273	67,259	23	313	15,622	17.68	2028
2029	0	70,024	0	0	15,644	18.50	2029
2030	0	73,287	0	0	15,644	19.36	2030
2031	0	76,745	0	0	15,644	20.27	2031
2032	0	80,411	0	0	15,644	21.24	2032
2033	0	84,297	0	0	15,644	22.27	2033
2034	0	88,417	0	0	15,644	23.35	2034
2035	0	92,783	0	0	15,644	24.51	2035

Note: Rates of Return are based upon Net Revenues (columns G and P), which include Debt Service payments and capital contributions to the Renewals and Replacements Fund, plus interest on reserves.

COMMITTEE REPORT
SENATE

4/18/85

FURTHER:

FINANCE

Date 4/24/85

Mr. President

The Committee on RESOURCES considered CSHB 219(Fin) applicability of the Alaska Public Utilities Commission Act to certain electric utilities; power development loans; and the energy program for Alaska.

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 CS for _____
- 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

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS

[Signature]
Chairman
Do Pass
Chairman recommendation