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Official Business

# Alaska State Legislature

## Senate

### Committee on Labor & Commerce

Pouch V  
State Capitol  
Juneau, Alaska 99811

SB 265: Sectional Analysis

Section 1) Repeals and re enacts section concerning the composition of the authority, and establishes a 7 member board. (incorporates a modified version of a recommendation by the Advisory Committee on Statewide Power Production Costs concerning APA Board structure)

Proposed APA Board structure:

- 1) Commissioner of DCED
- 2) one director from banking industry
- 3) one consumer representative
- 4) two directors from business and industry
- 5) two directors who are managers of the utility industry.

Directors are appointed by the Governor, serve for staggered 6 year terms, and are subject to Legislative confirmation.

Section 2) Requires that directors appointed by the Governor must be residents, qualified voters, and are subject to the conflict of interest statutes.

Section 3) Describes the mechanics of replacing current board members, i.e. public directors shall serve until their terms expire, and the Governor shall replace OMB member and 3 commissioners on the day before the effective date of this act.



Official Business

# Alaska State Legislature

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Pouch V  
State Capitol  
Juneau, Alaska 99811

#### HISTORICAL REVIEW OF THE COMPOSITION OF THE APA BOARD:

- 1976: 4 public members, appointed by the Governor, and the Commissioner of DCED;
- 1978: 4 directors, appointed by the Governor, and the Commissioner of DCED. Commissioners of C&RA, DNR, DOT, and Revenue have the rights and privileges, but not voting.
- 1979: same
- 1980: same
- 1981: same
- 1982: 3 public members from different judicial districts; director of management and Budget, and 3 commissioners.
- 1983: same
- 1984: 7 directors, with 6 of those members appointed by the Governor. Of the 7, 3 must be public members, 3 must be commissioners, and the director of OMB.
- 1985: same

Adivisory Committee on Statewide Power Production  
Recommendation: Change the current composition of the APA Board to give it long term stability, free from political pressure.

9 member Board, with 6 year staggered terms, composed as follows:

- 1) One Commissioner (DCED)
- 2) four members from the utility industry
- 3) Two members from business and industry
- 4) one banker
- 5) one consumer representative

BOARD: POWER AUTHORITY, ALASKA

TITLE: Alaska Power Authority

DEPT: Department of Commerce and Economic Development

AUTHORITY: AS 44.83.010

STATUS: ACTIVE

REQUIREMENTS: FINANCIAL DISCLOSURE

PROHIBITIONS:

TERM: 4-year - overlapping

DESCRIPTION: 7 directors - 6 appointed by Governor: 3 public from different judicial districts (for terms), and 3 Commissioners, plus Director, Div. of Budget and Management; Board elects Chair.

SPECIAL FACTS: Quorum - 4 members; public corporation with independent legal existence; receives grants

FUNCTION: Promote general prosperity and economic welfare of Alaskans by providing a means of constructing, acquiring, financing, and operating power projects and facilities that recover and use waste energy.

COMPENSATION: Standard travel/per diem

MEETINGS: 12 times per year; 48 days maximum

\*FOR FURTHER INFORMATION CONTACT: Executive Director, Alaska Power Authority, 334 West Fifth Avenue, Second Floor, Anchorage, AK 99501 - 276-0001

85

Power Authority

<u>MEMBER</u>	<u>APPT</u>	<u>REAPPT</u>	<u>TERM</u>
David L. Allison 217 Second Street Juneau 99801 Public/Restricted	83/07/06	84/07/02	88/07/01
Robert L. Huffman 1018 Galena Street Fairbanks 99701 Public/Restricted	83/02/28	83/06/30	87/07/01
Richard J. Knapp DOT/PF - Pouch Z Juneau 99811 Comm./State Dept.	84/06/30		
Loren Lounsbery DCED Juneau 99811 Comm./State Dept.	85/01/03		
Gordon Harrison OME Juneau 99811 OMB-Dir/Mandate	84/11/13		
Lee R. Nunn, Jr. 6311 Habicht Court Anchorage 99504 Public/Restricted	83/06/07		85/07/01
Esther Wunnicke DNR Juneau 99811 Comm./State Dept.	83/01/18		

BOARD: POWER AUTHORITY, ALASKA

TITLE: Alaska Power Authority

DEPT: DCED

AUTHORITY: AS 44.83.010

STATUS: ACTIVE

REQUIREMENTS: FINANCIAL DISCLOSURE

PROHIBITIONS:

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COMPENSATION: Standard travel/per diem

MEETINGS: 12 times per year; 48 days maximum

CONTACT: Power Authority, Larry Crawford, E.D., 334 West Fifth Avenue, Second Floor Anchorage 99501 - 277-7641

84

Power Authority

<u>MEMBER</u>	<u>APPT</u>	<u>REAPPT</u>	<u>TERM</u>
David L. Allison 217 Second Street Juneau 99801 Pub/Restricted	83/07/06		84/07/01
Robert Heath Revenue Juneau 99811 Comm./ST Dept.	83/11/23		
Robert L. Huffman 1018 Galena Street Fairbanks 99701 Pub/Restricted	*83/02	83/06/30	87/07/01
Richard Lyon Commerce Juneau 99811 Comm./ST Dept. - Chair	83/01/18		
Pete McDowell OMB Juneau 99811 OMB-Dir/Mandate	83/01/18		
Lee R. Nunn, Jr. 6311 Habicht Court Anchorage 99504 Pub/Restricted	83/06/07		85/07/01
Esther Wunnicke DNR Juneau 99811 Comm./ST Dept.	83/01/18		

84

POWER AUTHORITY, ALASKA

(SLA 278; AS 44.83.010) 3 public members from different judicial districts; director of Budget & Management; 3 commissioners. Requires financial disclosure.

MEMBERS	REPLACING	APPT.	TERM
Mr. Charles Conway 821 N Street, Suite 201 Anchorage, Alaska 99501 (Chair)	Reappointed	81/08/17	84/07/01
Mr. Robert B. Weeden Box 80425 Fairbanks, Alaska 99701 479-6664	Reappointed	81/08/17	83/07/01
Mr. John Schaeffer Box 106 Kotzebue, Alaska 99752		81/09/01	85/07/01
<p>Ron Lehr, Director Division of Budget &amp; Management Pouch AM Juneau, Alaska 99811</p> <p>The Honorable Robert Ward Commissioner Dept. of Transportation &amp; Public Facilities Pouch Z Juneau, Alaska 99811</p> <p>The Honorable Chuck Webber Commissioner Dept. of Commerce &amp; Economic Development Pouch D Juneau, Alaska 99811</p> <p>The Honorable Ernst Mueller Commissioner Dept. of Environmental Conservation Pouch O Juneau, Alaska 99811</p>			

CONTACT AGENCY:  
Eric Yould, Executive Director  
333 W. Fourth Street  
Anchorage, AK 99501  
(277-7641)

ID #1 (G-11)

PRIV  
Govt  
cont  
MEMI  
Mr.  
Firs  
P.O.  
Fair  
Busi  
Ms.  
Alas  
P.O.  
Fair  
Busi  
Mr.  
Alas  
Box  
Sewa  
Rep.  
Ms.  
P. O  
Kodi  
Mr.  
1200  
Anch  
Orga  
Mr.  
Box  
June  
Busi  
Mr.  
SOHI  
Pouch  
Anch  
Busi  
Mr.  
9501  
Anch  
Busi  
Mr.  
Appro  
407  
Anch  
Anch  
ID #

82/83

POWER AUTHORITY, ALASKA

(SLA 278; AS 44.83.010) 3 public members from different judicial districts; director of Budget & Management; 3 commissioners. Requires financial disclosure.

MEMBERS	REPLACING	APPT.	TERM
Mr. Charles Conway 821 N Street, Suite 201 Anchorage, Alaska 99501 (Chair)	Reappointed	81/08/17	84/07/01
Mr. Robert B. Weeden Box 80425 Fairbanks, Alaska 99701 479-6664	Reappointed	81/08/17	83/07/01
Mr. John Schaeffer Box 106 Kotzebue, Alaska 99752		81/09/01	85/07/01

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

Commissioner Robert Ward  
Dept. of Transportation  
& Public Facilities  
Pouch Z  
Juneau, Alaska 99811

Commissioner Chuck Webber  
Dept. of Commerce & Economic  
Development  
Pouch D  
Juneau, Alaska 99811

Commissioner Ernst Mueller  
Dept. of Environmental Conservation  
Pouch O  
Juneau, Alaska 99811

CONTACT AGENCY:

Eric Yould, Executive Director  
333 W. Fourth Street  
Anchorage, AK 99501  
(277-7641)

82

POWER AUTHORITY, ALASKA  
(SLA 278; AS 44.83.010) 4 public members; financial disclosure;  
four-year terms.

MEMBERS	REPLACING	APPT.	TERM
Thomas E. Kelly 225 Cordova, Building B Suite 307 Anchorage, Alaska 99501	Charles Behlke	80/06/23	83/01/01
Mr. Chuck Conway Box 520 Sitka, Alaska 99835	Reappointed	80/12/15	85/01/01
Robert B. Weeden Box 80425 Fairbanks, Alaska 99701	Jacob Wick	80/06/23	84/01/01
Mr. Arnold G. Espe 2204 Arcadia Drive Anchorage, Alaska 99503	Bob Ward	79/02/14	82/01/01

CONTACT AGENCY:  
Eric Yould, Executive Director  
333 W. Fourth Street  
Anchorage, AK 99501  
(277-7641)

ID #1 (G-12)

(SLA 278; AS 44.56.010-240) 4 public members; members are subject to \*legislative confirmation and financial disclosure; four-year terms.

MEMBERS	REPLACING	APPT.	TERM
Mr. Charles Behlke P. O. Box 80257 Fairbanks, Alaska 99758	Frank Murkowski	79/02/14	83/01/01
Mr. Chuck Conway Box 520 Sitka, Alaska 99835		76/12/21	81/01/01
Mr. Jacob Wick Box 746 Kodiak, Alaska 99615		77/03/25	80/01/01
Mr. Arnold G. Espe 2204 Arcadia Drive Anchorage, Alaska 99503	Bob Ward	79/02/14	82/01/01

CONTACT AGENCY:

Commerce & Economic Development  
(465-2500)

\*Confirmation is required by statute but is not allowed under the constitution.

ID #80

ALASKA POWER AUTHORITY

(SLA 278; AS 44.56.010-240) 4 public members; members are subject to  
\*legislative confirmation and financial disclosure.

MEMBERS	REPLACING	APPT.	TERM
Mr. Charles Behlke P. O. Box 80257 Fairbanks, Alaska 99758	Frank Murkowski	79/02/14	83/01/01
Mr. Chuck Conway Box 520 Sitka, Alaska 99835		76/12/21	81/01/01
Mr. Jacob Wick Box 746 Kodiak, Alaska 99615		77/03/25	80/01/01
Mr. Arnold G. Espe 2204 Arcadia Drive Anchorage, Alaska 99503	Bob Ward	79/02/14	82/01/01

CONTACT AGENCY:

Commerce & Economic Development  
(465-2500)

\*Confirmation is required by statute but is not allowed under the  
constitution.

ID #80

(SLA 278; AS 44.56.010-240; 4 public members; members are subject to  
 \*legislative confirmation and financial disclosure)

NAMES AND ADDRESSES	Replacing	New	Appt.	Acct.	Term Expires
Frank Murkowski 3 Mi. Chena Pump Road Fairbanks 99701			2/21/76		1/1/79
Chuck Conway Box 520 Sitka 99835			12/1/76		1/1/81
Jacob Wick Box 746 Kodiak 99615			3/35/77		1/1/80
Bob Ward 6711 Foothill Dr. Anchorage 99501			* 1/6/77		1/1/82
CONTACT AGENCY: Department of Commerce and Economic Development Office of the Commissioner (465-2500)					
* Confirmation is required by statute but is not allowed under the constitution					

78

degree of independence and perpetuity necessary for a consistent long term cost-beneficial program such as described in this document. There should be full recognition of the management commitment that is necessary for the long term capital commitment and long term construction cycles of the electric generation facilities inherent under this concept.

The Committee assumes that the Alaska Power Authority (APA) will be the organization to administer this program. Since State funds will be involved, the legislature and administration will continue to be interested in the success of the program.

It is the recommendation of the Committee that a nine member board be created with the fiduciary responsibility of setting policy and directing the operation of the Power Authority. The Board would be constituted as follows:

- The Commissioner of Commerce and Economic Development--This would be the only Board member without a fixed term and would be the specific person charged with representing the interests of the Governor and his administration.
- Four Directors appointed by the Governor for staggered six year terms and approved by the legislature--These four members should include one member from the banking industry and one a consumer representative and two from business and industry.
- Four Directors from the Alaska Systems Coordinating Council (ASCC)--The Alaska Systems Coordinating Council is an existing group of electric utility

managers who on ad hoc basis are now coordinating the development of electric generation and transmission systems within the State. The Governor should appoint and the legislature approve these four Directors--two Railbelt, one Southeast Alaska, and one bush utility manager. The ASCC should make recommendations to the Governor. As with the other appointed members, the ASCC Directors should serve six year staggered terms.

An important function of the Board of Directors will be to set electric power development policy and to assure that cost-beneficial planning and operations are conducted by the APA that will benefit all Alaskan consumers. In order to insure that generating capacity additions are the ones which result in minimum cost, are compatible to long range plans and contribute to system optimization, any equalization payments for prospective units must be based solely on pre-construction approval by the Power Authority Board. In no event should the Authority be required to purchase power either directly or indirectly through a participating system which was not generated by said participating system.

Over the past few years, the State of Alaska has provided loans or grants for substantial sums of monies to develop generation capacity--most notable examples are the Four Dam Pool and the Fairbanks-Anchorage Intertie. It is the recommendation of this committee that these loans be converted to grants by the State and be considered as equity of the Alaska Power Authority. These projects obviously fit within the context of the concept presented by the Committee, in that they contribute to lowering the cost of generation for all

# Kodiak

## Electric Association Inc.

(907) 486-3261

Box 787

KODIAK, ALASKA 99615

January 21, 1985

Representative Dave Thompson  
Alaska State Legislature  
Pouch V  
(MS 3100)  
Juneau, Alaska 99811

Dear Representative Thompson:

As you requested, enclosed is an explanation of the frequency problem we have with the Terror Lake Project in a "stand alone" mode, along with a strip chart showing a period of time under test conditions. The Coast Guard was disconnected from Terror Lake during these tests.

As you can see, when the project was governed by the diesel, the frequency is straight as a string. As soon as the diesel was taken off, the frequency started to fluctuate. This test was done at night after 8 p.m. and no damage to anyone's equipment resulted.

About a week earlier, a small mishap at the Terror Lake Project resulted in a few minutes of operation like this and considerable damage was done to computers throughout the area. That is why we conduct these tests after 8 p.m.

You will note the biggest swing was caused by a 500 KW load-change. During the day time, these are so common as to go unremarked as they happen as often as several times a minute. A larger load change will cause the project to relay off the system.

The APA and contractor technicians are presently on site making adjustments. I suspect they will be back several more times before we know if they are successful.

Sincerely,



David S. Nease, Jr.

Enclosures: 2

Kodiak Electric Association, Inc.

Attached is a strip-chart recording of frequency on the KEA System made during a "stand alone" test of Terror Lake generation on January 16 between 9 and 11:30 p.m. This would be typical steady-state operation with load changes of 500 KW or less. Also shown on the chart are the proposed APUC maximum frequency requirements and KEA's typical operation with diesel generation or diesel-assisted hydro operation.

From the standpoint of our consumers, the 3.8 hz bandwidth is unacceptable. Damage to equipment has already resulted from smaller variations than these. The proposed APUC standard of ( $\pm$ )2% is a maximum value and should be approached only occasionally (once a day), not continually (once every 15 minutes).

Note two other things on the strip chart. The gradually sloping line (area 1) shows drift in the governor, and the failure to return to 60 hz (area 2) on some occasions indicates a "dead band" or a frequency variation that the governor does not see. These are also serious problems.

At this time, EBASCO Engineers, Woodward Governor Tech Reps and a Fugi Engineer are at the site trying to correct these problems. I speculate that they will correct the "drift" and "dead band" problems. It will be more difficult to correct the 3.8 hz bandwidth during "stand alone" operation. If any of these problems are not corrected, KEA will need continued diesel generation "on line" to support the system frequency.

William Eberhardt  
Manager of Power Production  
Kodiak Electric Association, Inc.  
January 16, 1985

BANDWIDTH = 3.8 HZ

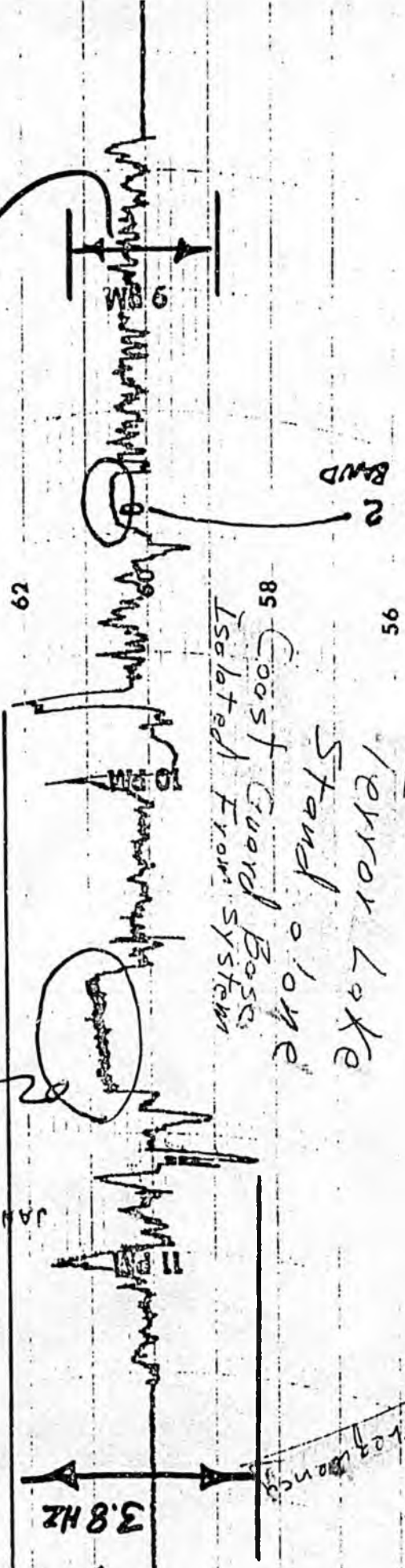
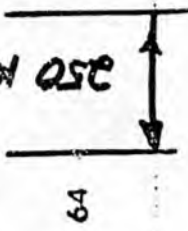
500 KW LOAD CHANGES

250 KW LOAD CHANGES

PROPOSED A.P.C.  
MAXIMUM = 2.4 HZ

JAN 10, 1985

AREA 1  
"DRIFT"



AREA 2  
DEAD BAND



GRAPHIC CONTROLS CORPORATION, BUFFALO, NEW YORK  
GRAPHIC CONTROL

BANDWIDTH = 3.8 HZ

3.8 HZ

Frequency

JAN 16 1985

AREA 1  
"DRIFT"

500 KW LOAD CHANGES

64

250 KW LOAD CHANGES

PROPOSED A RUC  
MAXIMUM = 2.4 HZ

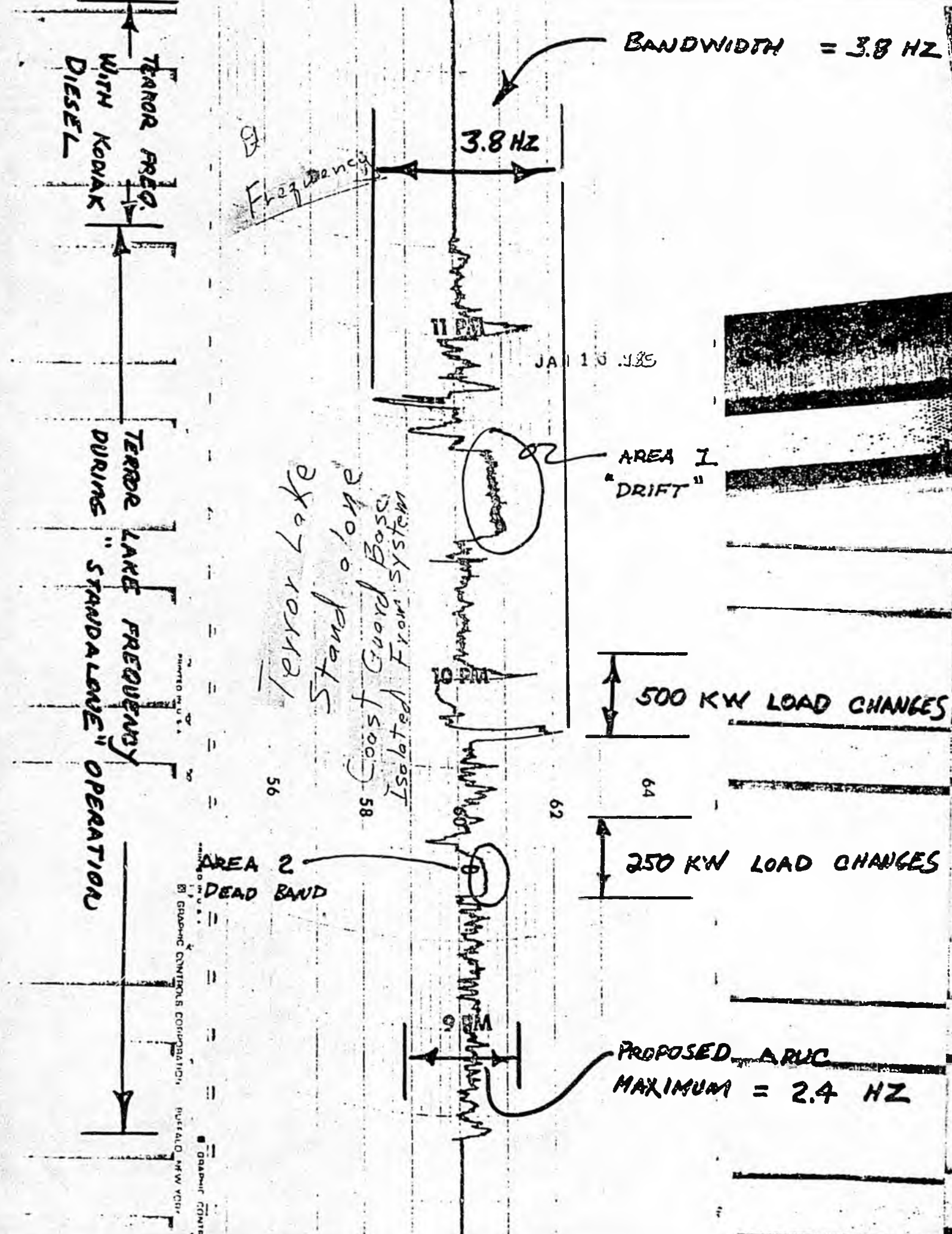
Terror Lake  
Stand alone  
Coast Guard Base  
Isolated From System

AREA 2  
DEAD BAND

TERROR FREQ.  
WITH KODAK  
DIESEL

TERROR LAKE FREQUENCY  
DURING "STANDALONE" OPERATION

PRINTED IN U.S.A.  
GRAPHIC CONTROLS CORPORATION  
MUSTALO, NEW YORK  
GRAPHIC CONTROLS



BRIEFING PAPER ON THE HISTORY OF THE 4-DAM POOL  
NEGOTIATIONS AND THE GOVERNOR'S ADVISORY COMMITTEE  
ON STATEWIDE POWER COSTS

The history of the 4-dam pool starts with Senate Bill #25 wherein the Energy Bill of Alaska was enacted by funding various hydro projects throughout the State; Terror Lake being one of them.

At that point, the concept of financing was 100% grant money. Over a period of time, deteriorating oil revenues and subsequent legislation, particularly HB#9, changed the direction of ownership and financing to a statewide ownership of the projects and a common financing pool; hence the 4-dam pool.

It is important to note, at this time, all future additional projects are to go into the debt pool. This is referred to as system increment. Shortly after this legislation, the projects commenced to be finished and come "on line". Terror Lake is the last one and is not yet in commercial operation. Because of a shortfall in the original appropriation for grants to build the projects, additional financing was necessary. (\$210,000,000) The APA determined to finance this via revenue bonds. At this point, towards the last quarter of 1983, considerable dissatisfaction was voiced by the members of the 4-dam pool concerning their negotiations with the APA regarding financing. Part of it was frustration in dealing with a State Agency but most of it was due to the restrictions put on the utilities by bond consultants involved in the Power Sales Contracts.

The administrative requirements were significant, but the bottom line was cost of power which the communities perceived as being higher than the current cost of diesel operation.

Two opposing forces were at work causing this particular conflict. One is in connection with diesel operation costs. The State and the 4-dam pool members were using projected costs of oil based on worldwide projections as well as the State of Alaska projections and had agreed on a 6.5% escalation per year.

Then, actual costs proceeded to decline instead of increase.

The other force is the projected kWh sales of the four combined communities. These sales had a direct affect on what the cost of power would be from the hydro projects. The more kWh sales, the lower the cost is per kWh. All sales combined were the guarantee of the payments to the bond buyers. However, toward the end of the 1985 legislative session an agreement was reached between the APA and the 4-dam pool communities (with the exception of Petersburg) with the communities ready to sign contracts. The communities accepted the fact that they were signing contracts higher than the cost of diesel production, figuring the cost of oil would esculate and the line would cross over in a few years and, in the long term, it would be stable, low-cost power. In this plan, there was the system increment for additional projects with a cap. A condition before signing was that a \$49,000,000 appropriation must be approved by the legislature to put in place rate stabilization. Then, everything changed during the last week of the legislative session when the legislature decided that the State should finance these projects instead of writing bonds and passed legislation to do so. The essential criteria in the legislation was:

- 1) The rate of return to the State would be the same as the current market rates.
- 2) The alternative cost of power in the community must be considered (In most cases, diesel).
- 3) The loan terms could be as long as 50 years.
- 4) Loan payments could be deferred by the State if desired.

After a three-month wait, the APA called a meeting and presented the 4-dam pool members with a contract. The terms were 35 years with an 8% yield to the State. (Debt service rate from 5.50¢/kWh to 25.26¢/kWh in the 35th year)

The 4-dam pool communities asked to be given an opportunity to analyze their proposal and be allowed to make a counter proposal.

The 4-dam pool counter proposal is based on a 50-year loan term with a 5% rate of return, a deferred entry rate starting at 2¢ to 3.28¢ for five years and a flat rate of 3.53¢ for 30 years wherein the communities pay only for that capacity used. The

State would accept the responsibility for marketing unused capacity. After the 40th year, the communities would pick up the principal on unused capacity which is .0098¢ to the 50th year on the unused capacity but not the interest. There is no system increment in the 4-dam pool proposal.

Under the 4-dam pool's proposal to finance \$210,000,000, the State gets a rate of return of \$531,388,915. Under the State's proposal, the State would get a return of over \$1,900,000,000 with a kWh rate that started at 5.5¢ and escalated in 30 years to 25.26¢ per kWh.

The 4-dam pool felt they were not given the opportunity to explain their position to any decision makers such as the APA Board Members or even adequately to the APA staff. The staff took it without any opportunity for explanation and stated that they would analyze it and explain it to the APA Board. The 4-dam pool representatives will now have an opportunity to explain to the APA Board on January 23.

On November 9, 1985, the Governor appointed a Blue Ribbon Panel to look into a statewide power rate. I was appointed as one of the members.

The APA set aside negotiations while the Governor's Committee undertook its study and also to see what the outcome of resulting legislation, if any, would be. Therefore, an interim contract resulted with a cost of power at 2.64¢/kWh until June. The Governor's Committee presented their report on December 15 to the Governor and to the APA. Representatives of that Committee will meet with the APA on the 23rd of January to make a presentation. Basically, the Committee recommends a three-point program.

- 1) Rates throughout the State will be averaged by a State Agency purchasing all kWh produced at the bussbar and selling it back at an average rate. (Estimated at 5¢ at the bussbar)

- 2) Averaged rates would be higher in the railbelt and lower throughout the rest of the State. Therefore, a \$100,000,000 appropriation would be made for eight years to provide rate stabilization to ratepayers in the railbelt so that they pay the same rate as they would normally pay.

Secondly, \$200,000,000 would be appropriated for eight years and be put into an interest bearing account with the interest accruing to that account to be used to finance large power projects. When the large projects are "on line", it will no longer be necessary to provide appropriations for rate stabilization as the large projects will provide this financing. The above would probably require a constitutional amendment.

3) Reorganize the APA Board. The APA will become essentially a State generation and transmission utility. No utility can successfully operate under the unstable conditions that exist at present on the APA Board. It is necessary that it have long-term stability and that political pressures be removed from the Board. Recommendations for the reorganization are described in the Committee's report to the Governor. Briefly, it would be a nine-man board with six-year staggered terms. One Commissioner would serve on the board; four members would be from the utility industry, recommended by the Alaska Coordinating Council; two members would be from business and industry; one would be a banker and one would be a consumer representative. The Coordinating Council would act as an advisory group to the Board and the Staff of the APA.

January 22, 1985

14-0997  
Cramer  
3/28/85 ✓

1  
2 IN THE SENATE

BY ZHAROFF

3 SENATE BILL NO.

4 IN THE LEGISLATURE OF THE STATE OF ALASKA

5 FOURTEENTH LEGISLATURE - FIRST SESSION

6 A BILL

7 For an Act entitled: "An Act relating to composition of the Alaska Power  
8 Authority Board."

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

10 \* Section 1. AS 44.83.030 is repealed and reenacted to read:

11 Sec. 44.83.030. MEMBERSHIP OF THE AUTHORITY. The board of  
12 directors of the authority consists of seven members. The commis-  
13 sioner of commerce and economic development serves as a director and  
14 the governor shall appoint one director from the banking industry, one  
15 consumer representative, two directors from business and industry, and  
16 two directors who are managers in the utility industry. Directors  
17 appointed by the governor serve for staggered terms of six years and  
18 are subject to confirmation by a majority of the members of the legis-  
19 lature in joint session.

20 \* Sec. 2. AS 44.83.045(a) is amended to read:

21 (a) The [PUBLIC] directors appointed by the governor must  
22 [SHALL] be residents and qualified voters of Alaska and shall comply  
23 with the requirements of AS 39.50 (conflict of interests). [THE  
24 PUBLIC DIRECTORS SHALL SERVE OVERLAPPING FOUR-YEAR TERMS.]

25 \* Sec. 3. Notwithstanding the amendments to AS 44.83.030 made by sec. 1  
26 of this Act, the public directors of the authority on the day before the  
27 effective date of this Act shall continue to serve until their terms ex-  
28 pire. The governor shall replace the director of the office of management  
29 and budget and the three commissioners who are directors on the day before  
the effective date of this Act in accordance with AS 44.83.030 as amended

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by this Act.



**Kodiak**  
*Electric Association*  
*Inc.*

(907) 486-3261

Box 787  
KODIAK, ALASKA 99615

December 21, 1984

Enclosed you will find a copy of the report completed by the Governor's Blue Ribbon Committee for statewide power rates.

The scenarios looked at here indicate a cost of 5¢ at the bussbar for the communities. (Bussbar meaning low bushing side of the substation transformers)

*E. J. [unclear]*

STATUTES RELATING TO SB 265

AS 44.83.03044.83

CHAPTER = 83  
SECTION = 44.83.030  
TITLE = 44  
HEADINGS TITLE 44.  
State Government.  
CHAPTER 83.  
Alaska Power Authority.  
ARTICLE 1.  
Creation and Organization.  
CITATION Sec. 44.83.030.  
CATCH LINE  
MEMBERSHIP OF THE AUTHORITY.  
TEXT The authority shall consist of the following directors:  
(1) three public directors to be appointed by the  
governor and confirmed by the legislature; only one director  
may be appointed from each judicial district described in AS  
22.10.010;  
(2) the director of the office of management and  
budget, or the director's designee within that office, and  
three commissioners of principal executive departments  
appointed by the governor.  
HISTORY (Sec. 1 ch 278 SLA 1976; am sec. 2 ch 156 SLA 1978; am sec. 2 ch  
118 SLA 1981; am sec. 25 ch 63 SLA 1983)