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**109**

# Senator John B. (Jack) Coghill

Alaska State Legislature

Box V  
Juneau, Alaska 99811  
(907) 465-4797

Box 55028  
North Pole, Alaska 99705  
(907) 488-0862



## MEMORANDUM

To: Senator Eliason  
From: Senator Coghill  
Re: Bill hearing  
Date: January 19, 1989

I would like to request you to schedule a hearing in the Senate Labor and Commerce Committee on Senate Bill 109 as soon as possible.

With the introduction of SB 109, I am proposing to make a special appropriation to the Alaska Power Authority of \$7,029,306 out of the Railbelt Energy Fund for payment as a grant to Golden Valley Electric Association to extend electrical service along areas of the Parks Highway.

I have been advocating the need to provide electrification along the Parks Highway for many years. For some unknown reason, we have not been able to get enough support from the Administration to fund this project in the Capital Budget.

I believe we should use the Railbelt Energy Fund for energy projects only. My proposal fits the main intent of the fund.

If you have any questions, please feel free to contact my office.



GOLDEN VALLEY ELECTRIC ASSOCIATION INC. Box 1249, Fairbanks, Alaska 99707-1249, Phone 907-452-1151

October 18, 1988

Senator Coghill  
Attn: Shelly  
P.O. Box 55028  
North Pole, AK 99705

Re: Cost Estimate for Little Goldstream to Ester Powerline  
Extension.

Dear Shelly,

Enclosed is the cost estimate for the above extension. This estimate was completed last year and was calculated in two segments: Ester to Skinny Dicks Roadhouse with 14.1 miles of *little Goldstream* mainline and 13.8 miles of mainline from Nenana to Skinny Dicks Roadhouse for a total of 27.9 miles. The 4.1 miles of taps is for local service to the residents along the extension. Therefore the total cost of the line extension would be as follows:

27.9 miles of mainline	\$2,295,905.05
4.1 miles of taps for local service	\$ <u>337,391.26</u>
Total cost of the extension	<u>\$2,633,296.31</u>

If you have any questions, or if I can be of further assistance please call me at 452-1151, Ext. 206.

Best regards,

David Johnson  
New Service Coordinator

Enclosures

cc: Mike Kelly



GOLDEN VALLEY ELECTRIC ASSOCIATION INC. Box 124E, Fairbanks, Alaska 99707-1249, Phone 907-452-115

February 9, 1989

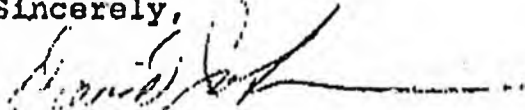
Senator Jack Coghill  
Attn: Shelly Growden

Shelly,

Attached is a copy of the cost estimates for various line extensions that were prepared by our Engineering Department for the October 5th meeting that was held at the McKinley Village Community Center.

If you need any additional information, please call me at 452-1151, Ext. 206.

Sincerely,



David Johnson  
New Service Coordinator



GOLDEN VALLEY ELECTRIC ASSOCIATION INC. Box 1200, Fairbanks, Alaska 99707-1248, Phone 907-452-115

October 4, 1988

Estimated Costs in 1988 Dollars  
To Service the following Sites

Cantwell to McKinley Village

Total cost of the powerline extension	\$2,215,325.00
Miles of line including taps	23 miles
Number of customers	

Mercers Corner on the Parks Hwy to Perry/Rock Creek Sub.

Total cost of the powerline extension	\$ 946,335.00
*Miles of line including taps	11.5 miles
Number of customers	

\*Does not include electrical services to any sites on the east side of the Nenana River

Kobe to Perry/Rock Creek Sub.

Total cost of the powerline extension	\$1,234,350.00
*Miles of line including taps	15 miles

\*Does not include electrical services to any sites on the east side of the Nenana River

Cantwell to Summit

Total cost of the powerline extension	\$ 773,912.00
Miles of powerline	8 miles
Number of customers	

standby generation requirements, flexibility of buying from lowest cost generation source, the increased competition due to greater access to alternative generation methods and facilitation of general economic development requirements. THEREFORE, THE COUNCIL RECOMMENDS THAT THESE PUBLIC POLICY ISSUES BE CONSIDERED AS AN IMPORTANT PART OF THE DECISION MAKING PROCESS IN ADDITION TO THE TRADITIONAL BENEFIT/COST ANALYSIS.

The Council finds that electricity has become a necessity and a prerequisite to improving the quality of life for the rural residents. While the Council recognizes that extending the electrical service to all rural residents is neither practical, nor desired by some of them, it finds that extension of such services along state routes and interties, on a priority basis, would be highly desirable. Accordingly, the Council believes that the Legislature and the Administration should adopt policies and appropriations designed to achieve that goal, thereby enhancing the economic development potential of the rural residents while concurrently improving their quality of life.

3. Recommend alternative financing plans for assisting the private sector and public utilities to meet the future energy needs of the Railbelt area.

The Council has in this report made specific recommendations covering methods of financing for Bradley Lake and the Interties. The Council recognizes that State revenues have severely declined and that no new generation, in addition to the Bradley Lake and

CANTWELL TO MCKINLEY VILLAGE AND MCKINLEY PARK TO CARLO CREEK

3-PHASE OVERHEAD POWERLINE ESTIMATES

(TOTAL AVERAGE COST/MILE IS \$96,739)

Cantwell to Carlo Creek

13.1 Miles of Mainline	\$1,267,280.90
1.0 Miles of Taps for Local Service	96,739.00
	<u>\$1,364,019.90</u>

Carlo Creek to McKinley Village

8.5 Miles of Mainline	\$ 822,281.50
0.3 Miles of Taps of Local Service	29,021.70
	<u>\$ 851,303.20</u>

McKinley Village to Mt. McKinley 36 Line

5.8 Miles of Mainline	\$ 561,086.20
0.8 Miles of Underground	193,478.00
	<u>\$ 754,564.20</u>

It is assumed from discussions with the National Park Service that the Park route will require considerable time to acquire permission to construct involving satisfying all public hearings, environmental criteria and NPS internal requirements.

Total estimated Cost Cantwell-McKinley Village excluding transformers and services	<u>\$2,215,323.10</u>
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Total estimated Cost McKinley Park to Carlo Creek excluding transformers and services	<u>\$1,605,867.40</u>
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NOTE:

Jim Wright of Cantwell intends to ask Senator Coghill to assist in funding a line from Cantwell 8 miles south to the Summit Airport. Total estimated cost excluding transformers and services

	<u>\$ 773,912.00</u>
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A PETITION

We the undersigned businesses and homeowners hereby request Golden Valley Electric Association to design, install and operate a power distribution system along the Parks Highway, bounded on the north by the Chalet resort and on the south by Carlo Creek.

<u>Name</u>	<u>Mile post</u>	<u>Business/Residence</u>
Donald C. Dore	229	Residence
Al, Elaine Lane	229	Residence
Borden Gregory & Family	229.3	Residence
He Terry & family	229.1	Dennis (with insurance) Susan & kind Residence
Pat O'Brien	230	Resident
Roger Fritter	229.5	Resident
Jarvis M. Cole	227 1/2	Residence/Business
Walter A. Cole	227 1/2	Residence/Business
Wm. J. Hancock	227.2	Residence/Business
Tom L. Au	227 1/2	Residence
Lois Alice & family	228.5	Resident/Business
Jane Bryant	229.3	Residence
Alvin Kogel	229.3	Residence
Karen & Michael Jordan	228.1	Residence
Tom Adams	228	Residence/Bus.
Judith Mellman	230	Resident

A PETITION

We the undersigned businesses and homeowners hereby request Golden Valley Electric Association to design, install and operate a power distribution system along the Parks Highway, bounded on the north by the Chalet resort and on the south by Carlo Creek.

*Edward L. Quilmer*  
*Loran Marion Lenham*

Box 25; Cantwell, Ak. 99722  
Box 69, Neely, Ak 99743 (Mile 23)

A PETITION

We the undersigned businesses and homeowners hereby request Golden Valley Electric Association to design, install and operate a power distribution system along the Parks Highway, bounded on the north by the Chalet resort and on the south by Carlo Creek.

Property  
owners  
274  
Parks  
Highway

Elaine M. Pollock

Box 117 Healy, Ak. -

Gerald J. Pollock II

Box 117 Healy, Ak

Amanda M. Pollock

205 WICKHAM FAIRBANKS, AK 99701

Gerald K. Pollock

Box 117

Healy Ak, 99743

A PETITION

We the undersigned businesses and homeowners hereby request Golden Valley Electric Association to design, install and operate a power distribution system along the Parks Highway, bounded on the north by the Chalet resort and on the south by Carlo Creek.

Allyn E. ... pres. Pops Agie Bulbors & Woodworking Box 71 McKinley Park AK 9975  
Walter ... Box 457, McKinley Park, AK 99755 Mile 228.9  
John Doble Mill Box 65 McKinley Park AK 99755 Mile 229.2  
Jeff King Box 480 Denali, AK 99755 Res/Buss. (m. 2)  
Danyl Crabbe Box 66 Denali AK. 99755 Res/Bus Mile 231

A PETITION

We the undersigned businesses and homeowners hereby request Golden Valley Electric Association to design, install and operate a power distribution system along the Parks Highway, bounded on the north by the Chalet resort and on the south by Carlo Creek.

GRIZZLY BEAR CABINS & Campground Jack K. Reiland  
MILE 231.1 PARKS Hwy.

A PETITION

We the undersigned businesses and homeowners hereby request Golden Valley Electric Association to design, install and operate a power distribution system along the Parks Highway, bounded on the north by the Chalet resort and on the south by Carlo Creek.

Otto A. Stoepker III

Denise M. Stoepker III

Eriz Stoepker III  
Tucker Stoepker III

RECEIVED JAN 30 1987

*Contrib. 2m. 7-1*

Ronald and Karine Dane  
P.O. Box 108  
Cantwell, Alaska 99729  
January 26, 1987

Senator Rick Halford  
Juneau, Alaska

*Also sent to Coghill*

Dear Senator Halford:

Re. Electrification of the McKinley Park Community located on the George Parks Highway. From the general area of Mile Post 224 - 231:

Members of the community have since the beginning of the Intertie (1980) been approaching their legislators to appropriate funds for the installation of commercial electricity for this area. Response was always encouraging but results not forthcoming. We hope that now that the State has \$280,000,000 at their disposal through the Railbelt Energy Fund, that you, our elected leaders, will see it fit to close this energy gap once and for all.

We have a great need for commercial electricity in this area for the following reasons:

1. McKinley Park (Denali National Park) is synonymous with the Alaska Tourist Industry, a major base of Alaska's economy. The 400,000 tourists who come to the park every summer need services. Services need the reliability, expedience and affordability of commercial electricity.
2. The McKinley Community Volunteer Fire Department assumes responsibility for the safety of the visitors to the park as well as protection for its year-round residents. To do this, members must run their own generators in order to keep the batteries for their pumps charged. A high price for volunteering their services, wouldn't you say?
3. The Village View state lottery opened up 47 parcels of land for residential use. Many of the winners have already begun to build. Add their diesel and gasoline generating units to already existing generators, and we are facing a potential noise and air pollution problems.

4. There are members of the community who are employed at Denali National Park, at the Usibelli Coal Mine, at the Healy and Cantwell schools, at Cantwell Department of Transportation, and last but not least, at the G.V.E.A. power plant at Healy (!). We are gainfully employed, productive Alaskans who are paying more than our share for the privilege of employment as any of you who have ever had to generate electricity on a daily basis in order to ensure transportation can readily attest to. We need electricity to keep our water and sewer lines from freezing and our food supply from thawing. We don't need the added expense of time, energy and money this all entails.

5. It might be good and well to upgrade portions of the Intertie with the future in mind. However, the immediate results of this will be to provide those who already have ample and reasonable electricity with more and cheaper electricity. Isn't it time to complete the energizing of the Railbelt ?

Please consider our needs when you begin to prioritize portions of the Railbelt Energy Fund this session. We have waited long and patiently.

Respectfully Yours,

*Don & Kamine Sauer*



# DENALI CABINS

Box 427 MI 231 Parks Hwy  
Denali National Park, AK 99755

2/23/86

FEB 28 1986

Dear Jack:

I've been Outside doing some promoting and have been unable to follow the issues as they affect our area. Hopefully, all is going well for all of us. I do want to thank you being there and looking out for our interests and the state's. When the two can be the same, we all benefit. I'm sure at times you would just as soon be somewhere else, but public service probably falls under that great statement " No pain, No Gain".

I would like to find out the latest on our efforts for power in our community. As revenues drop, the true meaning of politics and relationships will probably charge its way to the surface.

Being experienced, this will probably have little effect on your efforts, at least we hope so. In your Nov 27 letter, you did mention that your office will be appropriating money for the Alaska Power Authority for electrification along the highway. I would like to know if that appropriation has been submitted. In reference to the veto possibility, how do you feel about what the governor might do?

Certainly our business is tourism related, and hopefully that is a bright spot in the state. I'm sure that would strengthen our argument if he is made aware of our needs. Is this the time to contact him directly, or do you feel the situation is moving in a positive direction?

My last question concerns the Alaska Power Authority and how it functions. If they receive an appropriation for a certain project, must those funds be used for that project? Perhaps, that seems a strange question, but I do know that a lot of shifting takes place within some of these agencies.

Well Jack, that's about it for now. Again we thank you for your efforts, and if there is anything that we can do, please let me know.

Best Regards,

Gary W. Kroll  
Owner/General Manager

cozy cedar cabins ● hot tub ● central bathhouse ● rafting  
wildlife ● horseback rides ● flightseeing

Denali Crow's Nest  
P.O. Box 700  
Denali National Park  
Alaska 99755

December 12, 1986

Senator Jack Cognill  
Kenana, Alaska

Dear Jack,

Thanks for your phone call regarding electrification of the Crow's Nest. I very much appreciate your efforts on our behalf and it's gratifying to know that the bureaucracy can be budged with pressure in the right spots. Having power on the hillside will certainly facilitate our future expansion, and with tourism being one of the few bright spots in the economy I think that will be of benefit to the industry and state as a whole.

Good luck in your efforts in Juneau this year. I'm looking forward to seeing you the next time you are up this way.

Sincerely,

*Mike*

Mike Crofoot

P.O. Box 67  
McKinley/Denali Park, Alaska 99755  
February 1, 1985

FEB 5 1985

Senator Jack Coghill  
Pouch V  
Juneau, Alaska 99811

Dear Senator Coghill:

It was good to talk with you on the phone concerning rural electrification for the McKinley/Denali Park Community.

We request your assistance in making it possible for Golden Valley Electric Association, Inc. to operate a power distribution system along the Parks Highway. The McKinley/Denali Park Community is divided into two locations along the highway. The northern pocket of the community is just north of the park entrance in the area of the McKinley Chalet resort. The southern area of the community is that area from Gary Crabb's McKinley Village on south toward Cantwell. This part of the community is generally clustered in the northern seven miles of the twenty mile stretch of road from McKinley Village to Cantwell.

The logistics of electrification of these two community areas does not seem very complicated. The northern part of the community around the McKinley Chalets is already being served partially by GVEA as the Chalets have GVEA power. It simply remains a matter of money for GVEA to branch out generally and connect up the other interested consumers there. It does not seem logical to try to continue a power line on south through the national park toward McKinley Village since there will not be development along that part of the road. It does seem appropriate to bring power lines north from Cantwell, along the road right of way, to McKinley Village. The new Cantwell power substation has the design capacity (according to unofficial GVEA and APA discussions) to supply this added service area. Mr. Dave Johnson, New Service Co-ordinator for GVEA, estimates that it would cost about \$1,000,000 for single phase or \$1,800,000 for three phase to extend power from Cantwell to McKinley Village. No one in the community is using three phase electricity now. There might be some interest in it, but, frankly, we feel inadequate in this technical aspect of such a service project. One would suspect that once GVEA and/or APA spent much time considering the matter that they would have a reasoned answer though. The above figures are much higher than noted in the phone conversations. But, in rechecking with Mr. Johnson of GVEA, he found his earlier figure of \$450,000 in serious error.

GVEA seems willing enough to service interested customers in both sections of the community, but these are rural areas and it is just not economical for GVEA to provide the services without aid beyond the resources of their association. It is our understanding that there are (or could be) funds available to utilities, such as GVEA, through a State rural electrification revolving loan fund. I have attached copies of two bills on this matter that died in the last session of the legislature. GVEA people indicated that these bills, and perhaps previous ones, as well, were not written with favorable enough provisions to make them a practical source of funding for projects such as outlined above. Perhaps even if the bills

were written more to the liking of the utilities that GVEA still would not consider it economical to provide the power services we desire without direct grants from the State of Alaska.

It is the hope of many of us in this community (there are about ninety permanent residence in the McKinley/Denali Park Community - not including the National Park Service staff that live at Park Headquarters) that you will be able to be the catalyst this project needs. Enclosed is a copy of the petition from community members interested in this project. There are more, but one copy of the petition with about fourteen signatures was lost. Rather than start all over again, we felt it best to forward to you what we do have in hand at this time. We are unaware of any community members that are hostile to the project, although the good folks at the Alaska Power Authority assured us that those people will come out of the woodwork further down the line. As with any public or community matter, there are bound to be individuals against this proposal but we feel confident that the vast majority, by a strong margin, are behind it.

It should also be noted that the Department of Natural Resources will be having a couple of land disposals in the community this year. The main residential area disposal is slated to have 48 sites, located just east of McKinley Village along both sides of the old highway. The other disposal site, Montana Creek, east of the Nenana River at approximately Mile 236-Parks Highway, is more remote and likely beyond bounds of this electrification project.

Thank you in advance for your assistance in this matter.

Respectfully,



Ronald C. Dane  
Community Member



Wallace A. Cole  
Community Member

cc: Mr. Larry D. Crawford, Executive Director  
Alaska Power Authority

Mr. Dave Johnson, New Service Co-ordinator  
Golden Valley Electric Association, Inc.

Businesses in the McKinley Park area needing electricity -  
their present status and planned development

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1. Carlo Creek Lodge  
Lodge, four cabins, outbuildings  
Plan to increase cabins in the future, and put in a campground  
in 1989.
2. The Perch Restaurant  
Restaurant to be operational 1989.  
4 rental cabins built. Plan to build a washroom and shower  
house, and hook cabins up to electricity within 2 years.  
Owners will live there year-round when commercial power  
available.
3. McKinley Wilderness Lodge  
Restaurant, 3 duplex cabin units, 5 cabins, residence build-  
ing, outbuildings.
4. Osprey Expeditions  
Office and shop, residence
5. Denali Cabins - south  
41 units, gas station, grocery store. Leases space to  
Denali Gift Shop.
6. Matanuska Telephone Assoc.  
Generates electricity to provide telephone service in area.
7. McKinley Community Center and Firehall  
Houses fire truck needing 24-hour heat, and provides space  
for year-round community functions and classes for  
both adults and children.
8. Popo Agie  
Contracting business
9. Don Peterson  
One building done.  
12 more cabins to be build summer 1989, to be used to house  
Elderhostel groups.
10. McKinley Village - ARA  
50 rooms, restaurant, coffee shop, gas station, convention  
room, 24 units for staff housing, outbuildings, residence  
Leases space to ERA Helicopters Flightseeing.  
Plans to add 100 rooms in 3-4 years.
11. Denali Cabins North  
Leases 3 cabins and showerhouse to Denali Raft.  
Considering building a 24-unit hotel in next few years if  
commercial power is available.
12. Grizzly Bear Campground  
15 cabins, grocery store, liquor store, campground, residence.  
outbuildings. 2 shower houses they cannot use w. out  
commercial power. Owners would reside here year-round  
with commercial power.



Official Business

# Alaska State Legislature

APH

P.O. Box V  
State Capitol  
Juneau, Alaska 99811

July 15, 1988

Mr. Robert E. LeResche  
Executive Director  
Alaska Power Authority  
P.O. Box 190869  
Anchorage, AK 99519-0869

Dear Bob:

Thank you for your letter dated July 8, 1988 requesting my suggestions for energy related projects in my district for consideration in the Alaska Power Authority's FY90 capital budget request.

As you know, I have been working on providing electrification along the Parks Highway for many years. Businesses near the vicinity of Mt. McKinley, the State's number one tourist attraction, are without commercial power. I believe your number one priority for energy projects in FY90 should be the electrification of the Parks Highway from Cantwell to Carlo Creek; Carlo Creek to McKinley Village and McKinley Village to Mt. McKinley. I have enclosed an estimate sheet for the above project which was compiled by Golden Valley Electric Association.

Bob, I believe providing commercial power along the Parks Highway will enhance our tourism industry and promote development. It is imperative for the State to try and generate new revenue, such as tourism dollars, and reduce our dependency on fluctuating oil revenues. I would truly appreciate the inclusion of the above project in your FY90 capital request.

Let us know if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jack Coghill".

Senator Jack Coghill

JBC/slg