

LEG. FINANCE - BILLS 1977 - 1978 8/2

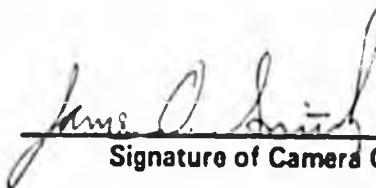
HCR 59 thru HJR 77



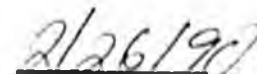
RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.



Signature of Camera Operator



Date

COMMITTEE REPORT

4/27/77

HOUSE

5-10-77

Date

Mr. Speaker:

The Committee on FINANCE has had HCR 50

under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that CS for _____ do pass
- (and) recommends it be referred to the _____ committee
- reports it back without recommendation
- AND attaches a report of its intent
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

<u>Freeman</u>	<u>J. Hanger</u>	_____
<u>Lawrence</u>	<u>R. Hanger</u>	_____
<u>Lawrence</u>	<u>R. Hanger</u>	_____
_____	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

McKee recommends: no rec

_____ recommends: _____

_____ recommends: _____

Freeman
Chairman

Vice

Introduced: 4/22/77
Referred: Resources and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE CONCURRENT RESOLUTION NO. 59

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 Approving the disposal to Golden
6 Valley Electric Association, Inc.
7 of royalty oil taken in-kind

8 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 WHEREAS, under AS 38.06.055(a), each house of the legislature must
10 approve by concurrent resolution all sales of state-owned royalty oil
11 before the sale may be consummated; and

12 WHEREAS the State of Alaska has the right under AS 38.05.180 and its
13 oil and gas leases to receive royalty oil either in-kind or in-value from
14 fields in the Cook Inlet area; and

15 WHEREAS the commissioner of natural resources has entered into a
16 contract for the sale of state-owned royalty oil from the Prudhoe Bay field
17 to Golden Valley Electric Association, Inc.; and

18 WHEREAS the legislature has reviewed this contract and conducted
19 hearings and otherwise received public input on this contract; and

20 WHEREAS the legislature finds this contract to be in the public interest
21 of Alaska and its citizens, and further finds that this contract is in
22 compliance with all requirements of law;

23 BE IT RESOLVED by the Alaska State Legislature that the "Royalty Oil
24 Sales Agreement", dated April 12, 1977, between the Golden Valley Electric
25 Association, Inc. and the commissioner of natural resources for the sale
26 and purchase of royalty oil from the Prudhoe Bay oil field is hereby
27 approved.

Introduced: 4/22/77
Referred: Resources and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE CONCURRENT RESOLUTION NO 59

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

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6 Valley Electric Association, Inc.
7 of royalty oil taken in-kind

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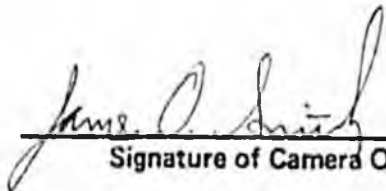
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26 and purchase of royalty oil from the Prudhoe Bay oil field is hereby
27 approved.
28
29



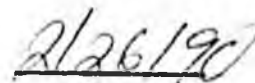
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Signature of Camera Operator



Date

Amending a regulation of the Department of Revenue pertaining to the value of prizes awarded in raffles and lotteries.

4-23-77

COMMITTEE REPORT

HOUSE

_____ Date

Mr. Speaker:

The Committee on FINANCE has had HCR 60

under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that CS for _____ do pass
- (and) recommends it be referred to the _____ committee
- reports it back without recommendation
- AND attaches a report of its intent
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends: _____

_____ recommends: _____

_____ recommends: _____

_____ Chairman

_____ Vice

Introduced: 4/23/77
Referred: Finance

2928
Guthrie

BY THE RULES COMMITTEE (by
request of the Administrative
Regulation Review Committee)

1 IN THE HOUSE

2 HOUSE CONCURRENT RESOLUTION NO. 60

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 Annuling a regulation of the Department
6 of Revenue pertaining to the value of
7 prizes awarded in raffles and lotteries.

8 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 WHEREAS under AS 44.62.320 the legislature by concurrent resolution
10 adopted by a vote of both houses may annul a regulation of an agency or
11 department; and

12 WHEREAS 15 AAC 05.410(4), adopted by the Department of Revenue, restricts
13 the value of prizes which may be awarded in a single year by a qualified
14 organization in a raffle or lottery to \$30,000 in personal property and
15 \$50,000 in real property; and

16 WHEREAS the prevention of high-stakes gambling sought by this regulation
17 could be achieved more effectively through less restrictive means; specifi-
18 cally, the value of prizes awarded in individual raffles or lotteries could
19 be limited or the prize limit could be related to the amount required to
20 participate in the raffle or lottery; and

21 WHEREAS this regulation would frustrate the intent of AS 05.15.150,
22 which specifies permissible uses for net proceeds of raffles and lotteries,
23 by preventing qualified organizations from garnering net proceeds in suffi-
24 cient amounts for uses specifically mentioned in AS 05.15.150, such as
25 erecting or maintaining public buildings or works, or lessening the burden on
26 government;

27 BE IT RESOLVED by the Alaska State Legislature that administrative regu-
28 lation 15 AAC 05.410(4) is annulled.

29 COMMITTEE COPY

-1-

HCRC 60

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

HCR 50

I. REQUEST

Bill/Resolution No. House Concurrent Resolution No. 60
Title Annuling a regulation of the Dept. of Revenue pertaining to the value of prizes
Requested by --- (awarded in raffles & lotteries. Date 4/25/77)

II. FISCAL DETAIL

Agency Affected Revenue
Program Category Affected Fiscal Services
Budget Request Unit(s) Affected Audit Division

EXPENDITURES (Thousands of Dollars) None

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						

TOTAL

FUNDING (Thousands of Dollars) None


GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS None

FULL TIME						
PART TIME						
TEMPORARY						

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

This bill would annul the regulation limiting the amount of money which could be awarded as prizes in a raffle conducted under the Games of Chance & Skill statute. The annulling of the regulation would allow raffles for unlimited amounts of money.

IV. DATE 4/27/77 PREPARED BY 
AGENCY Department of Revenue, Audit Division
PHONE 465-2320
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

Introduced: 4/23/77
Referred: Finance

BY THE RULES COMMITTEE (by
request of the Administrative
Regulation Review Committee)

1 IN THE HOUSE

2 HOUSE CONCURRENT RESOLUTION NO. 60

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 Annuling a regulation of the Department
6 of Revenue pertaining to, the value of
7 prizes awarded in raffles and lotteries.

8 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 WHEREAS under AS 44.62.320 the legislature by concurrent resolution
10 adopted by a vote of both houses may annul a regulation of an agency or
11 department; and

12 WHEREAS 15 AAC 05.410(4), adopted by the Department of Revenue, restricts
13 the value of prizes which may be awarded in a single year by a qualified
14 organization in a raffle or lottery to \$30,000 in personal property and
15 \$50,000 in real property; and

16 WHEREAS the prevention of high-stakes gambling sought by this regulation
17 could be achieved more effectively through less restrictive means; specifi-
18 cally, the value of prizes awarded in individual raffles or lotteries could
19 be limited or the prize limit could be related to the amount required to
20 participate in the raffle or lottery; and

21 WHEREAS this regulation would frustrate the intent of AS 05.15.150,
22 which specifies permissible uses for net proceeds of raffles and lotteries,
23 by preventing qualified organizations from garnering net proceeds in suffi-
24 cient amounts for uses specifically mentioned in AS 05.15.150, such as
25 erecting or maintaining public buildings or works, or lessening the burden on
26 government;

27 BE IT RESOLVED by the Alaska State Legislature that administrative regu-
28 lation 15 AAC 05.410(4) is annulled.



RECORDS CERTIFICATION



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James A. Smith

Signature of Camera Operator

2/26/90

Date

5/12/77

COMMITTEE REPORT SENATE

5/12/77 Date

Mr. President:

The Committee on FINANCE has had HCR 66
withdrawal from Social Security
under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that
CS for _____ do pass
- (and) recommends it be referred to the _____
committee
- reports it back without recommendation
- AND attaches a report of its intent
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

<u>[Signature]</u>	<u>[Signature]</u>	<u>[Signature]</u>
<u>[Signature]</u>	<u>[Signature]</u>	<u>[Signature]</u>
<u>[Signature]</u>	<u>[Signature]</u>	<u>[Signature]</u>
<u>[Signature]</u>	<u>[Signature]</u>	<u>[Signature]</u>

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends: _____

_____ recommends: _____

_____ recommends: _____

[Signature]
Chairman

A M E N D M E N T

Offered in the SENATE

By SENATE FINANCE COMMITTEE

To: _____ SENATE BILL NO. _____

_____ HOUSE BILL NO. _____
HOUSE CONCURRENCE RESOLUTION NO. 55

AMENDMENT: Page 1 Line 74

After the word "enacted" insert "by July 1, 1977"

Page 1 Line 73

After the word "and", delete "July 1, 1977" and
insert "August 1, 1977"

Page 1 Line 73

After the word "and" delete "the amount of
the deficit"

Page 1 Line 73

After the word "and" delete "the amount of
the deficit" and insert "the amount of the
deficit"

Introduced: 5/2/77
Referred: State Affairs

1 IN THE HOUSE

BY MILLER AND DUNCAN

2 HOUSE CONCURRENT RESOLUTION NO. 66

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 Relating to withdrawal from Social Security

6 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

7 WHEREAS under federal law a public employer may withdraw from the Social
8 Security system after two years advance notice of withdrawal has been given;
9 and

10 WHEREAS the State of Alaska gave notice of withdrawal from the Social
11 Security system in December of 1975; and

12 WHEREAS unless this notice is rescinded with advice of rescission given
13 to the Social Security Administration before December 1977, the withdrawal
14 will become effective; and

15 WHEREAS adequate consideration has not been given to the manner in which
16 the amount now contributed by the state and the employees of the state would
17 be used to provide benefits under the public employees' retirement system
18 to replace and augment the benefits now provided under Social Security; and

19 WHEREAS notice of withdrawal can be rescinded and a new notice of with-
20 drawal submitted, thereby providing a period in which that consideration may
21 be undertaken;

22 BE IT RESOLVED that the Alaska State Legislature respectfully requests
23 the Governor to cause the notice of withdrawal from the Social Security system
24 given by the State of Alaska to be rescinded and a new notice of withdrawal
25 given by July 1, 1977; and be it

26 FURTHER RESOLVED that the Legislative Council is directed to conduct a
27 study of the manner in which the amount now contributed by both the State of
28 Alaska and the state employees will be used to provide benefits under the
29 public employees' retirement system to replace and augment benefits now

1 provided by social security; and be it

2 FURTHER RESOLVED that the study shall include consideration of the
3 retirement formula, survivor's benefits, death and disability benefits,
4 medical benefits, post-retirement pension adjustments and other replacement
5 or augmentation benefits which may be useful to consider; and be it

6 FURTHER RESOLVED that the group to direct the study shall include members
7 of the council, representatives of each employee bargaining group and the
8 director of the division of retirement; and be it

9 FURTHER RESOLVED that an actuarial study of the costs and benefits of
10 the recommended changes and, as needed, of other changes considered shall be
11 conducted by an independent actuary under direction of the council.

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THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HOUSE CONCURRENT RESOLUTION NO. 66
 Title Withdrawal from Social Security
 Requested by Representative Mike Miller Date 5/18/77

II. FISCAL DETAIL

Agency Affected Legislative Affairs
 Program Category Affected General Government
 Budget Request Unit(s) Affected Legislative Council and Subcommittees

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL		5.0				
300 CONTRACTUAL		45.0				
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		50.0				

FUNDING (Thousands of Dollars)

GENERAL FUND		50.0				
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		None				
PART TIME						
TEMPORARY						

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

Travel: Legislators' travel & per diem to attend interim meetings

Contractual: Actuarial study per estimate of Division of Retirement & Benefits

IV. DATE 5/18/77 PREPARED BY M. R. Charney
 AGENCY Legislative Affairs
 PHONE 465-3850
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Introduced: 1/25/77
Referred: Resources and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 114

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a fire suppression fund; and
7 providing for an effective date."

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

9 * Section 1. AS 41.15 is amended by adding new sections to read:

10 ARTICLE 2A. FIRE SUPPRESSION FUND.

11 Sec. 41.15.200. STATEMENT OF PURPOSE. The purpose of secs. 200
12 - 230 of this chapter is to provide a readily available fund for the
13 payment of expenses incurred by the Department of Natural Resources in
14 suppressing fires.

15 Sec. 41.15.210. FIRE SUPPRESSION FUND. A fire suppression fund
16 is established in the state treasury for the use of the Department of
17 Natural Resources. The fund shall be used for actual expenses incurred
18 in the suppression of fires.

19 Sec. 41.15.220. COMPOSITION OF FUND. The legislature may appro-
20 priate from the following sources to the Fire Suppression Fund:

21 (1) money received in settlement of a claim or loss caused
22 by damage as a consequence of a violation of secs. 10 - 170 of this
23 chapter;

24 (2) money received from federal, state, or other governmen-
25 tal unit, or from a private donor for actual fire suppression work;

26 (3) money received from other sources as the legislature
27 may consider appropriate and necessary to satisfy the purpose of the
28 fund.

29 Sec. .15.230. DISBURSEMENT. Upon authorization of the governor,

1 disbursements from the fire suppression fund shall be paid by the
2 proper state officer on presentation of vouchers signed by the governor
3 or his authorized representative.

4 Sec. 41.15.240. RECORDS OF FIRE SUPPRESSION FUND. The Department
5 of Natural Resources shall maintain accounting records showing the
6 income and expenses of the fund. The department shall submit a report
7 on the operation of the fund to the governor and the legislature no
8 later than the 10th day of each regular session of the legislature.

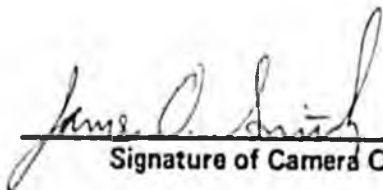
9 * Sec. 2. This Act takes effect immediately in accordance with AS
10 01.10.070(c).



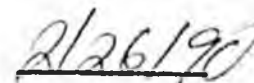
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Signature of Camera Operator



Date

3-6-77

COMMITTEE REPORT

HOUSE

_____ Date

Mr. Speaker:

The Committee on FINANCE has had HCR 67

under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that
CS for _____ do pass
- (and) recommends it be referred to the _____
committee
- reports it back without recommendation
- AND attaches a report of its intent
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

<u>[Signature]</u>	<u>[Signature]</u>	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____	recommends:	_____
<u>[Signature]</u>	recommends:	<u>[Signature]</u>
<u>[Signature]</u>	recommends:	<u>[Signature]</u>
<u>[Signature]</u>		<u>[Signature]</u>

Chairman

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
Bill/Resolution No. HOUSE CONCURRENT RESOLUTION NO. 67
Title Development of Comprehensive State Energy Policy
Requested by House State Affairs Committee Date 5/9/77

II. FISCAL DETAIL
Agency Affected Legislative Affairs
Program Category Affected General Government
Budget Request Unit(s) Affected Legislature

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES		23.7				
200 TRAVEL		25.4				
300 CONTRACTUAL		11.1				
400 COMMODITIES		.6				
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		60.8				

FUNDING (Thousands of Dollars)

GENERAL FUND		60.8				
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME		2				
TEMPORARY						

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

Personal Services:

A.A. at Range 20 for 6 months	\$14,136	
Secretary at Range 12 for 6 months	7,872	
Sub-Total	22,008	
Benefits @ 7.5%	1,651	\$23,659

Travel:

Four committee meetings in Anch; 3 days ea.		
9 of 15 members from other than Anch.	16,200	
Five subcommittee tours; 3 members ea;		
five days each	7,500	
Special trips 1 to Wash DC; 2 to Jnu		
from Anch.	1,700	25,400

IV. DATE 5/9/77 PREPARED BY Steve Cowper, Chairman
AGENCY House Finance Committee
PHONE 465-3706

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

III. ANALYSIS (Continued)

Contractual Services:			
Telephone and Postage	\$ 1,000		
Office Rental	3,000		
Utilities	600		
Equipment Rental	1,000		
Contingency	<u>5,500</u>		<u>11,100</u>
Commodities:			600

Printing, research, and other administrative support will be furnished to extent possible by Legislative Affairs Agency.

4145
Clevorick

Introduced: 5/6/77
Referred: Finance

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 HOUSE CONCURRENT RESOLUTION NO. 67

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 Relating to the development of a compre-
6 hensive state energy policy.

7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 WHEREAS the President of the United States has recently directed atten-
9 tion to the critical problems involving the conservation, production and
10 development of energy resources of the nation, offering for the consideration
11 of Congress and the American people a Comprehensive National Energy Policy
12 Plan; and

13 WHEREAS, notwithstanding Alaska's preeminent position as a supplier of a
14 major portion of the nation's energy resources through the next decades,
15 increasing domestic energy demands, coupled with rising production and
16 processing costs and transportation requirements and expenses, burden Alaskans
17 and fairly require the development of a similar comprehensive energy policy
18 to meet the needs of the people of the state; and

19 WHEREAS, with its reserves of oil, gas and coal, abundant hydroelectric
20 sources, and unique opportunity to utilize other renewable energy factors,
21 such as wind and geothermal power, the State of Alaska enjoys an unparalleled
22 opportunity to develop and implement a realistic state energy program to
23 meet future residential, commercial, transportation and other demands;
24 and

25 WHEREAS the development of a comprehensive state energy policy should
26 involve the executive and legislative branches of government on a cooperative
27 basis, with opportunity for public participation and comment, in a forum
28 which will examine alternative courses and lay the groundwork for subsequent
29 action;

COMMITTEE COPY

1 BE IT RESOLVED by the Alaska State Legislature that there is established
2 a temporary State Energy Policy Committee composed of the following members
3 to identify the problems and initiate solutions with respect to the develop-
4 ment of a viable state energy policy:

- 5 (1) three members of the Senate appointed by the president;
- 6 (2) three members of the House appointed by the speaker;
- 7 (3) the commissioner of commerce and economic development or his
8 designee;
- 9 (4) the commissioner of natural resources or his designee;
- 10 (5) the commissioner of revenue or his designee;
- 11 (6) the director of the division of policy development and plan-
12 ning or his designee;
- 13 (7) a member of the Alaska Public Utilities Commission, chosen by
14 the members of the Commission; and
- 15 (8) four members appointed by the governor, one of whom shall
16 represent each of the following public interests: consumer concerns, con-
17 servation interests, private or municipal utilities, and the state's nonre-
18 newable energy resource industry; and be it

19 FURTHER RESOLVED that the committee established by this resolution,
20 through a process which examines in detail the individual efforts to develop
21 Alaska's domestic energy resources, including the conservation and develop-
22 ment of the state's nonrenewable resource reserves, and only after opportuni-
23 ty for public participation, report not later than January 1, 1978, to the
24 governor and the Legislative Council its recommendations with respect to
25 development of a comprehensive state energy policy, including but not limited
26 to, coordination of state plans and programs with the national effort, the
27 timely and proper development of additional nonrenewable resources and their
28 transportation and delivery to the markets of the state and nation, the
29 effects of state and federal energy regulatory functions and pricing, and the

WCR 67

1 development of alternative renewable energy resources on a regional or com-
2 munity basis especially in rural areas of Alaska, and that the committee's
3 report formulate guidelines and suggest the means by which to marshal addi-
4 tional resources to maintain a continuing energy planning and development
5 program; and be it

6 FURTHER RESOLVED that the committee may proceed in its work through the
7 establishment of one or more subcommittees; that, with the consent of the
8 governor, it may apply, through the Legislative Council, for federal, state
9 and private financial assistance to undertake and complete its work; and that
10 the committee may extend an invitation to the Secretary of the Interior or
11 his representative to serve as an ex officio member of the committee.

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Introduced: 5/6/77
Referred: Finance

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 HOUSE CONCURRENT RESOLUTION NO. 67

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 Relating to the development of a compre-
6 hensive state energy policy.

7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 WHEREAS the President of the United States has recently directed atten-
9 tion to the critical problems involving the conservation, production and
10 development of energy resources of the nation, offering for the consideration
11 of Congress and the American people a Comprehensive National Energy Policy
12 Plan; and

13 WHEREAS, notwithstanding Alaska's preeminent position as a supplier of a
14 major portion of the nation's energy resources through the next decades,
15 increasing domestic energy demands, coupled with rising production and
16 processing costs and transportation requirements and expenses, burden Alaskans
17 and fairly require the development of a similar comprehensive energy policy
18 to meet the needs of the people of the state; and

19 WHEREAS, with its reserves of oil, gas and coal, abundant hydroelectric
20 sources, and unique opportunity to utilize other renewable energy factors,
21 such as wind and geothermal power, the State of Alaska enjoys an unparalleled
22 opportunity to develop and implement a realistic state energy program to
23 meet future residential, commercial, transportation and other demands;
24 and

25 WHEREAS the development of a comprehensive state energy policy should
26 involve the executive and legislative branches of government on a cooperative
27 basis, with opportunity for public participation and comment, in a forum
28 which will examine alternative courses and lay the groundwork for subsequent
29 action;

1 development of alternative renewable energy resources on a regional or com-
2 munity basis especially in rural areas of Alaska, and that the committee's
3 report formulate guidelines and suggest the means by which to marshal addi-
4 tional resources to maintain a continuing energy planning and development
5 program; and be it

6 FURTHER RESOLVED that the committee may proceed in its work through the
7 establishment of one or more subcommittees; that, with the consent of the
8 governor, it may apply, through the Legislative Council, for federal, state
9 and private financial assistance to undertake and complete its work; and that
10 the committee may extend an invitation to the Secretary of the Interior or
11 his representative to serve as an ex officio member of the committee.

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CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

Introduced: 5/6/77
Referred: Finance

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 HOUSE CONCURRENT RESOLUTION NO. 67

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17 and fairly require the development of a similar comprehensive energy policy
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21 such as wind and geothermal power, the State of Alaska enjoys an unparalleled
22 opportunity to develop and implement a realistic state energy program to
23 meet future residential, commercial, transportation and other demands;
24 and

25 WHEREAS the development of a comprehensive state energy policy should
26 involve the executive and legislative branches of government on a cooperative
27 basis, with opportunity for public participation and comment, in a forum
28 which will examine alternative courses and lay the groundwork for subsequent
29 action;

1 BE IT RESOLVED by the Alaska State Legislature that there is established
2 a temporary State Energy Policy Committee composed of the following members
3 to identify the problems and initiate solutions with respect to the develop-
4 ment of a viable state energy policy:

5 (1) three members of the Senate appointed by the president;

6 (2) three members of the House appointed by the speaker;

7 (3) the commissioner of commerce and economic development or his
8 designee;

9 (4) the commissioner of natural resources or his designee;

10 (5) the commissioner of revenue or his designee;

11 (6) the director of the division of policy development and plan-
12 ning or his designee;

13 (7) a member of the Alaska Public Utilities Commission, chosen by
14 the members of the Commission; and

15 (8) four members appointed by the governor, one of whom shall
16 represent each of the following public interests: consumer concerns, con-
17 servation interests, private or municipal utilities, and the state's nonre-
18 newable energy resource industry; and be it

19 FURTHER RESOLVED that the committee established by this resolution,
20 through a process which examines in detail the individual efforts to develop
21 Alaska's domestic energy resources, including the conservation and develop-
22 ment of the state's nonrenewable resource reserves, and only after opportuni-
23 ty for public participation, report not later than January 1, 1978, to the
24 governor and the Legislative Council its recommendations with respect to
25 development of a comprehensive state energy policy, including but not limited
26 to, coordination of state plans and programs with the national effort, the
27 timely and proper development of additional nonrenewable resources and their
28 transportation and delivery to the markets of the state and nation, the
29 effects of state and federal energy regulatory functions and pricing, and the

1 development of alternative renewable energy resources on a regional or com-
2 munity basis especially in rural areas of Alaska, and that the committee's
3 report formulate guidelines and suggest the means by which to marshal addi-
4 tional resources to maintain a continuing energy planning and development
5 program; and be it

6 FURTHER RESOLVED that the committee may proceed in its work through the
7 establishment of one or more subcommittees; that, with the consent of the
8 governor, it may apply, through the Legislative Council, for federal, state
9 and private financial assistance to undertake and complete its work; and that
10 the committee may extend an invitation to the Secretary of the Interior or
11 his representative to serve as an ex officio member of the committee.

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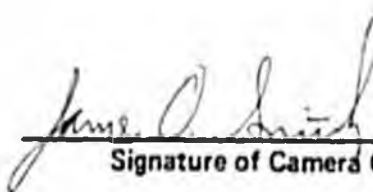
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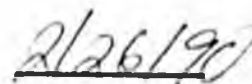
RECORDS CERTIFICATION



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Signature of Camera Operator



Date

COMMITTEE REPORT

HOUSE

6/17/78

FURTHER: _____

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HJR 73
Relating to the Alaska Power Authority, the Phase I environmental, economic, social
and engineering studies of the Susitna Hydroelectric Project, and the incurring of
indebtedness for Phase I.

under consideration and (a majority of the committee) (the committee
reports it back as follows)

- recommends it do pass recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____
- and _____ new title same title
- AND attaches a Letter of Intent New Fiscal Note
- reports it back without recommendation
- and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

[Handwritten signatures]

OTHER RECOMMENDATIONS:

[Handwritten notes]

[Handwritten signature]

Chairman

Introduced: 4/17/78
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE
BY REQUEST

2 HOUSE JOINT RESOLUTION NO. 73

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 Relating to the Alaska Power Authority,
6 the Phase I environmental, economic,
7 social and engineering studies of the Su-
8 sitna Hydroelectric Project, and the
9 incurring of indebtedness for Phase I.

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

11 WHEREAS the Alaska Power Authority under AS 44.56.180 has submitted
12 to the legislature and to the commissioner of commerce and economic develop-
13 ment a statement outlining the status of the Susitna Hydroelectric Project
14 and the Plan of Study outlining the necessary feasibility studies of the
15 project which is planned to be designed, and may be acquired or constructed
16 by the United States under an agreement providing for ownership of the project
17 by the authority; and

18 WHEREAS the Congress of the United States, on October 22, 1976, enacted
19 P.L. 94-587, the Alaska Hydroelectric Power Development Act, which Act
20 authorized the Secretary of the Army and the U.S. Army Corps of Engineers
21 to participate in the Susitna Hydroelectric Project; and

22 WHEREAS there is now pending before Congress a proposal which would
23 amend P.L. 94-587 so as to authorize an agreement between the United States
24 and the Alaska Power Authority which will provide that the United States will
25 reimburse the authority for any of the authority funds expended in the Phase
26 I stage of the Susitna Hydroelectric Project if the Phase I report is not
27 favorable or if the authority within three years of the completion of the
28 report is unable to borrow money to pay the construction costs of the pro-
29 ject, including the costs of the Phase I studies, based on the security of

1 the project or its revenues; and

2 WHEREAS the Phase I activities outlined delineate the environmental,
3 economic, social and engineering studies requisite to informed decision
4 making; and

5 WHEREAS the cost to be incurred during Phase I is now estimated to be
6 \$25,000,000 but may exceed that amount; and

7 WHEREAS it is considered to be in the best interests of the State of
8 Alaska to proceed with Phase I of the project through the use of Alaska Power
9 Authority sponsored financing; and

10 WHEREAS Phase I studies shall provide for substantive public involve-
11 ment throughout the study process; and

12 WHEREAS legislative approval of project construction is required if
13 project feasibility and desirability result from the study process conducted
14 under Phase I activities;

15 BE IT RESOLVED that the Alaska State Legislature urges the passage by
16 the Congress of the United States of the proposed amendments to P.L. 94-587
17 so that the Alaska Power Authority may go forward with a program of financing
18 and may enter into any necessary agreements pursuant to the proposed amend-
19 ments; and be it

20 FURTHER RESOLVED that, based on the plan outlined in the statement of
21 the Alaska Power Authority to the legislature and to the commissioner of com-
22 merce and economic development, the legislature agrees to the incurring of
23 indebtedness by the Alaska Power Authority contingent upon passage of amend-
24 ments to P.L. 94-587 in an amount necessary to finance the cost of the Phase I
25 feasibility studies of the Susitna Hydroelectric Project, including interest.



Alaska State Legislature
Senate
Pouch V
Juneau, Alaska 99811

March 13, 1978

Mr. Eric P. Yould
Executive Director
Alaska Power Authority
333 West 4th, Suite 31
Anchorage, Alaska 99501

Dear Mr. Yould:

In response to your letter dated February 24, 1978, I offer the following comments and suggestions.

Development of Alaska's hydroelectric potential should receive top priority. I believe the Authority should immediately inventory potential hydroelectric sites, both large and small, then prioritize the sites based on comparative economics and needs of the communities envisioned to receive service from the various projects. Those projects identified as top priority should be pursued expeditiously. Appropriate lands should be acquired by the State and dedicated for that purpose. Federal and State permits should be obtained. Construction would follow as soon as possible.

I would suggest that in most cases the Authority should finance and own the facilities, including connecting transmission lines to the various load centers. However, when practical the operation and maintenance of said facilities should be contracted to existing electric utilities with the necessary expertise. This scheme would maximize job opportunities in the private sector rather than expand the State government personnel system.

Prompt development of the Upper Susitna Hydroelectric System is top priority for the area I represent, Fairbanks/Interior.

In order to expedite this project it is highly desirable to maximize the State's involvement and thereby minimize Federal participation. I would encourage the Alaska Power Authority to place this project on the front burner and turn on the heat. Assuming that the Susitna project will be built, the Authority should immediately undertake a feasibility study regarding a transmission line tie between South Central and Interior Alaska. I believe there would be many benefits from such an interconnection. If feasible, the Authority should construct the line at an appropriate time prior to construction of the Susitna project. It would be used to wheel energy between respective load centers and reduce some of the individual reserve requirements. Of course, it would also be used to provide construction power for the development itself.

Page 2
Mr. Eric P. Yould
Alaska Power Authority

The Authority may be of immediate assistance to both of our Fairbanks-based utilities, GVEA and FMUS. They are proceeding jointly with plans to construct a 150MW coal-fired steam plant at Healy, Alaska. Said facility is scheduled to be on line by October 1983.

In my opinion, the Authority should finance this facility via tax exempt revenue bonds. Such an undertaking could save the utility companies at least a point or two on a 160 million dollar + investment. Accordingly, their customers would ultimately realize thousands of dollars in savings on future energy bills.

Further, I would again suggest that the Authority own the facility and enter into an operating and maintenance agreement with the entity presently operating a plant at Healy.

In the event you require additional enabling legislation to properly function in accordance with my suggestions and concerns, I will be pleased to be of assistance.

Sincerely,

John Huber

JH:jw

ALASKA POWER AUTHORITY

333 WEST4th - SUITE 31 - ANCHORAGE ALASKA 99501

February 24, 1978

The Honorable John Huber
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Dear Senator Huber:

This is to inform you that, with my appointment, the Alaska Power Authority is essentially open for substantive business. As I'm sure you are aware, the Alaska Power Authority was created under Chapter 56 of Alaska Statute 44. We are to perform as a corporation for the State of Alaska for the purpose of providing a means for developing reasonable cost power generation for Alaskan communities. To fulfill this mandate we may either provide financing through the sale of revenue bonds, or we may acquire (whether by purchase, construction, gift or lease) and operate power projects. Project financing through the issuance of revenue bonds represents a pledge of the power revenue for the payment of interest and retirement of bonds; thus the State would encumber no debt as the result of our projects.

To acquaint you with the type of projects that we could assist in developing, we are the State's entity that would provide for the development of the Susitna hydroelectric project and for all other hydroelectric projects in the State that proved to be economically, environmentally and socially acceptable. We could also assist in providing for fossil fuel fired generation such as coal or diesel.

As an engineering and financing organization we will be able to provide the expertise necessary for evaluating the economic and environmental merit of various proposed energy projects. My personal background is in engineering in which I hold two degrees and seven years of experience. As a five year State resident active in electrical power planning, I am very much aware of the statewide energy needs and our available power options. The Board of Directors for the Power Authority consists of Messrs. Bob Ward (Chairman), Charles Conway (Vice-Chairman), Jack Wick, Frank Murkowski and Commissioner H. Phillip Hubbard. Our present Bond Counsel is Wohlforth and Flint and our Financial Advisor is the First Southwest Company.

I would welcome your views on how the Power Authority can best assist in providing for the State's energy needs.

Sincerely,



Eric P. Yould
Executive Director

SUSITNA STATUS

Historical Background: The tremendous energy potential of the Susitna River has been known for many years. The Bureau of Reclamation and the Corps of Engineers, along with private institutions have conducted numerous studies of Susitna's potential. Both of the Federal agencies conducted reconnaissance level studies in the late 1940's and each published their findings in the early 1950's. The more specific and detailed early studies were performed by the Bureau of Reclamation. In fact, in a 1960 feasibility report, the Bureau of Reclamation outlined a plan of development in the Upper Susitna River Basin consisting of four high-head dams with a combined firm annual energy capability of roughly 6.3 billion kilowatt hours. The Bureau studies were backed up by limited foundation explorations for three of the four damsites (Devil Canyon, Vee and Denali were drilled, Watana was not drilled). However, with the discovery of Cook Inlet natural gas, the economic attractiveness of the Susitna project plummeted. With the formation of the international oil cartel and the dramatic rise in fuel costs during the 1970's, Congress requested that the Corps of Engineers re-evaluate the Bureau of Reclamation proposal for developing the Upper Susitna River and to report its recommendations and findings to Congress. Because of questionable foundation conditions at the upper two damsites (Vee and Denali), and the attendant environmental impact associated with those two projects, the Corps modified the proposed development by raising the height of the second upstream dam, Watana, and deleting the Vee and Denali dams. The two-dam Devil Canyon-Watana scheme of development would provide 6.1 billion kilowatt hours firm annual energy but at a lesser cost and environmental impact than the four dam scheme. The Corps evaluated a number of energy alternatives and concluded that coal fired generation and Susitna hydroelectric are the most feasible long range options for the rail-belt energy demand. Of the two options, the economic attractiveness of the Susitna project appears to be significantly greater than coal fired steam generation. In October 1977 dollars, the estimated construction cost of the two dam scheme and attendant transmission facilities is \$2.1 billion. The average annual fuel rates from Susitna should be at least 30 percent less than that of its coal counterpart.

Project Description: The Upper Susitna River Basin is a 5810 square mile area bordered on the North and West by the Alaskan mountain range, and on the South by the Talkeetna Mountains. Primary wildlife within the basin consists of moose, bear, dall sheep, caribou, wolf, raptors, and resident fish. Anadromous fish do not migrate into the Upper Susitna, but they do spawn in the streams and sloughs downstream from the basin outlet. The river is glacially fed and averages 7.1 million acre feet of runoff annually. The plan of development includes an 810 foot high earthfill dam at the Watana site, a 635 foot high thin-arch dam at Devil Canyon and 365 miles of transmission line. The Watana project would inundate 43,000 acres of land and 54 miles of natural

river, and Devil Canyon would flood 7500 acres of land and 28 miles of river. In tandem, the projects would produce a total of 6.1 billion kilowatt hours of firm annual energy and an average of 0.8 billion kilowatt hours of annual secondary energy. It is estimated that Watana could be on line by 1990 and as demand dictates, presumably five years later, Devil Canyon would be brought on line. Based on the preliminary design, the two projects would be capable of withstanding the effects of an 8.5 magnitude earthquake with an epicenter of 40 miles from the project.

Present Status: The Corps of Engineers submitted their Susitna feasibility report to Congress in 1976. Pending the Chief of Engineers final report to Congress, the project was given conditional authorization to proceed to Phase I Advanced Engineering and Design as a federal project. (Section 160, Water Resources Development Act of 1976). Contained in the same Bill is Section 203 known as the Alaska Hydropower Development Fund. This section provides for a joint venture in developing hydropower projects in Alaska in which, for previously authorized hydropower projects, the Corps of Engineers would design and construct the project using state financing and the state would own and operate the project. Bradley Lake and Snettisham are the only authorized projects in the state which qualify for development under this program. Because the Office of Management and Budget (OMB) felt that there was insufficient field exploration to substantiate the project cost estimate contained in the Corps 1976 feasibility report, the Chief of Engineers did not make his final report to Congress. Thus, Susitna remains an unauthorized project, disqualifying it for participation under Section 203. However, in order to provide the necessary explorations the Corps has made \$3.0 available for a 12 month foundation exploration program which should lead to final authorization of the project. That 12 month effort began on January 1, 1978.

1978 Water Resources Development Act: Since Section 203, as it presently reads, makes it difficult for the State to provide the necessary financing for Phase I Studies, the Act will be amended under the 1978 Water Resources Development Act. State and federal personnel, along with their bond counsel and financial and legal advisors, have agreed upon the proper language which should be contained in Section 203. Also included in the pending bill will be direct authorization of the Susitna project thus making it eligible for Section 203 participation exclusive of the OMB desire for the \$3.0 million twelve month exploration program. The bill should reach the Senate Water Resources Subcommittee in mid April. The House version of the bill will probably not contain the amending language for Section 203 nor direct authorization for Susitna. Thus, these items will have to be added in conference committee. Considering the other national issues, it is estimated that the bill will not be authorized before July, 1978. Thus the Phase I Studies could begin by the latter part of the 1978 field season.

Alaska Power Authority Action: It is the intention of the Alaska Power Authority to participate under Section 203 for the Phase I studies. Financing for the studies would come from the sale of municipal bonds; thus, the State would not be subjected to debt encumbrance. Should the \$25,000,000 plus Phase I studies indicate that the project is not feasible, the Federal Government would repay the cost and interest of the bonds. At the conclusion of the Phase I studies, the State would have the option to proceed into construction with the Corps of Engineers or to use the services of a private engineering firm. Many of the studies to be conducted under Phase I would be managed by the Power Authority rather than the Corps of Engineers.

Plan of Study: The Alaska Power Authority made \$100,000 available to the Alaska District Corps of Engineers in July, 1977 for the purpose of developing the Phase I Study program. The Corps submitted their first draft to the State in September, 1977. Based on the State's review comments, the Corps is now finalizing the Susitna Plan of Study.

Land Status: The Susitna project would flood roughly 50,000 acres of land of which 24,000 acres have been classified as power withdrawal lands. This land, along with most of the remainder needed for the two proposed dams and reservoirs, has been claimed by the Cook Inlet Native Corporation and four native villages. Until the land can be transferred to the Natives, the Bureau of Land Management retains custody for the Federal government. Prior to entry for Phase I studies, access permission would be necessary from either BLM or the Native Associations depending on the owners at that time. The Cook Inlet Region is presently negotiating with the four villages to trade them out of the Susitna land. Presumably, the region would then negotiate the Susitna land for possible excess military land on Fort Richardson. The State could then claim the Susitna land under the terms of the Statehood Act, if it so desired.

D-2 Classification: Although the Susitna River was included as one of twenty rivers that should be studied by the BLM for possible classification as a Wild and Scenic River in 1972, Susitna was dropped from the list during the early screening. It was suggested in the study, however, that Susitna should be studied further. The House Interior Subcommittee has drafted their version of the D-2 Land Classification Bill and has included Susitna as a river that should be studied for possible classification as a Wild and Scenic River. Despite this classification, provisions have been made to allow for Phase I studies by the Corps of Engineers. Construction, however, would not be permitted until completion of the Wild and Scenic River study. Furthermore, as long as the land belongs to the federal government, it is questionable whether Phase I studies could be conducted exclusive of the Corps of Engineers.

Funding: \$5.45 million has been included in the federal appropriation for input to the Alaska Hydropower Revolving Loan Fund.

This is the estimated cost of financing the first year of the four year Phase I Study. However, since the total estimated cost is in excess of \$25.0 million, it would be desirable that the entire amount be placed in the Fund. As a show of good faith, upon enactment of the 1978 Water Resources Development Act, the State, through the sale of revenue bonds, would make available the full study cost amount. This would be held in escrow and could only be used to finance the Phase I studies to the extent that matching funds are paid into the Federal Fund. This show of good faith should provide the leverage for the federal government to put up the remainder of matching funds needed for Phase I.

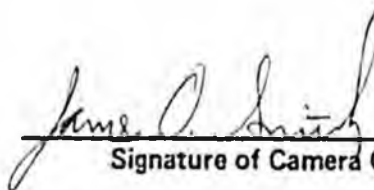
Agreement: A mutual agreement between the Alaska Power Authority and the Corps of Engineers would be developed and signed pursuant to passage of the 1978 Water Resources Omnibus Bill.



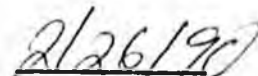
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Signature of Camera Operator



Date

J. FIN. HCR 74

Becky

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JUNEAU ALASKA

Alaska State Legislature

House

LETTER OF INTENT ON HCR 74

In its deliberations on HCR 74, the Commerce Committee found the rent calculation formula utilized by the Department of Administration for employee-occupied state housing to be questionable in several respects.

The most visible defect is the fact that the Department's formula is based upon U.S. Department of Housing and Urban Development (HUD) fair market rents for new construction. Those HUD figures are reflections of the value of new housing units to be built two years hence. It is difficult to see the logic in basing rents for existing units on the cost of newly constructed housing two years in the future.

The Department's geographic differential used in its rental calculation also appears to be inaccurate. It reflects an overall cost of living adjustment, but not any considerations of regional variations in the cost of existing housing. HUD's fair market rents for existing units are a far more reliable indicator of geographic differences in the cost of housing. For one thing, the HUD fair market rents reflect differences in fair market rents in the 29 different census districts in Alaska, as opposed to the cost of living differentials selected by the Department from the 19 election districts that existed at the time of Statehood. The HUD figures are based solely on housing costs, and no other factors in the regional cost of living.

Therefore, it appears that the HUD fair market rents for existing units more accurately reflect, in the Committee's opinion, the current existing rental markets in the various areas of the state. That basis of setting rents is far more reasonable than the schedule for new construction which the Department of Administration clings to.

Joe McKinnon
Chairman
House Commerce Committee

COMMITTEE REPORT

SENATE

5/28/77

5/28/77

Date

Mr. President:

The Committee on FINANCE has had HR 74
employee-occupied state housing
under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that
CS for _____ do pass
- (and) recommends it be referred to the _____
committee
- reports it back without recommendation
- AND attaches a report of its intent
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends: _____
_____ recommends: _____
_____ recommends: _____

Chairman

In SFC 5/21/77

Introduced: 5/14/77
Referred: Commerce

1 IN THE HOUSE

BY McKINNON

2 HOUSE CONCURRENT RESOLUTION NO. 74

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 Relating to employee-occupied state housing.

6 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

7 WHEREAS the Department of Administration has mandated adjustments in
8 rental rates for employee-occupied, state-controlled housing; and

9 WHEREAS these adjustments have resulted in rental rates far in excess
10 of fair market rent for existing units as computed by the U.S. Department of
11 Housing and Urban Development; and

12 WHEREAS these adjustments will affect public health nurses stationed in
13 remote areas of Alaska who often represent the sole source of trained medical
14 care available to rural residents; and

15 WHEREAS private housing is scarce or completely unavailable in remote
16 areas of the state, and excessive rental rates for state-controlled housing
17 will force public health nurses out of remote areas into major population
18 areas where private housing is more readily available; and

19 WHEREAS the lack of housing at reasonable costs will seriously hamper
20 future recruitment of public health nurses, and will have an adverse effect
21 on the morale of currently employed public health nurses;

22 BE IT RESOLVED by the Alaska State Legislature that it is in the interest
23 of the people of Alaska for the state to continue to provide existing em-
24 ployee housing at reasonable rates to public health nurses stationed in remote
25 areas where private housing is not readily available; and be it

26 FURTHER RESOLVED that the Governor is respectfully requested to direct
27 the Department of Administration to recalculate the rent on employee-occupied
28 state housing using the U.S. Department of Housing and Urban Development's
29 fair market rents for existing units for the various regions of the state as

1 the base rent rate for housing units located in each region.

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May 19, 1977

HOUSE JOURNAL

1411

LETTER OF INTENT ON HCR 74

HCR
74

In its deliberations on HCR 74, the Commerce Committee found the rent calculation formula utilized by the Department of Administration for employee-occupied state housing to be questionable in several respects.

The most visible defect is the fact that the Department's formula is based upon U.S. Department of Housing and Urban Development (HUD) fair market rents for new construction. Those HUD figures are reflections of the value of new housing units to be built two years hence. It is difficult to see the logic in basing rents for existing units on the cost of newly constructed housing two years in the future.

The Department's geographic differential used in its rental calculation also appears to be inaccurate. It reflects an overall cost of living adjustment, but not any considerations of regional variations in the cost of existing housing. HUD's fair market rents for existing units are a far more reliable indicator of geographic differences in the cost of housing. For one thing, the HUD fair market rents reflect differences in fair market rents in the 29 different census districts in Alaska, as opposed to the cost of living differentials selected by the Department from the 19 election districts that existed at the time of Statehood. The HUD figures are based solely on housing costs, and no other factors in the regional cost of living.

Therefore, it appears that the HUD fair market rents for existing units more accurately reflect, in the Committee's opinion, the current existing rental markets in the various areas of the state. That basis of setting rents is far more reasonable than the schedule for new construction which the Department of Administration clings to.

Joe McKinnon

Joe McKinnon
Chairman
House Commerce Committee

The Commerce Committee has had HOUSE BILL NO. 97 (Termination of Homing Statute under the Uniform Commercial Code; HB 97) under consideration, and a majority of the members of the committee recommends passage. Concurring: McKinnon (Chairman), Christensen, Parr, Carpenter and Hayes. Not concurring: Bradley and Brown have no recommendation.

HB 97 was referred to the Judiciary Committee.

LETTER OF INTENT ON HCR 74

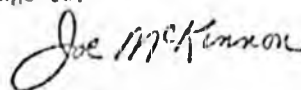
HCR
74

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Joe McKinnon
Chairman
House Commerce Committee

The Commerce Committee has had HOUSE BILL NO. 97 (termination of financing statements under the Uniform Commercial Code, HB eff. date) under consideration and a majority of the members 97 of the committee recommends do pass. Concurring: McKinnon (Chairman), Chatterton, Farr, Carpenter and Hayes. Not concurring: Bradley and Brown have no recommendation.

HB 97 was referred to the Judiciary Committee.

Introduced: 5/14/77
Referred: Commerce

1 IN THE HOUSE

BY McKINNON

2 HOUSE CONCURRENT RESOLUTION NO. 74

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 Relating to employee-occupied state housing.

6 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

7 WHEREAS the Department of Administration has mandated adjustments in
8 rental rates for employee-occupied, state-controlled housing; and

9 WHEREAS these adjustments have resulted in rental rates far in excess
10 of fair market rent for existing units as computed by the U.S. Department of
11 Housing and Urban Development; and

12 WHEREAS these adjustments will affect public health nurses stationed in
13 remote areas of Alaska who often represent the sole source of trained medical
14 care available to rural residents; and

15 WHEREAS private housing is scarce completely unavailable in remote
16 areas of the state, and excessive rental rates for state-controlled housing
17 will force public health nurses out of remote areas into major population
18 areas where private housing is more readily available; and

19 WHEREAS the lack of housing at reasonable costs will seriously hamper
20 future recruitment of public health nurses, and will have an adverse effect
21 on the morale of currently employed public health nurses;

22 BE IT RESOLVED by the Alaska State Legislature that it is in the interest
23 of the people of Alaska for the state to continue to provide existing em-
24 ployee housing at reasonable rates to public health nurses stationed in remote
25 areas where private housing is not readily available; and be it

26 FURTHER RESOLVED that the Governor is respectfully requested to direct
27 the Department of Administration to recalculate the rent on employee-occupied
28 state housing using the U.S. Department of Housing and Urban Development's
29 fair market rents for existing units for the various regions of the state as

1 the base rent rate for housing units located in each region.

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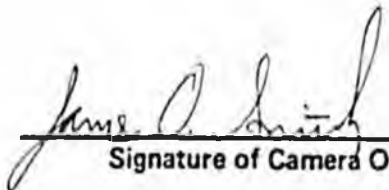
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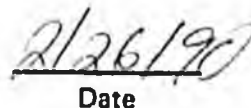
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Signature of Camera Operator



Date

COMMITTEE REPORT

HOUSE

5/8/75

FURTHER: _____

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HJR 76
Requesting financial assistance from the federal government to
restore state highway damage occasioned by the construction of the
trans-Alaska pipeline.

under consideration and (a majority of the committee) (the committee
reports it back as follows)

- recommends it do pass () recommends it do not pass
- () recommends it do pass with attached amendment(s)
- () recommends it be replaced with CS for _____

and _____ () new title () same title

- () AND attaches a Letter of Intent () New Fiscal Note
- () reports it back without recommendation
- () and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Chairman

Introduced: 5/8/78
Referred: Finance

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2

HOUSE JOINT RESOLUTION NO. 76

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TENTH LEGISLATURE - SECOND SESSION

5

Requesting financial assistance from the
6 federal government to restore state high-
7 way damage occasioned by the construction
8 of the trans-Alaska pipeline.

9

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10

WHEREAS final completion of the trans-Alaska pipeline brought to conclu-
11 sion the largest single, privately financed construction project in the
12 history of the nation; and

13

WHEREAS the project involved movement by highway of unprecedented
14 amounts of materials, supplies and equipment between ports and points of
15 entry to Alaska and project sites scattered from Prudhoe Bay to Valdez; and

16

WHEREAS the transportation of massive amounts of materials, supplies and
17 equipment across highways constructed during territorial days for far more
18 modest levels of traffic greatly aggravated the deterioration of the state's
19 highway system, especially in Interior and Southcentral Alaska; and

20

WHEREAS significant mileage of four principal highways used in conjunc-
21 tion with the construction of the trans-Alaska pipeline will be subject to
22 similar traffic use, in kind and degree, in the forthcoming construction of
23 the Alcan gas pipeline; and

24

WHEREAS construction of the means by which to deliver quantities of
25 Alaska's oil and gas to markets in the Lower 48 is a matter of national
26 interest; and

27

WHEREAS the State of Alaska, even with anticipated oil revenues, will
28 still be hard pressed to meet its highway needs; and

29

WHEREAS the principles of equity demand that all the beneficiaries of

1 the trans-Alaska pipeline should share in the restoration of the damaged
2 portions of the state highway system, which is estimated to cost between \$90
3 million and \$100 million;

4 BE IT RESOLVED by the Alaska State Legislature that the Secretary of
5 Transportation is urgently requested to initiate such measures as are neces-
6 sary to provide federal financial assistance to Alaska in the appropriate
7 amounts to restore those highways damaged by pipeline-related traffic to safe
8 and modern conditions, with principal emphasis upon the repair and restora-
9 tion of four highways which will be used in the construction of the Alcan
10 gasline, namely the Alaska Highway, the Richardson highway, the Tok Cut-Off,
11 and the Taylor Highway.

12 COPIES of this resolution shall be sent to the Honorable Jimmy Carter,
13 President of the United States, the Honorable Brock Adams, Secretary, De-
14 partment of Transportation, and to the Honorable Ted Stevens and the
15 Honorable Mike Gravel, U.S. Senators, and the Honorable Don Young, U.S.
16 Representative, members of the Alaska delegation in Congress.

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Introduced: 5/8/78
Referred: Finance

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 HOUSE JOINT RESOLUTION NO. 76

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 Requesting financial assistance from the
6 federal government to restore state high-
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15 Honorable Mike Gravel, U.S. Senators, and the Honorable Don Young, U.S.
16 Representative, members of the Alaska delegation in Congress.

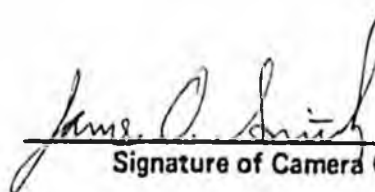
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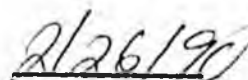
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Signature of Camera Operator



Date

COMMITTEE REPORT

HOUSE

FURTHER: _____

5/9/78

Date: 5/14/78

Mr. Speaker:

The Committee on FINANCE has had HJR 77

Authorizing the Alaska Power Authority to participate in the construction of a coal-fired electric generating project near Healy by incurring indebtedness for that project.

under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass () recommends it do not pass
- () recommends it do pass with attached amendment(s)
- () recommends it be replaced with CS for _____
- and _____ () new title () same title
- () AND attaches a Letter of Intent () New Fiscal Note
- () reports it back without recommendation
- () and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

[Handwritten signatures]

[Handwritten signature]
Chairman

Introduced: 5/9/78
Referred: Finance

BY THE RULES COMMITTEE
BY REQUEST

1 IN THE HOUSE

2 HOUSE JOINT RESOLUTION NO. 77

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 Authorizing the Alaska Power Authority to
6 participate in the construction of a
7 coal-fired electric generating project
8 near Healy by incurring indebtedness for
9 that project.

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

11 WHEREAS the Alaska Power Authority, in accordance with AS 44.56.180, has
12 submitted to the legislature and to the commissioner of commerce and economic
13 development a statement outlining the coal-fired electric generating project
14 which Golden Valley Electric Association, Inc., either alone or together with
15 the City of Fairbanks, Alaska, plans to construct, acquire and operate in or
16 near Healy, Alaska; and

17 WHEREAS the Alaska Power Authority has considered the needs of the area
18 to be served by the project, the benefit of the project to the area, and the
19 feasibility of the project from an engineering and an economic standpoint,
20 including the ability of the project to generate sufficient revenue to be
21 self-supporting, and has determined that the general prosperity and economic
22 welfare of the people of Alaska will be enhanced by proceeding with the
23 project which is expected to contribute to the goal of providing reasonable
24 cost power to the consumer; and

25 WHEREAS the cost to be incurred in financing the project, together with
26 costs incident to the authorization, sale and issuance of revenue bonds of
27 the authority for this purpose, is presently estimated not to exceed
28 \$300,000,000; and

29 WHEREAS legislative adoption of a joint resolution approving the general

1 design and maximum amount of bonds is a prerequisite to construction of
2 authority projects; and

3 WHEREAS it is considered to be in the best interests of the State of
4 Alaska to proceed with construction of this coal-fired electric generating
5 project with funds to be made available from the proceeds of revenue bonds of
6 the authority;

7 BE IT RESOLVED by the Alaska State Legislature that the plan outlined in
8 the statement of the Alaska Power Authority to the legislature and to the
9 commissioner of commerce and economic development is approved and that the
10 legislature approves the incurring of revenue bond indebtedness by the Alaska
11 Power Authority in an amount not to exceed \$300,000,000 in furtherance of
12 construction of the coal-fired electric generating project at Healy.

Bcc

ALASKA POWER AUTHORITY

333 WEST 4th - SUITE 31 - ANCHORAGE ALASKA 99501

May 2, 1978

The Honorable H. Phillip Hubbard
Commissioner
Department of Commerce and
Economic Development
Pouch D
Juneau, Alaska 99811

Dear Commissioner Hubbard:

This letter and joint resolution are being submitted to the Legislature and to the Commissioner of Commerce and Economic Development as required under Alaska Statute 44.56.180. It is the intention of the Alaska Power Authority to provide the financing necessary to design, acquire and construct the Healy II coal fired steam plant which will be developed to meet the electrical energy demands of Golden Valley Electric Association (GVEA) and Fairbanks Municipal Utility System (FMUS). Ownership of the Project is contingent on the most equitable arrangement for FMUS and GVEA, which is further contingent upon passage of amendments to the Power Authority enacting legislation presently before the Legislature. The proposed concurrent resolution (attached), if adopted by the Legislature, will provide the necessary authorization for the Power Authority to participate in the development of the project by issuing revenue bonds.

The need for additional electrical generation capacity in the Fairbanks area is based primarily on a 1976 Power Supply Study conducted by Tippet and Gee, consulting engineers for GVEA. This study has been augmented by a March 1978 study conducted by Battelle Pacific Northwest for the Power Authority and the Division of Energy and Power Development entitled "Alaskan Electric Power, An Analysis of Future Requirements and Supply Alternatives for the Railbelt Region". GVEA has retained Stanley Consultants to update their previous power cost study but it is not anticipated to be available for review during this legislative session.

The present generation in the Fairbanks load center consists exclusively of fossil fuel fired plants of which 65,345 Kw and 229,500 Kw of capacity are owned by FMUS and GVEA respectively. The combined 1976 generation for these two utilities was 460 million Kwh. National defense generation accounted for an additional 123 million Kwh. Based on the Tippet & Gee report, an additional 200,000 Kw will be needed to meet GVEA energy demand between now and 1986. With the slowdown of activity in the Fairbanks area, it is anticipated that the Stanley Consultants study will indicate a combined need of only 150,000 Kw during this time frame.

The Honorable John Rader
May 2, 1978
Page Two

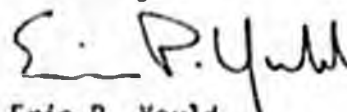
In order to meet the necessary demands, a number of alternatives were examined including combinations of coal fired steam, hydro-electric, regenerative cycle, combined cycle, and simple cycle. Tippet & Gee found the most economical system to consist of a two stage development comprising a 50,000 Kw simple cycle combustion turbine to be installed in 1981 and a 150,000 Kw minemouth coal fired steam plant at Healy with a power on line date of 1982. With the projected reduction in Fairbanks energy requirement, plans now call for joint demand in the Healy plant of 80% by GVEA and 20% by FMUS and deletion of the simple cycle plant. Refinements as a result of the Stanley study may slightly alter the size of the Healy Project.

The project would be located adjacent to the existing GVEA plant at Healy Fork and would be fueled by pulverized coal to be purchased from the Usibelli Coal Company. The Usibelli tract has proven reserves of 250 million tons and presently produces 750,000 tons annually. The new plant would require an annual consumption of 695,000 tons. The plant will be constructed to comply with all applicable environmental regulations. The project, as planned, will include site survey and preparation, building and equipment construction and installation, as well as minor road and bridge work. The generation facility itself includes a turbine-generator and steam generator, condenser, feed-water heaters, boiler feed pumps, water treatment equipment, a water and/or air and water in combination closed loop cycle cooling system, and pumps and piping. Also a part of the project is coal handling equipment, pollution control facilities, fuel oil storage, combustion control and ash disposal facilities, as well as electrical control panels, switchgear, conduits and cables and a step-up substation - including power transformers and oil circuit breakers. The electric energy produced at Healy by the new plant would be transported to the Fairbanks load center via a new 230 KV transmission line with a probable routing parallel to GVEA's existing 138 KV line.

The estimated unit cost in escalated 1982-83 dollars is \$1,900 per installed kilowatt. The total revenue bonds needed to finance the Healy Project are estimated not to exceed \$300,000,000. A December, 1977 study conducted by Goldman, Sachs & Company for FMUS indicates that the project is financiable through the Power Authority. Furthermore, it is the opinion of the Power Authority's Bond Counsel and Financial Advisors that the Healy Project is financially feasible. Estimates by GVEA indicate that financing through the Power Authority, in lieu of conventional financing, could save up to \$100 million over the life of the project.

This resolution is being forwarded pursuant to unanimous approval by the five members of the Board of Directors of the Alaska Power Authority on March 17, 1978.

Sincerely,


Eric P. Yould
Executive Director

ALASKA POWER AUTHORITY

333 WEST 4th - SUITE 31 - ANCHORAGE ALASKA 99501

May 2, 1978

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Department of Commerce and
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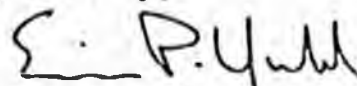
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This resolution is being forwarded pursuant to unanimous approval by the five members of the Board of Directors of the Alaska Power Authority on March 17, 1978.

Sincerely,



Eric P. Yould
Executive Director

Introduced: 5/9/78
Referred: Finance

BY THE RULES COMMITTEE
BY REQUEST

1 IN THE HOUSE

2 HOUSE JOINT RESOLUTION NO. 77

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 Authorizing the Alaska Power Authority to
6 participate in the construction of a
7 coal-fired electric generating project
8 near Healy by incurring indebtedness for
9 that project.

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

11 WHEREAS the Alaska Power Authority, in accordance with AS 44.56.180, has
12 submitted to the legislature and to the commissioner of commerce and economic
13 development a statement outlining the coal-fired electric generating project
14 which Golden Valley Electric Association, Inc., either alone or together with
15 the City of Fairbanks, Alaska, plans to construct, acquire and operate in or
16 near Healy, Alaska; and

17 WHEREAS the Alaska Power Authority has considered the needs of the area
18 to be served by the project, the benefit of the project to the area, and the
19 feasibility of the project from an engineering and an economic standpoint,
20 including the ability of the project to generate sufficient revenue to be
21 self-supporting, and has determined that the general prosperity and economic
22 welfare of the people of Alaska will be enhanced by proceeding with the
23 project which is expected to contribute to the goal of providing reasonable
24 cost power to the consumer; and

25 WHEREAS the cost to be incurred in financing the project, together with
26 costs incident to the authorization, sale and issuance of revenue bonds of
27 the authority for this purpose, is presently estimated not to exceed
28 \$300,000,000; and

29 WHEREAS legislative adoption of a joint resolution approving the general

1 design and maximum amount of bonds is a prerequisite to construction of
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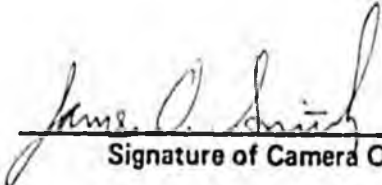
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8 the statement of the Alaska Power Authority to the legislature and to the
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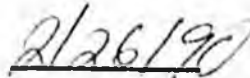


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Signature of Camera Operator



Date

COMMITTEE REPORT
SENATE

FURTHER: _____

5/23/78

Date: June 3, 1978

Mr. President:

The Committee on FINANCE has had HJR 77 authorizing Alaska Power Authority to participate in the construction of a coal-fired electric generating project near Healy by incurring indebtedness for that project

under consideration and (a majority of the committee) (the committee reports it back as follows)

- recommends it do pass recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____

- and _____ new title same title
- AND attaches a Letter of Intent New Fiscal Note
- reports it back without recommendation
- and recommends it be referred to the _____ Committee

MEMBERS SIGNING DO PASS:

OTHER RECOMMENDATIONS:

Chairman

ALASKA POWER AUTHORITY

333 WEST 4th - SUITE 31 - ANCHORAGE ALASKA 99501

May 2, 1978

The Honorable H. Phillip Hubbard
Commissioner
Department of Commerce and
Economic Development
Pouch D
Juneau, Alaska 99811

Dear Commissioner Hubbard:

This letter and joint resolution are being submitted to the Legislature and to the Commissioner of Commerce and Economic Development as required under Alaska Statute 44.55.180. It is the intention of the Alaska Power Authority to provide the financing necessary to design, acquire and construct the Healy II coal fired steam plant which will be developed to meet the electrical energy demands of Golden Valley Electric Association (GVEA) and Fairbanks Municipal Utility System (FMUS). Ownership of the Project is contingent on the most equitable arrangement for FMUS and GVEA, which is further contingent upon passage of amendments to the Power Authority enacting legislation presently before the Legislature. The proposed concurrent resolution (attached), if adopted by the Legislature, will provide the necessary authorization for the Power Authority to participate in the development of the project by issuing revenue bonds.

The need for additional electrical generation capacity in the Fairbanks area is based primarily on a 1976 Power Supply Study conducted by Tippet and Gee, consulting engineers for GVEA. This study has been augmented by a March 1978 study conducted by Battelle Pacific Northwest for the Power Authority and the Division of Energy and Power Development entitled "Alaskan Electric Power, An Analysis of Future Requirements and Supply Alternatives for the Railbelt Region". GVEA has retained Stanley Consultants to update their previous power cost study but it is not anticipated to be available for review during this legislative session.

The present generation in the Fairbanks load center consists exclusively of fossil fuel fired plants of which 65,345 Kw and 229,500 Kw of capacity are owned by FMUS and GVEA respectively. The combined 1976 generation for these two utilities was 460 million Kwh. National defense generation accounted for an additional 123 million Kwh. Based on the Tippet & Gee report, an additional 200,000 Kw will be needed to meet GVEA energy demand between now and 1986. With the slowdown of activity in the Fairbanks area, it is anticipated that the Stanley Consultants study will indicate a combined need of only 150,000 Kw during this time frame.

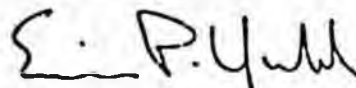
In order to meet the necessary demands, a number of alternatives were examined including combinations of coal fired steam, hydro-electric, regenerative cycle, combined cycle, and simple cycle. Tippet & Gee found the most economical system to consist of a two stage development comprising a 50,000 Kw simple cycle combustion turbine to be installed in 1981 and a 150,000 Kw minemouth coal fired steam plant at Healy with a power on line date of 1982. With the projected reduction in Fairbanks energy requirement, plans now call for joint demand in the Healy plant of 80% by GVEA and 20% by FMUS and deletion of the simple cycle plant. Refinements as a result of the Stanley study may slightly alter the size of the Healy Project.

The project would be located adjacent to the existing GVEA plant at Healy Fork and would be fueled by pulverized coal to be purchased from the Usibelli Coal Company. The Usibelli tract has proven reserves of 250 million tons and presently produces 750,000 tons annually. The new plant would require an annual consumption of 695,000 tons. The plant will be constructed to comply with all applicable environmental regulations. The project, as planned, will include site survey and preparation, building and equipment construction and installation, as well as minor road and bridge work. The generation facility itself includes a turbine-generator and steam generator, condenser, feed-water heaters, boiler feed pumps, water treatment equipment, a water and/or air and water in combination closed loop cycle cooling system, and pumps and piping. Also a part of the project is coal handling equipment, pollution control facilities, fuel oil storage, combustion control and ash disposal facilities, as well as electrical control panels, switchgear, conduits and cables and a step-up substation - including power transformers and oil circuit breakers. The electric energy produced at Healy by the new plant would be transported to the Fairbanks load center via a new 230 KV transmission line with a probable routing parallel to GVEA's existing 138 KV line.

The estimated unit cost in escalated 1982-83 dollars is \$1,900 per installed kilowatt. The total revenue bonds needed to finance the Healy Project are estimated not to exceed \$200,000,000. A December, 1977 study conducted by Goldman, Sachs & Company for FMUS indicates that the project is financiable through the Power Authority. Furthermore, it is the opinion of the Power Authority's Bond Counsel and Financial Advisors that the Healy Project is financially feasible. Estimates by GVEA indicate that financing through the Power Authority, in lieu of conventional financing, could save up to \$100 million over the life of the project.

* This resolution is being forwarded pursuant to unanimous approval by the five members of the Board of Directors of the Alaska Power Authority on March 17, 1978.

Sincerely,



Eric P. Yould
Executive Director

Introduced: 5/9/78
Referred: Finance

BY THE RULES COMMITTEE
BY REQUEST

1 IN THE HOUSE

2 HOUSE JOINT RESOLUTION NO. 77

3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TENTH LEGISLATURE - SECOND SESSION

5 Authorizing the Alaska Power Authority to
6 participate in the construction of a
7 coal-fired electric generating project
8 near Healy by incurring indebtedness for
9 that project.

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

11 WHEREAS the Alaska Power Authority, in accordance with AS 44.56.180, has
12 submitted to the legislature and to the commissioner of commerce and economic
13 development a statement outlining the coal-fired electric generating project
14 which Golden Valley Electric Association, Inc., either alone or together with
15 the City of Fairbanks, Alaska, plans to construct, acquire and operate in or
16 near Healy, Alaska; and

17 WHEREAS the Alaska Power Authority has considered the needs of the area
18 to be served by the project, the benefit of the project to the area, and the
19 feasibility of the project from an engineering and an economic standpoint,
20 including the ability of the project to generate sufficient revenue to be
21 self-supporting, and has determined that the general prosperity and economic
22 welfare of the people of Alaska will be enhanced by proceeding with the
23 project which is expected to contribute to the goal of providing reasonable
24 cost power to the consumer; and

25 WHEREAS the cost to be incurred in financing the project, together with
26 costs incident to the authorization, sale and issuance of revenue bonds of
27 the authority for this purpose, is presently estimated not to exceed
28 \$300,000,000; and

29 WHEREAS legislative adoption of a joint resolution approving the general

HJR 77

1 design and maximum amount of bonds is a prerequisite to construction of
2 authority projects; and

3 WHEREAS it is considered to be in the best interests of the State of
4 Alaska to proceed with construction of this coal-fired electric generating
5 project with funds to be made available from the proceeds of revenue bonds of
6 the authority;

7 BE IT RESOLVED by the Alaska State Legislature that the plan outlined in
8 the statement of the Alaska Power Authority to the legislature and to the
9 commissioner of commerce and economic development is approved and that the
10 legislature approves the incurring of revenue bond indebtedness by the Alaska
11 Power Authority in an amount not to exceed \$300,000,000 in furtherance of
12 construction of the coal-fired electric generating project at Healy.