

LEG. FINANCE - BILLS 1977 - 1978 873

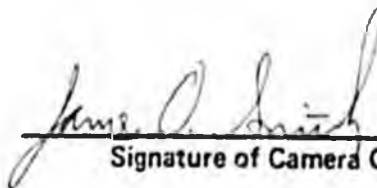
HCR 92, 83, HJR 84, HCR 85 91 873



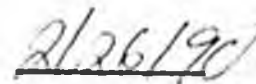
RECORDS CERTIFICATION



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

Introduced: 1/23/78
Referred: The Special Committee
on the Sale of Royalty Oil & Gas
and Finance

1 IN THE HOUSE

BY SWANSON, PARR, CARPENTER,
BENNETT, COWPER AND SMITH

2 HOUSE CONCURRENT RESOLUTION NO. 92

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 Relating to the use of royalty gas.

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

7 WHEREAS, nineteen years ago, when Alaska became a state, it was because
8 its citizens were tired of being the hewers of wood and haulers of water for
9 the "lower 48" states; and

10 WHEREAS at last Alaska is in the enviable position of being able to
11 develop a sound industrial base; and

12 WHEREAS oil and gas resources provide an immediate opportunity for
13 Alaska to make good use of the "human value added" concept essential to the
14 creation of new wealth and the maintenance of independence for the indivi-
15 dual; and

16 WHEREAS Alaska's economic base is presently dependent upon government
17 spending of one type or another and needs diversification; and

18 WHEREAS Alaska's royalty oil and gas resources provide an immediate
19 opportunity for Alaska to develop an industrial base and to develop year-
20 round employment opportunities for its citizens; and

21 WHEREAS a clear indication exists that the majority of Alaska's citizens
22 want most of their resources processed within Alaska; and

23 WHEREAS the technology exists to satisfy environmental concerns in order
24 that Alaska's citizens will be able to continue to enjoy Alaska as they have
25 in the past; and

26 WHEREAS the state has a very short time during which to inform Northwest
27 Alaska Pipeline Company and the other representatives of the petrochemical
28 industry of its intentions with regard to its royalty gas; and

29 WHEREAS a decision not to do anything will be interpreted by the industry

1 as a sign of disinterest;

2 BE IT RESOLVED by the Alaska State Legislature that it respectfully
3 requests the Governor, the Commissioner of Natural Resources, and the Royalty
4 Oil and Gas Development Advisory Board to indicate clearly, before March 1,
5 1978, that Alaska's royalty gas from the North Slope will be processed and
6 upgraded as much as possible within the State of Alaska so that jobs are not
7 exported with resources.

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Original sponsors: Swanson, Parr,
Carpenter, et al

Offered: 5/25/78
Referred: Finance

1 IN THE HOUSE

BY THE SPECIAL COMMITTEE ON
THE SALE OF ROYALTY OIL AND GAS

2 CS FOR HOUSE CONCURRENT RESOLUTION NO. 92
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TENTH LEGISLATURE - SECOND SESSION

5 Relating to the use of royalty re-
6 sources.

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

8 WHEREAS Alaska is in the enviable position of being able to develop a
9 sound industrial base; and

10 WHEREAS oil and gas resources provide an immediate opportunity for
11 Alaska to make good use of the value-added concept essential to the creation
12 of new wealth and the maintenance of independence for the individual; and

13 WHEREAS Alaska's royalty oil and gas resources provide an opportunity
14 for Alaska to develop an industrial base and to develop year-round employment
15 opportunities for its citizens; and

16 WHEREAS the majority of Alaska's citizens want most of their resources
17 processed within Alaska; and

18 WHEREAS Alaska's economic base needs diversification; and

19 WHEREAS the technology exists to satisfy environmental concerns in order
20 that Alaska's citizens will be able to continue to enjoy Alaska as they have
21 in the past; and

22 WHEREAS the state must inform Northwest Alaska Pipeline Company and the
23 other representatives of the petrochemical industry of its intentions with
24 regard to its royalty gas;

25 BE IT RESOLVED by the Alaska State Legislature that it respectfully
26 requests the Governor, the Commissioner of Natural Resources, and the Royalty
27 Oil and Gas Development Advisory Board to define and publish specific cri-
28 teria for future sales of the state's royalty resources and that such cri-
29 teria consider the desirability of in-state processing; and be it

1 FURTHER RESOLVED by the Alaska State Legislature that it respectfully
2 requests the Governor, the Commissioner of Natural Resources, and the Royalty
3 Oil and Gas Development Advisory Board to ensure that when severed from the
4 North Slope, Alaska royalty gas will be processed and upgraded as much as
5 possible within the State of Alaska if such processing meets the criteria
6 requested above.

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COMMITTEE REPORT

HOUSE

FURTHER: _____

5/25/78

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HCR 92
Relating to the use of royalty gas.

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

COMMITTEE REPORT

HOUSE

1-23-78

FURTHER: FINANCE

Date: April 16, 1978

Mr. Speaker:

The Committee on SPEC. COM. ON SALE OF ROYALTY has had HCR 92
OIL & GAS
Relating to the use of royalty gas.

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 HCR 92

and that it do pass 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:

Bill Niele
Alvin Osterback
Charles W. Pan

OTHER RECOMMENDATIONS:

Bill Niele
Chairman

Original sponsors: Swanson, Parr,
Carpenter, et al

Offered: 5/25/78
Referred: Finance

1 IN THE HOUSE

BY THE SPECIAL COMMITTEE ON
THE SALE OF ROYALTY OIL AND GAS

2 CS FOR HOUSE CONCURRENT RESOLUTION NO. 92

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

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Introduced: 1/23/75
Referred: The Special Committee
on the Sale of Royalty Oil & Gas
and Finance

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Guthrie

1 IN THE HOUSE

BY SWANSON, PARR, CARPENTER,
BENNETT, COWPER AND SMITH

2 HOUSE CONCURRENT RESOLUTION NO. 92

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

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ALASKA STATE LEGISLATURE

TENTH... Legislature SECOND... Session

HOUSE CONCURRENT RES. NO. 92.....

By SWANSON, PARR, CARPENTER.....
BENNETT, COWPER, & SMITH

Relating to the use of Royalty gas

Royalty gas

Introduced in the House ... 1-23, 1978

HISTORY IN THE HOUSE

19 78	Read first time and referred to Committee on												
Jan. 23	Spec. Com. on Royalty Oil & Gas. & Finance Reported back with recommendation that												
	Read second time and												
	Read third time and												
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
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	<table border="0"> <tr> <td colspan="2">Reconsideration</td> </tr> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	Reconsideration		PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
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Yeas	Yeas												
Nays	Nays												
Absent	Absent												
Excused	Excused												
	Reported correctly engrossed												
	Signed by Speaker												
	Sent to Senate												

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19	Read first time and referred to Committee on												
	Reported back with recommendation that												
	Read second time and												
	Read third time and												
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	Reported correctly engrossed												
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	Returned to House												

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

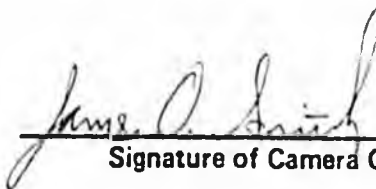
19	Received from Senate
	Concurred in Senate amendment thus adopting:
	Failed to concur in Senate amendment; asked Sen. to recede
	Senate receded from amendment
	Senate failed to recede from amendment
	FCC appointed by House
	FCC appointed by Senate
	FCC adopted
	To enrolling
	Reported correctly enrolled
	Sent to Governor
 by Governor
	Filed with Lt. Governor
	Chapter No.

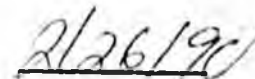


RECORDS CERTIFICATION



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Signature of Camera Operator


Date

Rm. 413

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HCR

Title Directing Legislative Council to conduct a fisheries tax study

Requested by Representative Osterback

Date 11/15/77

II. FISCAL DETAIL

Agency Affected Legislative Affairs Agency and Dept. of Revenue

Program Category Affected -----

Budget Request Unit(s) Affected -----

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES		21.5	-0-		
200 TRAVEL		3.0	-0-		
300 CONTRACTUAL		20.0	-0-		
400 COMMODITIES		2.0	-0-		
500 EQUIPMENT		-0-	-0-		
600 LAND & STRUCTURES		-0-	-0-		
700 GRANTS, CLAIMS, ETC.		-0-	-0-		
		-0-	-0-		
TOTAL		46.5	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND		46.5			
FEDERAL FUNDS		-0-			
OTHER (Specify)		-0-			
		-0-			

POSITIONS

FULL TIME					
PART TIME					
TEMPORARY		4			

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

The analysis will not require new positions for either Legislative Affairs or Dept. of Revenue. The analysis is intended to be conducted using two temporary clerical (range 12), two temporary auditors (range 1B) and a consultant. Temporary staff and consultant will be needed for approximately three months. \$5,000 of contractual services is tented for any necessary computer programming or data processing. The analysis will require a review of present fisheries tax law, in amounts and distribution of tax liability, and a policy analysis of present law; and recommendations for revision to the fisheries tax laws, including justification and impact.

IV. DATE 12/7/77

PREPARED BY John Williams/John E. Berger
AGENCY Legislative Affairs/Dept. of Revenue
PHONE 465-4918/465-7102

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

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION
POUCH W—ALASKA OFFICE BUILDING

FINANCE DIVISION
POUCH WF—STATE CAPITOL

JUNEAU 99801

MEMORANDUM

TO: Files of HCR 83 and HB 555 DATE: January 20, 1978

FROM: Jay Hogan SUBJECT: Fiscal Note
 Director
 Legislative Finance Division

The two measures are combined pieces:

HCR 83 directs the Legislative Council to conduct an analysis of fishery taxation policy;

and

HB 555 appropriates the sum of \$46,500 to the Legislative Affairs Agency for the study.

JH:vsw

Introduced: 1/9/78
Referred: Resources and
Finance

1 IN THE HOUSE

BY OSTERBACK AND SNIDEP

2 HOUSE CONCURRENT RESOLUTION NO. 83

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 Directing the Legislative Council to
6 conduct an analysis of Alaska fishery
7 taxation policy.

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

9 WHEREAS Alaska's fishery taxation laws are still based on a taxing
10 system established during Alaska's territorial days when the only significant
11 fishery was the Alaska salmon fishery; and

12 WHEREAS this antiquated taxing system discriminates irrationally between
13 species of fish, between types of final fishery products produced, between
14 raw fish value and wholesale value in determining tax bases for different
15 species, and between types and location of processing facilities utilized;
16 and

17 WHEREAS the recently enacted 200-mile fisheries law offers opportunities
18 for a greatly expanded fishing industry in Alaska based on species not pres-
19 ently utilized to any degree by the domestic fishing industry;

20 BE IT RESOLVED that the Legislative Council is directed to conduct, in
21 cooperation with the Department of Revenue and through the Legislative Affairs
22 Agency, an analysis of fishery taxation policy; and be it

23 FURTHER RESOLVED that the Governor is respectfully requested to direct
24 the Department of Revenue to assist the Council in conducting this study; and
25 be it

26 FURTHER RESOLVED that the Legislative Council report its findings and
27 recommendations to the First Session, Eleventh Legislature.
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COMMITTEE REPORT

HOUSE

1/20/78

FURTHER: _____

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HCR 83

Directing the Legislative Council to conduct an analysis of Alaska fishery taxation policy.

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:

COMMITTEE REPORT

HOUSE

FURTHER: Finance

Date: January 19, 1978

Mr. Speaker:

The Committee on Resources has had HCR 83

Directing the Legislative Council to conduct an analysis of Alaska fishery taxation policy.

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:

Mark H. Smider Do Pass

Mr. W. O. Do Pass

Alvin Osterback Do Pass

J. Malone Do Pass

OTHER RECOMMENDATIONS:

Richard No rec.

Paul M. Rec

R. U. - no rec

W. A. No Rec

Alvin Osterback
Chairman

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

AUDIT DIVISION
POUCH W—ALASKA OFFICE BUILDINGFINANCE DIVISION
POUCH WF—STATE CAPITOL

JUNEAU 99801

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TO: Files of HCR 83 and HB 555 DATE: January 20, 1978

FROM: Jay Hogan SUBJECT: Fiscal Note
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Legislative Finance Division

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JH:vsW

4422
Vance

Introduced: 1/9/78
Preferred: Resources and
Finance

1 IN THE HOUSE

BY OSTERBACK AND SNIDER

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4 TENTH LEGISLATURE - SECOND SESSION

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ALASKA STATE LEGISLATURE

TENTH... Legislature SECOND.. Session

HOUSE CONCURRENT RES NO. 83

By ..OSTERBACK AND SNIDER.....

Directing the Legislative Council to conduct an analysis of Alaska fishery taxation policy.

Ak. fishery taxation policy

introduced in the House1-9-1978.....

HISTORY IN THE HOUSE

19 78

Jan. 9

Read first time and referred to Committee on Resources and Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by Speaker
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

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Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

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PASS	Effective Date
Yeas	Yeas
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Reconsideration

PASS	Effective Date
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Reported correctly engrossed
Signed by President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

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Received from Senate

Concurred in Senate amendment thus adopting;

Failed to concur in Senate amendment; asked Sen. to recede

Senate receded from amendment

Senate failed to recede from amendment

FCC appointed by House

FCC appointed by Senate

FCC adopted

To enrolling

Reported correctly enrolled

Sent to Governor

..... by Governor

Filed with Lt. Governor

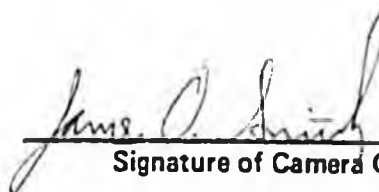
Chapter No.

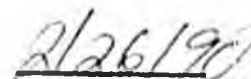


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Signature of Camera Operator


Date

COMMITTEE REPORT

HOUSE

FURTHER: _____

6/10/78

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HJR 84

Expressing appreciation to the Arizona House of Representatives for its support of the state's position on amendment of pending Alaska National Interest Lands legislation.

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

recommends it do pass () recommends it do not pass

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and _____ () new title () same title

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OTHER RECOMMENDATIONS:

Chairman

Introduced: 6/10/78
Referred: Finance

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 HOUSE JOINT RESOLUTION NO. 84

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 Expressing appreciation to the Arizona
6 House of Representatives for its support
7 of the state's position on amendment of
8 pending Alaska National Interest Lands
9 legislation.

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

11 WHEREAS the United States Congress has under consideration legislation
12 which, if enacted, would maintain millions of acres of federal land in Alaska
13 in national preservation areas, without regard to management for and develop-
14 ment of resource values; and

15 WHEREAS the Alaska State Legislature, seeking support for its position
16 that pending Alaska National Interest Land legislation fails to consider
17 other national interests and fails to account and provide for the interests
18 of the state and its citizens, has contacted other state legislatures; and

19 WHEREAS the House of Representatives of the State of Arizona, after
20 welcoming visiting members of the Alaska Legislature and providing opportunity
21 to present this state's position, has adopted House Memorial 2003, urging
22 Congress to consider the needs and desires of Alaska's citizens in enacting
23 Alaska National Interest Lands legislation; and

24 WHEREAS House Memorial 2003 of the 2d session, 33rd Arizona Legislature,
25 serves notice to the members of the Arizona delegation in Congress and to
26 other United States representatives and senators serving on key Congressional
27 committees considering Alaska National Interest Lands legislation that the
28 Arizona House of Representatives urges greater opportunity for resource and
29 energy inventory and development in Alaska lands and recognition that the

1 interests of the state and its citizens in the federal lands should not be
2 ignored;

3 BE IT RESOLVED by the Alaska State Legislature that it sincerely appre-
4 ciates the opportunity provided by the members of the Arizona House of Repre-
5 sentatives to Alaska's legislators to make known the views of the state and
6 expresses gratitude to the members of that legislative body for their expedi-
7 tious treatment and favorable response to our call for public support for a
8 more equitable and representative position with respect to National Interest
9 Lands in Alaska.

10 COPIES of this resolution shall be sent to the Honorable Don Stewart,
11 State Representative in the Arizona Legislature and principal sponsor of
12 House Memorial 2003; to the Honorable Frank Kelley, Speaker of the Arizona
13 House of Representatives; and to the Honorable Ted Stevens and the Honorable
14 Mike Gravel, U. S. Senators, and the Honorable Don Young, U. S. Representa-
15 tive, members of the Alaska delegation in Congress.

DON STEWART
4002 WEST KEIM DRIVE
PHOENIX, ARIZONA 85019



COMMITTEES.
AGRICULTURE,
CHAIRMAN
HUMAN RESOURCES
NATURAL RESOURCES & ENERGY
TRANSPORTATION

Arizona House of Representatives
Phoenix, Arizona 85007

THIRTY-THIRD LEGISLATURE

1977 - 1978

May 23, 1978

The Honorable Mike Miller
State Representative
Box 1494
Juneau, Alaska 99802

Dear Mr. Miller:


Enclosed is a copy of a House Memorial that I had introduced on May 10. It merely urges Congress to give consideration to the desires and needs of Alaska citizens in enacting an Alaska National Interests Lands Act. I carried it on the Committee of the Whole, and it passed out of the House on third reading, with a substantial margin. It was then forwarded to our Secretary of State to be transmitted to those mentioned on page 2, lines 11 through 15 of the bill.

I have a personal interest in Alaska, as I have lived in the area as a small boy, on Dominion Creek near Dawson, and again in the twenties, when I was prospecting for silver with my dad, in the Mayo area.

It is my hope that Congress will use common sense in letting Alaska inventory its natural resources before being choked off by wilderness areas and other land grabs.

I wish you all success in your endeavor.

Sincerely yours,


DON STEWART
State Representative

DS:jm
Enclosure

1 of new national forests in the interior of Alaska, completion of the
2 selection process of the state and natives, state game management as
3 guaranteed under the Statehood Act and cooperative federal-state planning
4 and development would be against the best interests of the citizens of
5 the State of Alaska and nation alike.
6 Wherefore your memorialist, the House of Representatives of the State of
7 Arizona prays:
8 1. That Congress consider and incorporate in the Alaska National
9 Interest Lands Act the desires and needs of Alaskan citizens.
10 2. That the Secretary of State of the State of Arizona transmit
11 copies of this Memorial to the President of the United States Senate,
12 the Speaker of the House of Representatives of the United States, each
13 Member of the Arizona Congressional Delegation, each Member of the
14 Senate Energy and Natural Resources Committee and each Member of the
15 House Interior and Insular Affairs Committee.

STATE OF ARIZONA

33rd LEGISLATURE

2nd REGULAR SESSION

HOUSE

H. M. 2003
Introduced
May 10, 1978

REFERENCE TITLE: Alaska national interest lands act

Referred on May 10, 1978

Rules

Introduced by Representatives Stewart, Akers, Barr, Bradford, Carlson, Cooper, Corpstein, P. Dunn, Elliott, English, Everett, Flynn, Goodwin, Harelson, Hartdegen, Hawke, Hays, Holman, Humphreys, Jeffers, Jones, Jordan, Kay, Kelley, Kenney, Kunasek, Lewis, McCarthy, McConnell, Ratliff, Rigel, Rockwell, Rosenbaum, Skelly, Sossaman, Steiner, Vukceovich, West, Wettaw, Woodward, Wright; Senators Camping, Hayes, Pritzlaff (with permission of Committee on Rules)

A MEMORIAL

URGING CONGRESS TO CONSIDER THE DESIRES AND NEEDS OF ALASKAN CITIZENS IN ENACTING AN ALASKA NATIONAL INTEREST LANDS ACT.

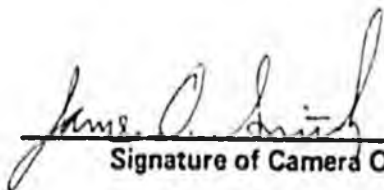
- 1 To the Congress of the United States:
- 2 Your memorialist respectfully represents:
- 3 Whereas, the Alaska Native Claims Settlement Act of 1971, Section 19
- 4 (d)(2), specified that the Secretary of the Interior may withdraw up to,
- 5 but not to exceed, eighty million acres of unreserved public land in the
- 6 State of Alaska for possible addition to the national park, forest, wild-
- 7 life refuge, and wild and scenic river systems; and
- 8 Whereas, the U.S. Congress is addressing this issue during the
- 9 current session; and
- 10 Whereas, a careful inventory of the mineral potential of the land
- 11 that may be included in a management category, which would foreclose
- 12 mineral exploration and development, should be undertaken and completed
- 13 before its designation into a management category; and
- 14 Whereas, large blocks of land with identifiable agricultural
- 15 potential should be included in management systems which would allow for
- 16 future agricultural development; and
- 17 Whereas, cooperative federal-state procedures or institutions
- 18 should be established to make future recommendations or designations on
- 19 policy, planning and management of Alaska's federal and state land; and
- 20 Whereas, municipalities in the state oppose any legislation that
- 21 would create instant land-use classifications severely restricting land
- 22 and resources without consideration for other land-use potential; and
- 23 Whereas, passage of this bill without a careful mineral inventory
- 24 and guaranteed access provisions, traditional environmental and economic
- 25 impact studies, provisions for future agricultural development, creation



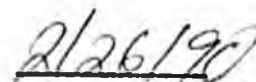
RECORDS CERTIFICATION



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

HOUSE

5/4/78

FURTHER: _____

Date: 5/23/78

Mr. Speaker:

The Committee on Finance has had HCR 85

Relating to the State Personnel Act (AS 39.25).

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 HCR 25

and that it do pass () 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:

Freeman

Freeman

Wright

97

OTHER RECOMMENDATIONS:

Freeman - 2nd sec
Ande No Rec

Freeman
Chairman

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

REVISED

rec.
F.V.

I. REQUEST

Bill/Resolution No. HR 25
Title _____
Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Legislative Council
Program Category Affected _____
Budget Request Unit(s) Affected _____

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES			25.0			
200 TRAVEL			23.4			
300 CONTRACTUAL			6.1			
400 COMMODITIES			1.0			
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL			57.3			

FUNDING (Thousands of Dollars)

GENERAL FUND			57.3			
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME			1			
PART TIME			2			
TEMPORARY						

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

Assumptions: A commission of thirteen members
Staff counsel, equipment and space to be provided by
Legislative Affairs Agency during interim at no additional cost.
Personal Services: 1/4 time Director for 6 mo, equivalent of 1/2 time research/
administrative staff for 6 mo, full time secretary for 6 mo.
Travel: 4 meetings, 3 public hearings, and consultant travel
Contractual: Consultant fees, phone, postage, aerox, ads, printing stationery
and final report
Commodities: office supplies

IV. DATE 3/2/79 PREPARED BY FRANK FLAVIN
AGENCY MANAGEMENT
PHONE _____

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

Director, range 28 (\$3798/mo) x 1/4 time x 6 mo	5.6
Admin/Research staff, range 22 (\$2661/mo) x 1/2 time x 6 mo	8.0
Secretary, range 12 (\$1293/mo) x full time x 6 mo	7.8
Staff counsel	--
Benefits	5.4
	<u>26.8</u>
4 meetings	
2.5 days per diem each	6.5
travel average \$150 per person	7.8
consultant travel	
2 at \$300	.6
3 public hearings	
(2 days Juneau, 1 day Anchorage, 1 day Fairbanks)	5.9
	2.6
	<u>23.4</u>
consultant fees 2 at \$500	1.0
typewriters, rent, space, local phone	--
long distance phone	1.2
postage	.1
xerox	.3
advertise hearings	.5
stationery	1.0
final report	2.0
	<u>6.1</u>
commodities	1.0
equipment	--

	<u>57.3</u>



Official Business

Alaska State Legislature

House of Representatives

Office of the Majority Leader

Pouch V
State Capitol
Juneau, Alaska 99811

May 26, 1978

To: Jay Hogan
From: Mike Miller

A handwritten signature in cursive script, appearing to read "Mike Miller".

Jay--

Inasmuch as the House incorporated HCR 85 (the Blue Ribbon Personnel-Investigation Resolution) onto SCR 88, it will be necessary to fund the added legislation. Attached is the fiscal note developed by the Finance Committee when the Personnel Resolution was before that committee. It should go in your fiscal note file for passed legislation.

cc: Steve Cowper
John Sackett

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE *REVISED*

I. REQUEST
Bill/Resolution No. HR 05
Title _____
Requested by _____ Date _____

II. FISCAL DETAIL
Agency Affected Legislative Council
Program Category Affected _____
Budget Request Unit(s) Affected _____

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES			25.0			
200 TRAVEL			21.4			
300 CONTRACTUAL			6.1			
400 COMMODITIES			1.0			
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL			57.3			

FUNDING (Thousands of Dollars)

GENERAL FUND			57.3			
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME			1			
PART TIME			2			
TEMPORARY						

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

Assumptions: A commission of thirteen members
Staff counsel, equipment and space to be provided by
Legislative Affairs Agency during interim at no additional cost.
Personal Services: 1/4 time Director for 6 mo, equivalent of 1/2 time research/
administrative staff for 6 mo, full time secretary for 6 mo.
Travel: 4 meetings, 3 public hearings, and consultant travel
Contractual: Consultant fees, phone, postage, xerox, ads, printing stationery
and final report
Commodities: office supplies

IV. DATE 3/2/79 PREPARED BY FRANK FLANN
AGENCY LEGISLATIVE COUNCIL
Original: Legislative Finance PHONE _____
cc. Budget and Management
Prime Sponsor (First Legislator Named)

Director, range 23 (\$3708/mo) x 1/4 time x 6 mo	5.6
Admin/Research staff, range 22 (\$2661/mo) x 1/2 time x 6 mo	8.0
Secretary, range 12 (\$1293/mo) x full time x 6 mo	7.8
Staff counsel	--
Benefits	<u>5.4</u>
	26.8
4 meetings	
2.5 days per diem each	6.5
travel average \$150 per person	7.8
consultant travel	.6
2 at \$300	
3 public hearings	
(2 days Juneau, 1 day Anchorage, 1 day Fairbanks)	5.9
	<u>2.0</u>
	23.4
consultant fees 2 at \$500	1.0
typewriters, rent, space, local phone	--
long distance phone	1.2
postage	.1
xerox	.3
advertise hearings	.5
stationery	1.0
final report	<u>2.0</u>
	6.1
commodities	1.0
equipment	--
	<u><u>57.3</u></u>

PROPOSED AMENDMENT TO HCR 85

Add after line 22:

to include an investigation of the feasibility of decentralizing the hire of employees and a method for regularizing the hiring of specialists who, because of higher comparable salaries in the private sector for the skills involved, must be paid at levels in excess of the salary schedule,

Introduced: 1/11/78
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE
BY REQUEST OF THE OMBUDSMAN

2 HOUSE CONCURRENT RESOLUTION NO. 85

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 Relating to the State Personnel Act (AS
6 39.25).

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

8 WHEREAS the State Personnel Act (AS 39.25) of the State of Alaska
9 represents a considerable and vital body of law which has not undergone
10 substantive revision and is consequently vastly out of step with personnel
11 developments of the last decade; and

12 WHEREAS the advent of collective bargaining and the tremendous growth
13 in the number of state government employees require refinement of the
14 personnel system; and

15 WHEREAS investigations by the Legislative Audit Division and the
16 Office of the Ombudsman have revealed major deficiencies in the present
17 personnel system; and

18 WHEREAS it is impossible during the course of a legislative session
19 to devote the necessary time required to study and refine the Personnel Act;

20 BE IT RESOLVED by the Alaska State Legislature that the Legislative
21 Council, in cooperation with the Director of Personnel, is authorized to
22 form a "blue ribbon" commission to study and refine the State Personnel Act
23 and to submit to the First Session of the Eleventh Legislature a proposed
24 revision of the State Personnel Act based on the commission's recommenda-
25 tions; and be it

26 FURTHER RESOLVED that the membership of the commission should be repre-
27 sentative of all persons and groups vitally concerned with the personnel
28 system; and be it

29 FURTHER RESOLVED that the Legislative Council is authorized to contract

1 with a competent person or firm knowledgeable in the varying aspects of
2 personnel administration to oversee and direct the work of the commission.

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THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE *REVISED*

I. REQUEST
Bill/Resolution No. HCN 25
Title _____
Requested by _____ Date _____

II. FISCAL DETAIL
Agency Affected Legislative Council
Program Category Affected _____
Budget Request Unit(s) Affected _____

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES			21.3			
200 TRAVEL			21.4			
300 CONTRACTUAL			6.1			
400 COMMODITIES			1.0			
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL			57.3			

FUNDING (Thousands of Dollars)

GENERAL FUND			57.3			
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME			1			
PART TIME			2			
TEMPORARY						

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

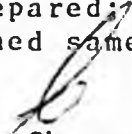
Assumptions: A commission of thirteen members
Staff counsel, equipment and space to be provided by
Legislative Affairs Agency during interim at no additional cost.
Personal Services: 1/4 time Director for 6 mo, equivalent of 1/2 time research/
administrative staff for 6 mo, full time secretary for 5 mo.
Travel: 4 meetings, 3 public hearings, and consultant travel
Contractual: Consultant fees, phone, postage, xerox, ads, printing stationery
and final report
Commodities: office supplies

IV. DATE 3/2/78 PREPARED BY FRANK FLAVIN
AGENCY OMBUDESMAN
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

Director, range 28 (\$3708/mo) x 1/4 time x 6 mo	5.6
Admin/Research staff, range 22 (\$2661/mo) x 1/2 time x 6 mo	8.0
Secretary, range 12 (\$1293/mo) x full time x 6 mo	7.8
Staff counsel	--
Benefits	<u>5.4</u>
	26.8
4 meetings	
2.5 days per diem each	5.5
travel average \$150 per person	7.3
consultant travel	
2 at \$300	.6
3 public hearings	
(2 days Juneau, 1 day Anchorage, 1 day Fairbanks)	5.9
	<u>2.6</u>
	23.4
consultant fees 2 at \$500	1.0
typewriters, rent, space, local phone	--
long distance phone	1.2
postage	.1
xerox	.3
advertise hearings	.5
stationery	1.0
final report	<u>2.0</u>
	6.1
commodities	1.0
equipment	--
	<u>57.3</u>

5/10/78

NOTE: After receiving the request to prepare a fiscal note on HCR 85, I reviewed the revised fiscal note as prepared by Frank Flavin. I could not agree with the analyses as prepared; therefore, I consulted with Mr. Pat Hunt and reviewed the fiscal note which he had prepared; concurred in his calculations and signed same.


M. R. Charney, Director
Legislative Affairs Agency

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HCR 85
Title Relating to the State Personnel Act (AS 39.25)
Requested by Ombudsman Date _____

II. FISCAL DETAIL

Agency Affected Legislative Council
Program Category Affected _____
Budget Request Unit(s) Affected _____

EXPENDITURES (Thousands of Dollars)

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES		30.5				
200 TRAVEL		38.6				
300 CONTRACTUAL		55.7				
400 COMMODITIES		5.5				
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		130.3				

FUNDING (Thousands of Dollars)

GENERAL FUND		130.3				
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME		2				
PART TIME		0				
TEMPORARY		0				

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

Assumptions:

- 13-member commission
- Equipment and space to be provided by Legislative Affairs Agency during interim at no additional cost
- 9 meetings
- 3 public hearings

IV. DATE 5/10/78 PREPARED BY Patrick L. Hunt, Director
AGENCY Division of Personnel & Labor Relations
PHONE 465-4421

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named) CONCURRED IN BY: M. R. Charney, Director
Legis. Affairs Agency
465-3850

PERSONAL SERVICES:

Administrative Officer III, Range 21 6 months at Step C (\$2794/mo. X 6)	\$16,764
Secretary I, Range 10 6 months at Step C (\$1275/mo. X 6)	7,650 <u>\$24,414</u>
Benefits at 25%	\$ 6,104 <u><u>\$30,518</u></u>

TRAVEL:

9 meetings - 3 days per diem X 9 meetings = 27 days @ \$50.00	\$ 1,350/member
Total per diem for meetings:	X 13 members <u>\$17,550</u>
Transportation expense - average of \$172.00 per member per meeting	
Only 1/2 of members traveling to each meeting	
$\frac{\$172.00 \times (13 \text{ members} \times 9 \text{ meetings})}{2} =$	\$10,062 transportation
3 public hearings - (2 days Juneau, 1 day Anchorage, 1 day Fairbanks)	
10 days per diem X \$50.00/day X 13 members	\$ 6,500 per diem
Transportation expense - average of \$172.00 per member per hearing	
Only 2/3 of members traveling to each hearing	
$\frac{\$172.00 \times (3 \text{ hearings} \times 13 \text{ members})}{2/3} =$	\$ 4,472 transportation <u><u>\$38,584</u></u>

CONTRACTUAL:

Consultant Fees -

Classification and Pay	\$12,000	
Examining	12,000	
Labor Relations	12,000	
Training	6,000	
EEO	<u>6,000</u>	\$48,000

CONTRACTUAL (continued):

Phone	\$ 6,000
Postage	260
Xerox	900
Advertise Hearings	500
	<u>\$ 7,660</u>
	48,000
	<u>\$55,660</u>

COMMODITIES:

Stationary	\$ 1,500
Final Report	\$ 4,000
	<u>\$ 5,500</u>



Official Business

Alaska State Legislature
House of Representatives

Committee on State Affairs

May 3, 1978

Committee
Pouch V
State Capitol
Juneau, Alaska 99811

LETTER OF INTENT

The House State Affairs Committee recognizes that the time frame established in HCR 85 may not be adequate to facilitate a complete analysis of the State Personnel Act. In that event, the Committee assumes supplemental funding sufficient to cover all expenses necessary to complete the task would be made available to the Commission by the 11th Legislature.



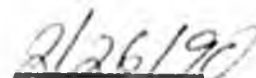
RECORDS CERTIFICATION



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

HOUSE

FURTHER: _____

Date: _____

Mr. Speaker:

The Committee on FINANCE has had HCV 01
Relative to the financing of an addition to the University of Alaska
power plant.

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: 1/20/78
Referred: Finance

1 IN THE HOUSE

BY COWPER

2 HOUSE CONCURRENT RESOLUTION NO. 91

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 Relating to the financing of an addition
6 to the University of Alaska power plant.

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

8 WHEREAS the Legislature, with the passage of House Concurrent Resolution
9 No. 45 in the Second Legislature, Second Session, recognized the needs of the
10 University of Alaska for adequate heating facilities and made it possible for
11 the Board of Regents of the University of Alaska to proceed with the establish-
12 ment of a nonprofit corporation designed to finance the construction of the
13 heating plant needed by the University of Alaska; and

14 WHEREAS the production of power is an integral part of the heating plant;
15 and

16 WHEREAS, since the construction of the heating plant by the nonprofit
17 corporation, power needs of the university have grown substantially and;

18 WHEREAS the cost of purchasing power is anticipated to continue growing
19 at a substantial rate in the years to come; and

20 WHEREAS the present needs of the University of Alaska for power are such
21 that it has critical need for expansion of the existing power plant; and

22 WHEREAS it has been established that it is feasible for such an expansion
23 of the power plant to be constructed by the University of Alaska Heating
24 Corporation through the sale of bonds to obtain necessary construction funds
25 and through the amortization of the debt from rental or power service fees
26 charged to the university over a period of years; and

27 WHEREAS this method of financing would assure expansion of the power
28 plant to provide adequate power generation to meet the total needs of the
29 university for the foreseeable future; and

1 WHEREAS this method of financing would eliminate the need for immediate
2 financing of capital construction from current revenues of the general fund;
3 and

4 WHEREAS as a result of this expansion the Fairbanks campus will provide
5 increased facilities for public shelter in times of disaster;

6 BE IT RESOLVED by the Alaska State Legislature that the Board of Regents
7 of the University of Alaska, in its sound discretion, is requested to proceed
8 immediately through the University of Alaska Heating Corporation with any
9 needed expansions to the existing power plant, the financing of which shall
10 be through the sale of bonds by the corporation, and the corporation shall
11 amortize the debt from rentals or heating service fees charged to the univer-
12 sity over a period of years.

13 COPIES of this resolution shall be sent to all members of the Board of
14 Regents of the University of Alaska.

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25 Capital Budget Proposed Project

Form 26 MUST BE COMPLETED AND ATTACHED WITH EACH PROPOSED PROJECT REQUEST

PROJECT TITLE	Fairbanks Campus Electrical Generation Expansion	OPERATING BUDGET BRANCH	UA/Fairbanks	NAMES	NUMBERS	4512-1-04-00-00	
PRIORITY	Revenue Bond-79-1	PROJECT STARTING DATE	Nov '78	ESTIMATED DATE FACILITY IN USE BY	Nov '80	TOTAL PROJECT COST	\$4,400,000
LOCATION(S)	Fairbanks	AREA SERVED	Fairbanks Campus	ELECTION DISTRICT	20		
SOURCE OF COST ESTIMATE	Engineers Report and Planning Office			DATE OF ESTIMATE	11/76		

DESCRIPTION

Installation of condensing turbines and steam condensers to enable the University to be self sufficient in electrical power production. This will effect a new savings and pay for the expansion in approximately six years. This project should be seriously considered because of the marked increase in electrical costs.

PROJECT TYPE	
BUILDING CONSTRUCTION:	EQUIPMENT
OTHER IMPROVEMENT	X LAND

PROJECT PURPOSE (Check all that apply)

- Major Maintenance (Rehab)
- Improvement of Services
- Accommodation of Increased Demand
- New Program or Service Accommodation
- Supplement Previously Authorized Funds
- Preliminary Feasibility or Cost Studies
- Other

PROJECT EXPENDITURES	TOTAL	BUDGET YEAR	BUDGET YEAR PLUS 1	BUDGET YEAR PLUS 2	REMAINING COST
TOTAL ANNUAL EXPENDITURE (Capital Cost)	4,400.0	2,000.0	2,000.0		
PLANNING AND ENGINEERING	440.0	440.0			
LAND	3,740.0	1,870.0	1,870.0		
CONSTRUCTION					
EQUIPMENT					
ADMINISTRATION AND OTHER	220.0	110.0	110.0		

APPROPRIATION REQUEST

Federal Receipts	
Required General Fund Matching	
Other General Fund	
U. S. Bonds	
ADIA Bonds	
Inter-Agency Transfers	
Other REVENUE BONDS	4,400,000
TOTAL	4,400,000

OPERATIONAL COST AND NO. PERSONNEL INCREASE (DECREASE)	ULTIMATE ANNUAL	1981 BUDGET YEAR	1982 BUDGET YEAR PLUS 1	1983 BUDGET YEAR PLUS 2
OTHER SOURCES				
FUNDING SOURCE: GENERAL Net Saving		234,000	426,000	678,000
TOTAL ANNUAL OPERATIONAL COST				
POSITIONS FULL-TIME EQUIVALENTS				

AGENCY University of Alaska PROGRAM U. of A. - Fairbanks PRIORITY NO. Revenue Bond-79-1

25 CAPITAL BUDGET PROPOSED PROJECT

Capital Budget Project Justification

OBJECTIVE:

Full realization of educational and cultural capabilities of every Alaskan.

To expand and improve the range of educational experience available in the Fbks. area.

Justify the project using the four headings below in the order they appear. Expand upon each section as required. Repeat heading when commencing response. Submit justification for each project listed in first column of Form 27. Attach feasibility studies, reports, or other documentation available. Use Form 23 as continuation sheet.

I. DOCUMENTATION OF NEED (Cite quantitative and measurable need.)

III. DOCUMENTATION OF ESTIMATED CAPITAL COST (Discuss degree of reliability.)

II. ANALYSIS OF IMPACT ON OPERATIONAL EXPENSE (Estimate and justify.)

IV. IDENTIFICATION OF ALTERNATIVES CONSIDERED (State why rejected.)

I. Documentation of Need

The present University power plant produces approximately half of the electricity used on campus. In order to be self sufficient, the University would need additional generation capabilities. The most economical form would be a condensing type steam-turbine generator. A steam-turbine generator capable of meeting the University's anticipated electrical demands for the next ten years could be purchased and installed for approximately \$4,400,000. Such a steam-turbine generator, even utilizing oil to produce the peak steam required, would be substantially less expensive over the next ten years than purchasing power from Golden Valley Electric Association. The investment in a steam-turbine generator should be paid off in four to six years after construction through elimination of electrical purchases.

II. Analysis Impact on Operational Expense: See chart

III. Documentation of Estimated Capital Cost

Engineer's estimate for this expansion is	2,800,000
inflation for 1979 construction 54%	3,740,000
engineering costs	440,000
Planning & Construction administration	220,000

IV. Identification of Alternatives Considered

Continue purchasing power from GVEA. This is not recommended because with a higher percentage of GVEA's power being produced by gas and oil, the cost can only escalate even higher than the present average rate of 4.662¢ a kwhr. The University's existing coal fired boilers have sufficient capacity to run additional turbines. Since coal is one-third the cost of oil per therm, it makes sense to use this capacity to produce more power at less cost. By not doing this project the University will be spending more funds than necessary.

AGENCY University of Alaska

PROGRAM U. of A. - Fairbanks

PRIORITY NO. Revenue Bond-79-1

Project Title: Fbks Campus Electrical

Generation Expansion

26

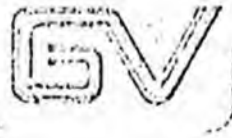
CAPITAL BUDGET
PROJECT JUSTIFICATION

UNIVERSITY OF ALASKA, FAIRBANKS
PRESENT PLANT vs SELF-SUFFICIENT PLANT

ITEMIZED ANNUAL COST COMPARISON
(In Thousands of Dollars)

PRESENT PLANT Projected Average Annual Costs	YEAR:	1979	1980	1981	1982	1983	1984	1985
Bond Payment		505	504	501	503	499	201	207
Operation & Maintenance		840	900	960	1020	1080	1140	1200
Fuel & Electricity		<u>1740</u>	<u>1870</u>	<u>2060</u>	<u>2190</u>	<u>2380</u>	<u>2510</u>	<u>2610</u>
TOTAL ANNUAL COST		3085	3274	3521	3713	3959	3851	4010
SELF-SUFFICIENT PLANT								
Estimated Average Annual Costs								
Bond Payment ****		863	862	859	861	857	859	558
Operation & Maintenance		970	1040	1110	1180	1255	1330	1400
Fuel		<u>1170</u>	<u>1220</u>	<u>1360</u>	<u>1420</u>	<u>1550</u>	<u>1620</u>	<u>1750</u>
TOTAL ANNUAL COST		3003	3122	3329	3461	3662	3509	3708
<u>Annual Saving of Self-Sufficient Plant</u>								
		82	152	192	252	297	342	302
<u>CUMULATIVE CASH SAVINGS</u>		82	234	426	678	975	1317	1619

**** Includes \$358,000 per year for Self-Sufficient Plant



10/10/77
JERRY

GREEN VALLEY ELECTRIC ASSOCIATION INC. Box 1249, Fairbanks, Alaska 99702, Phone 907-452-1131

October 12, 1977

Mr. Gerald V. Neubert
University of Alaska
Office of Institutional Studies
& Physical Facilities Development
Fairbanks, Alaska 99701

Dear Mr. Neubert:

Recent developments lead us to believe that your proposed 7.5 MW turbine addition to the UofA Power Plant is in the best interests of the University while presenting no detrimental effects to the GVEA System.

Very truly yours,

R. L. Huffman
General Manager

RLH:es

cc: M. Kelly
A. Lomen

March 3, 1978

HOUSE JOURNAL

HCR 91

429

A message dated March 2, 1978 was read stating the Senate has passed HOUSE BILL NO. 613 (supplemental appropriations to Department of Labor, workmen's compensation and local hire) with the following amendment:

HB
613

SENATE COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 613
(supplemental appropriations to the Department of
Labor)

and transmitting same for consideration.

A message dated March 2, 1978 was read stating the Senate has passed HOUSE BILL NO. 643 am (junk telephone calls) with the following amendment:

HB
643
am

Page 1, lines 8 - 14: Delete all material and
insert the following:

* Section 1. AS 45 50 is amended by
adding a new section to read:

Sec. 45.50.472. JUNK TELEPHONE CALLS.

(a) Making a junk telephone call without the
prior written consent to the person called is
unlawful.

(b) In this section "junk telephone call"
means a telephone call made for the purpose of
advertising through the use of a recorded
advertisement.

(c) The provisions of secs. 481 - 561
apply to this section.

and so, HOUSE BILL NO. 643 amended Senate is transmitted
for consideration.

REPORTS OF STANDING COMMITTEES

The Finance Committee has had HOUSE CONCURRENT RESOLUTION
NO. 91 (financing of an addition to the University of
Alaska power plant) under consideration and a majority
of the committee recommends it do pass. Concurring,
Cowper (Chairman), Freeman, Rhode, Haugen, Morkins,
Swanson, Buchholdt, Duncan and Gruening.

HCR
91

HCR 91 was referred to the Rules Committee for placement
on the calendar.

The Finance Committee's letter of intent appears as
follows:

Full realization of educational and cultural capabilities of every Alaskan.

To expand and improve the scope of educational experience available in the FVAs, especially the public ones, the following steps are being taken. Recent history, when so many of these schools were closed, is a sad reminder of the need for such facilities in our State. Any such facilities, however, should be designed to meet the needs of the community as a whole.

II. DOCUMENTATION OF ACCIDENTS AND OPERATIONAL EXPERIENCE

- III. DOCUMENTATION OF ESTIMATED CAPITAL COSTS (Development of industry)
 - IV. IDENTIFICATION OF ALTERNATIVES CONSIDERED (Use only status)
- I. Documentation of Need
- The present University power plant produces approximately half of the electricity used on campus. In order to be self-sufficient, the University would need additional generation capabilities. The most economical form would be a condensing type steam-turbine generator. A steam-turbine generator capable of meeting the University's anticipated electrical demands for the next ten years could be purchased and installed for approximately \$4,400,000. Such a steam-turbine generator, even utilizing oil to produce the peak steam required, would be substantially less expensive over the next ten years than purchasing power from Golden Valley Electric Association. The investment in a steam-turbine generator should be paid off in four to six years after construction through elimination of electrical purchases.

II. Analysis Impact on Operational Expense: See chart

Documentation of Estimated Capital Cost	2,800,000
Engineer's estimate for this expansion is	3,740,000
Initiation for 1979 construction	342
Engineering costs	440,000
Planning & Construction administration	220,000

- IV. Identification of Alternatives Considered
- Continue purchasing power from GVEA. This is not recommended because with a higher percentage of GVEA's power being produced by gas and oil, the cost can only escalate even higher than the present average rate of 4.662¢ a kWhr. The University's existing coal fired boilers have sufficient capacity to run additional turbines. Since coal is one-third the cost of oil per therm, it makes sense to use this capacity to produce more power at less cost. By not doing this project the University will be spending more funds than necessary.

AGENCY: University of Alaska PROGRAM: U. of A. - Fairbanks PRIORITY NO. Revenue Bond-19-1

PROJECT: 20 CAPITAL BUDGET
Generator Expansion
CLASSIFICATION: PROJECT JUSTIFICATION

HCR
91

base includes \$358,000 per year for Self-sufficient Plant

	UNIVERSITY OF ALASKA, FAIRBANKS PRESENT PLANT vs SELF-SUFFICIENT PLANT TITLED ANNUAL COST COMPARISON (in Thousands of Dollars)						
	1979	1980	1981	1982	1983	1984	1985
PRESENT PLANT							
Projected Average Annual Costs							
Bond Payment	505	504	501	503	499	201	300
Operation & Maintenance	840	900	960	1030	1080	1140	1200
Fuel & Electricity	<u>1770</u>	<u>1870</u>	<u>2060</u>	<u>2190</u>	<u>2380</u>	<u>2510</u>	<u>2610</u>
TOTAL ANNUAL COST	3085	3274	3521	3723	3959	3851	4010
SELF-SUFFICIENT PLANT							
Estimated Average Annual Costs							
Bond Payment base	863	862	859	861	857	558	558
Operation & Maintenance	970	1040	1110	1180	1255	1330	1400
Fuel	<u>1170</u>	<u>1220</u>	<u>1360</u>	<u>1430</u>	<u>1550</u>	<u>1620</u>	<u>1750</u>
TOTAL ANNUAL COST	3003	3122	3329	3461	3662	3508	3708
Annual Savings of Self-sufficient Plant							
	82	152	192	232	297	342	302
CUMULATIVE CASH SAVINGS	82	234	426	678	975	1317	1619

HB
598

The Health, Education and Social Services Committee has had HOUSE BILL NO. 598 (special appropriation, Department of Health and Social Services, Women's Resource Center in Kodiak; effective date) under consideration and a majority of the committee recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 598 (same title) and that it do pass. Concurring: Bennett, Nakak, Ose, Buchholdt and Beirne. Not concurring: Parr (Chairman), Cotten and Phillips have no recommendation.

HB 598 was referred to the Finance Committee.

SSHB
760

A fiscal note on SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 760 (registration tax on motor vehicles) appears in House Supplement No. 16. The Finance Committee report on SSHB 760 appears on page 435 of the journal.

March 3, 1978

HOUSE JOURNAL

4:0

A message dated March 2, 1978 was read stating the Senate has passed HOUSE BILL NO. 613 (supplemental appropriations to Department of Labor, workmen's compensation and local hire) with the following amendment: HR
613

SENATE COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 613
(supplemental appropriations to the Department of Labor)

and transmitting same for consideration.

A message dated March 2, 1978 was read stating the Senate has passed HOUSE BILL NO. 643 am (junk telephone calls) with the following amendment: Hb
643
30

Page 1, lines 8 - 14: Delete all material and insert the following:

* Section 1. AS 45.50 is amended by adding a new section to read:

Sec. 45.50.472. JUNK TELEPHONE CALLS.

(a) Making a junk telephone call without the prior written consent to the person called is unlawful.

(b) In this section "junk telephone call" means a telephone call made for the purpose of advertizing through the use of a recorded advertisement.

(c) The provisions of secs. 481 - 561 apply to this section.

and so, HOUSE BILL NO. 643 amended Senate is transmitted for consideration.

REPORTS OF STANDING COMMITTEES

The Finance Committee has had HOUSE CONCURRENT RESOLUTION NO. 91 (financing of an addition to the University of Alaska power plant) under consideration and a majority of the committee recommends it do pass. Concurring: Cowper (Chairman), Freeman, Rhode, Haugen, Beckins, Swanson, Buchholdt, Duncan and Gruening. JCR
91

HCR 91 was referred to the Rules Committee for placement on the calendar.

The Finance Committee's letter of intent appears as follows:

Form 26 MUST BE COMPLETED AND ATTACHED WITH EACH PROPOSED PROJECT REQUEST

PROJECT: Fairbanks City of Fairbanks Electrical Generation Expansion	Operating	UN/Yakutshank	NAVIS
PROJECT NO: 78-1	ACTIVITY: Nov '78	ACTIVITY: Nov '80	TOTAL PROJECT COST: 24,600,000
AGENCY: Fairbanks	AREA: Fairbanks Campus	FACTOR: 20	
SUBJECT: Electrical Generation Expansion	PLANNING OFFICE: Fairbanks	DATE OF REPORT: 11/78	

DESCRIPTION: Installation of condensing turbines and steam condensers to enable the University to be self sufficient in electrical power production. This will effect a new savings and pay for the expansion in approximately six years. This project should be seriously considered because of the stated increase in electrical costs.

PROJECT FUNDING SOURCE	TOTAL	BUDGET YEAR	BUDGET YEAR	BUDGET YEAR	REVENUES
		1978	1979	1980	EST.
UNIVERSITY FUNDING	2,400,000	2,400,000			
STATE FUNDING	640,000	640,000			
OTHER FUNDING	3,760,000	1,880,000	1,880,000		
TOTAL	6,800,000	4,920,000	1,880,000		
OPERATIONAL COSTS	375,000	110,000	110,000		
NET COST	6,425,000	4,810,000	1,770,000		
OPERATIONAL COSTS AND PERSONNEL	ULTIMATE	1981	BUDGET YEAR	BUDGET YEAR	
OPERATIONAL COSTS	23,100,000	23,100,000	4,810,000	4,810,000	

AGENCY: UNIVERSITY OF ALASKA PROGRAM: M. of A. - Fairbanks PRIORITY NO.: Revenue Bond-78-1

2.0 CAPITAL BUDGET PROPOSED PROJECT

OBJECTIVE:

Full realization of educational and cultural capabilities of every Alaskan.

To present and to review the range of alternative experiences available in the Fairbanks area and to evaluate the feasibility of each. To determine the range of alternative experiences available in the Fairbanks area and to evaluate the feasibility of each. To determine the range of alternative experiences available in the Fairbanks area and to evaluate the feasibility of each.

- I. IDENTIFICATION OF NEED (Needs analysis and assessment)
- II. ANALYSIS OF FACTORS OPERATIONAL EXPENSE (Needs analysis)
- III. IDENTIFICATION OF ALTERNATIVES CONSIDERED (Needs analysis)
- IV. IDENTIFICATION OF ALTERNATIVES CONSIDERED (Needs analysis)
- V. ANALYSIS OF OPERATIONAL EXPENSE (Needs analysis)
- VI. IDENTIFICATION OF ALTERNATIVES CONSIDERED (Needs analysis)
- VII. ANALYSIS OF OPERATIONAL EXPENSE (Needs analysis)
- VIII. IDENTIFICATION OF ALTERNATIVES CONSIDERED (Needs analysis)
- IX. ANALYSIS OF OPERATIONAL EXPENSE (Needs analysis)
- X. IDENTIFICATION OF ALTERNATIVES CONSIDERED (Needs analysis)
- XI. ANALYSIS OF OPERATIONAL EXPENSE (Needs analysis)
- XII. IDENTIFICATION OF ALTERNATIVES CONSIDERED (Needs analysis)
- XIII. ANALYSIS OF OPERATIONAL EXPENSE (Needs analysis)
- XIV. IDENTIFICATION OF ALTERNATIVES CONSIDERED (Needs analysis)
- XV. ANALYSIS OF OPERATIONAL EXPENSE (Needs analysis)
- XVI. IDENTIFICATION OF ALTERNATIVES CONSIDERED (Needs analysis)
- XVII. ANALYSIS OF OPERATIONAL EXPENSE (Needs analysis)
- XVIII. IDENTIFICATION OF ALTERNATIVES CONSIDERED (Needs analysis)
- XIX. ANALYSIS OF OPERATIONAL EXPENSE (Needs analysis)
- XX. IDENTIFICATION OF ALTERNATIVES CONSIDERED (Needs analysis)

AGENCY: UNIVERSITY OF ALASKA PROGRAM: M. of A. - Fairbanks PRIORITY NO.: Revenue Bond-78-1

2.0 CAPITAL BUDGET PROPOSED PROJECT

HCR
91

**** Includes \$350,000 per year for Self-Sufficient Plant

	UNIVERSITY OF ALASKA, FAIRBANKS PRESENT PLANT vs SELF-SUFFICIENT PLANT (In thousands of Dollars)									
	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988
PRESENT PLANT										
Projected Average Annual Costs	505	504	501	503	499	201	200			
Bond Payment	810	800	910	1020	1000	1140	1200			
Operation & Maintenance	1740	1870	2040	2150	2180	2310	2410			
Fuel & Electricity	3085	3274	3521	3713	3939	3551	4010			
TOTAL ANNUAL COST										
SELF-SUFFICIENT PLANT										
Estimated Average Annual Costs	863	862	859	861	857	559	558			
Bond Payment ****	970	1050	1110	1180	1235	1330	1400			
Operation & Maintenance	1170	1220	1310	1420	1510	1620	1750			
Fuel										
TOTAL ANNUAL COST	2003	2132	2329	2461	2662	2909	3108			
Annual Savings of Self-Sufficient Plant	62	152	192	252	297	342	392			
COMPARATIVE CASH SAVINGS	82	214	426	678	975	1317	1810			

HB 598 The Health, Education and Social Services Committee has had HOUSE BILL NO. 598 (special appropriation, Department of Health and Social Services, Women's Resource Center in Kodiak; effective date) under consideration and a majority of the committee recommends it be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 598 (same title) and that it do pass.
Concurring: Bennett, Nakak, Ose, Buchholdt and Beirne.
Not concurring: Parr (Chairman), Cotten and Phillips have no recommendation.

HB 598 was referred to the Finance Committee.

SSHB 760 A fiscal note on SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 760 (Registration tax on Motor vehicles) appears in House Supplement No. 16. The Finance Committee report on SSHB 760 appears on page 435 of the Journal.

March 3, 1978

HOUSE JOURNAL

4.9

A message dated March 2, 1978 was read stating the Senate has passed HOUSE BILL NO. 613 (supplemental appropriations to Department of Labor, workmen's compensation and local hire) with the following amendment: HB 613

SENATE COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 613
(supplemental appropriations to the Department of
Labor)

and transmitting same for consideration.

A message dated March 2, 1978 was read stating the Senate has passed HOUSE BILL NO. 643 am. (junk telephone calls) with the following amendment. HB 643 am

Page 1, lines 8 - 14: Delete all material and
insert the following:

* Section 1. AS 45.50 is amended by
adding a new section to read:

Sec. 45.50.472. JUNK TELEPHONE CALLS.

(a) Making a junk telephone call without the
prior written consent to the person called is
unlawful.

(b) In this section "junk telephone call"
means a telephone call made for the purpose of
advertising through the use of a recorded
advertisement.

(c) The provisions of secs. 481 - 561
apply to this section.

and so, HOUSE BILL NO. 643 amended Senate is transmitted
for consideration.

REPORTS OF STANDING COMMITTEES

The Finance Committee has had HOUSE CONCURRENT RESOLUTION NO. 91 (financing of an addition to the University of Alaska power plant) under consideration and a majority of the committee recommends it do pass. Concurring: Cowper (Chairman), Freeman, Rhoads, Raugen, Meekins, Swanson, Buchholdt, Duncan and Gruening. HCR 91

HCR 91 was referred to the Rules Committee for placement on the calendar.

The Finance Committee's letter of intent appears as follows:

UNIVERSITY OF ALASKA, FAIRBANKS
 RESIDENT PLANT VS. SELF-SUPPLYING PLANT
 22-MONTH ANNUAL COST COMPARISON
 (in thousands of dollars)

	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
RESIDENT PLANT										
Projected Average Annual Costs	505	504	504	504	503	503	503	499	491	480
Food Expenses	840	850	860	870	880	890	900	910	920	930
Operation & Maintenance	2120	2130	2140	2150	2160	2170	2180	2190	2200	2210
Fuel & Electricity	2005	2015	2025	2035	2045	2055	2065	2075	2085	2095
TOTAL ANNUAL COST	5565	5595	5625	5655	5685	5715	5745	5775	5805	5835
SELF-SUPPLYING PLANT										
Estimated Average Annual Costs	813	812	811	810	809	808	807	806	805	804
Food Expenses	910	900	890	880	870	860	850	840	830	820
Operation & Maintenance	1210	1210	1210	1210	1210	1210	1210	1210	1210	1210
Fuel	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000
TOTAL ANNUAL COST	4120	4120	4120	4120	4120	4120	4120	4120	4120	4120
Final Budget of Self-Supplying Plant	82	82	82	82	82	82	82	82	82	82
Final Budget of Resident Plant	82	82	82	82	82	82	82	82	82	82

HCN 91
 ***** Includes \$11,000 per year for 20%+8% increase Plant

HB 598 The Health, Education and Social Services Committee has read HOUSE BILL NO. 598 (special appropriation, Department of Health and Social Services, Women's Resource Center in Kodiak; effective date) under consideration and a majority of the committee recommends to be replaced with COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 598 (same title) and that it do pass.
 Concurring: Bennett, Nakak, Ose, Buchholdt and Beirne.
 Not concurring: Parr (Chairman), Cotter and Phillips have no recommendation.

HB 598 was referred to the Finance Committee.

SBHR A fiscal note on SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 760 (registration tax on motor vehicles) appears in House Supplement No. 16. The Finance Committee report on SBHR 760 appears on page 439 of the journal.

25 Capital Budget Proposed Project

Form 26 MUST BE COMPLETED AND ATTACHED WITH EACH PROPOSED PROJECT REQUEST

PROJECT TITLE	Fairbanks Campus Electrical Generation Expansion	OPERATING BUDGET (S)	UA/Fairbanks	NAMES	NUMBERS
					4512-1-04-00-00

PRIORITY	Revenue Bond-79-1	PROJECT STARTING DATE	Nov '78	ESTIMATED DATE FACILITY IN USE BY:	Nov '80	TOTAL PROJECT COST	\$4,400,000
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LOCATION(S)	Fairbanks	AREA SERVED	Fairbanks Campus	ELECTION DISTRICT	20
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SOURCE OF COST ESTIMATE	Engineers Report and Planning Office	DATE OF ESTIMATE	11/76
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DESCRIPTION

Installation of condensing turbines and steam condensers to enable the University to be self sufficient in electrical power production. This will effect a new savings and pay for the expansion in approximately six years. This project should be seriously considered because of the marked increase in electrical costs.

PROJECT TYPE	
BUILDING CONSTRUCTION	EQUIPMENT
OTHER IMPROVEMENT	LAND
	X

PROJECT PURPOSE (Check all that apply)

- Major Maintenance (Rehab)
- Improvement of Services
- Accommodation of Increased Demand
- New Program or Service Accommodation
- Supplement Previously Authorized Funds
- Preliminary Feasibility or Cost Studies
- Other

PROJECT EXPENDITURES	TOTAL	BUDGET YEAR PLUS 1	BUDGET YEAR PLUS 2	REMAINING COST
TOTAL ANNUAL EXPENDITURE (including construction)	4,400.0	2,000.0	2,000.0	
PLANNING AND ENGINEERING	400.0	400.0	0	
LAND	3,740.0	1,870.0	1,870.0	
CONSTRUCTION				
EQUIPMENT				
ADMINISTRATION AND OTHER	220.0	110.0	110.0	

OPERATIONAL COST AND NO. PERSONNEL INCREASE (DECREASE)	ULTIMATE ANNUAL	1981 BUDGET YEAR		1982 BUDGET YEAR	
		PLUS 1	PLUS 2	PLUS 1	PLUS 2
OTHER SOURCES					
FUNDING SOURCE: GENERAL Nos. Service		234,000	426,000	678,000	
TOTAL ANNUAL OPERATIONAL COST					
POSITIONS FULL-TIME EQUIVALENTS					

APPROPRIATION REQUEST	
Federal Projects	
Federal General Fund Matching	
Other General Fund	
G. O. Bonds	
ADNA Bonds	
Intra-Agency Transfers	
Other REVENUE BONDS	4,400,000
TOTAL	4,400,000

AGENCY University of Alaska PROGRAM U. of A. - Fairbanks PRIORITY NO. Revenue Bond-79-1

25 CAPITAL BUDGET PROPOSED PROJECT

20

Capital Budget Project Justification

OBJECTIVE:

Full realization of educational and cultural capabilities of every Alaskan.To expand and improve the range of educational experience available in the Fbks. area.

Justify the project using the four headings below in the order they appear. Expand upon each section as required. Repeat heading when commencing response. Submit justification for each project listed in first column of Form 27. Attach feasibility studies, reports, or other documentation available. Use Form 23 as continuation sheet.

I. DOCUMENTATION OF NEED (Cite quantitative and measurable need.)

III. DOCUMENTATION OF ESTIMATED CAPITAL COST (Discuss degree of reliability.)

II. ANALYSIS OF IMPACT ON OPERATIONAL EXPENSE (Estimate and justify.)

IV. IDENTIFICATION OF ALTERNATIVES CONSIDERED (State why rejected.)

I. Documentation of Need

The present University power plant produces approximately half of the electricity used on campus. In order to be self sufficient, the University would need additional generation capabilities. The most economical form would be a condensing type steam-turbine generator. A steam-turbine generator capable of meeting the University's anticipated electrical demands for the next ten years could be purchased and installed for approximately \$4,400,000. Such a steam-turbine generator, even utilizing oil to produce the peak steam required, would be substantially less expensive over the next ten years than purchasing power from Golden Valley Electric Association. The investment in a steam-turbine generator should be paid off in four to six years after construction through elimination of electrical purchases.

II. Analysis Impact on Operational Expense: See chartIII. Documentation of Estimated Capital Cost

Engineer's estimate for this expansion is	2,800,000
inflation for 1979 construction 34%	3,740,000
engineering costs	440,000
Planning & Construction administration	220,000

IV. Identification of Alternatives Considered

Continue purchasing power from GVEA. This is not recommended because with a higher percentage of GVEA's power being produced by gas and oil, the cost can only escalate even higher than the present average rate of 4.662¢ a kwhr. The University's existing coal fired boilers have sufficient capacity to run additional turbines. Since coal is one-third the cost of oil per therm, it makes sense to use this capacity to produce more power at less cost. By not doing this project the University will be spending more funds than necessary.

AGENCY University of AlaskaPROGRAM U. of A. - FairbanksPRIORITY NO. Revenue Bond-79-1Project Title: Fbks Campus ElectricalGeneration Expansion

01-1075 (Rev. 7/77)

20

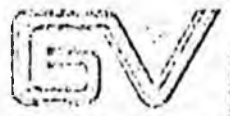
CAPITAL BUDGET
PROJECT JUSTIFICATION

UNIVERSITY OF ALASKA, FAIRBANKS
PRESENT PLANT vs SELF-SUFFICIENT PLANT

ITEMIZED ANNUAL COST COMPARISON
(In Thousands of Dollars)

PRESENT PLANT Projected Average Annual Costs	YEAR:	1979	1980	1981	1982	1983	1984	1985
Bond Payment		505	504	501	503	499	201	200
Operation & Maintenance		840	900	960	1020	1080	1140	1200
Fuel & Electricity		<u>1740</u>	<u>1870</u>	<u>2060</u>	<u>2190</u>	<u>2380</u>	<u>2510</u>	<u>2610</u>
TOTAL ANNUAL COST		3085	3274	3521	3713	3959	3851	4010
SELF-SUFFICIENT PLANT								
Estimated Average Annual Costs								
Bond Payment ****		863	862	859	861	857	559	558
Operation & Maintenance		970	1040	1110	1180	1255	1330	1400
Fuel		<u>1170</u>	<u>1220</u>	<u>1360</u>	<u>1420</u>	<u>1550</u>	<u>1620</u>	<u>1750</u>
TOTAL ANNUAL COST		3005	3122	3329	3461	3662	3509	3708
<u>Annual Savings of Self-Sufficient Plant</u>								
		82	152	192	252	297	342	302
<u>CUMULATIVE CASH SAVINGS</u>		82	234	426	678	975	1317	1619

**** Includes \$358,000 per year for Self-Sufficient Plant



10/13/77 1.54
JERRY

COASTAL VALLEY ELECTRIC ASSOCIATION INC. Box 1249, Fairbanks, Alaska 99702 Phone 907-452-1151

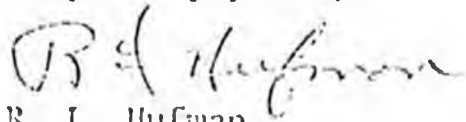
October 12, 1977

Mr. Gerald V. Neubert
University of Alaska
Office of Institutional Studies
& Physical Facilities Development
Fairbanks, Alaska 99701

Dear Mr. Neubert:

Recent developments lead us to believe that your proposed 7.5 MW turbine addition to the UofA Power Plant is in the best interests of the University while presenting no detrimental effects to the GVEA System.

Very truly yours,


R. L. Huffman
General Manager

RLL:es
cc: M. Kelly
A. Lomen



University of Alaska, Fairbanks

Fairbanks, Alaska 99701

Facilities Planning and Construction
Room #2 Bunnell Building

March 17, 1978

Senator John C. Sackett
Legislative Budget & Audit Committee
Pouch V
Juneau, Alaska 99811

Dear Senator Sackett:

The University has requested authority to sell up to 4.4 million dollars in revenue bonds for expanding the power plant on the Fairbanks campus. Over the past several years, the University has been horrified by the increases in the cost of electrical energy, as was everyone else in the Fairbanks area. We began over two years ago to see what could be done to mitigate the problem. In this regard, Representative Cowper has introduced House Concurrent Resolution No. 91. It is our hope this Resolution will work its way through the legislative process to be considered by the Senate.

Our consultant, Mower and Associates of Anchorage, determined that it was economically feasible for the University to add another turbine to its present coal-fired heating and power plant to produce 100% of its power requirements. We now squeeze 41% of our electrical requirement out of a system originally designed to produce only 20%. The rationale for this expansion is based on the fact that it's far cheaper to produce power with coal than with oil. GVEA says their present production is 57% coal, 43% oil. The University has a 100% coal plant now with oil standby. All that's needed is to add another turbine and condenser.


Our studies show this expansion would pay off in approximately 6 to 14 years with the savings accrued by not purchasing GVEA power; 6 years if you compute using our pessimistic outlook for future power cost based on past history, or 14 years if you compute using GVEA's optimistic projections of a leveling off period.

GVEA concurs with our plans to add this turbine (see attached letter) while in the past they had certain reservations about our expansion. They now agree that the continued rising costs of power produced by burning oil make it desirable to concentrate more on coal fired plants. They are currently attempting to expand their coal fired plant at Healy.

Another broader benefit from being self-sufficient would occur in a time of emergency. The University would be able to function as a relief center in a greater capacity than it did in the 1967 flood. Our power could be maintained and could provide service beyond the University at an emergency level.

Thank you for your continued interest in the University. If you have any questions or comments on this matter, please contact this office (479-7591).

Very truly yours,


Kenneth D. Garrison, Director
Facilities Planning and Construction

ENC/GVS/jcb

cc: Representative Steve Cooper w/attachments

A Division of the University of Alaska Statewide System of Higher Education



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

October 12, 1977

Mr. Gerald V. Neubert
University of Alaska
Office of Institutional Studies
& Physical Facilities Development
Fairbanks, Alaska 99701

Dear Mr. Neubert:

Recent developments lead us to believe that your proposed 7.5 MW turbine addition to the UofA Power Plant is in the best interests of the University while presenting no detrimental effects to the GVEA System.

Very truly yours,

R. L. Huffman
General Manager

RLH:es
cc: M. Kelly
A. Lomen

~~479 7517~~

479 7591



UNIVERSITY OF ALASKA, FAIREBANKS
PRESENT PLANT vs SELF-SUFFICIENT PLANT

ITEMIZED ANNUAL COST COMPARISON
(In Thousands of Dollars)

	YEAR:	1979	1980	1981	1982	1983	1984	1985
<u>PRESENT PLANT</u>								
<u>Projected Average Annual Costs</u>								
Bond Payment		505	504	501	503	499	201	200
Operation & Maintenance		840	900	960	1020	1080	1140	1200
Fuel & Electricity		<u>1740</u>	<u>1870</u>	<u>2060</u>	<u>2190</u>	<u>2380</u>	<u>2510</u>	<u>2610</u>
TOTAL ANNUAL COST		3085	3274	3521	3713	3959	3851	4010
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<u>Annual Savings of Self-Sufficient Plant</u>								
		82	152	192	252	297	342	302
<u>CUMULATIVE CASH SAVINGS</u>		82	234	426	678	975	1317	1619

**** Includes \$353,000 per year for Self-Sufficient Plant

UNIVERSITY OF ALASKA

Proposed Power Plant Expansion

SCHEDULE PARAMETERS

- Column #1 Column 1 is the electrical power rate outlined in the schedule from GVEA. It is their indication that this rate will not increase for five years, 1977-1981 inclusive, at which time it will continue at the rate of inflation increases which have been set at 8% per annum. This rate increase is a median between 4% per annum and 12% per annum inflation.
- Column #2 Column 2 is the millions of kilowatt hours that the University is expected to purchase from GVEA. This projection is based on present campus growth projections and shows an average increase of 4.5% per annum for a ten year span.
- Column #3 Column 3 is the millions of kilowatt hours presently being produced by the University which is above the rated capacity of the generators presently on site. Under the present operation the power plant is working one of the generators at 126% capacity of manufacturer's rated KW load at all times. The other generator is running at 126% of capacity 25% of the time. It is estimated that this load time will increase at 3% per year with campus expansion. It is desirable that the output of these generators be dropped to rated load in order to realize their full life expectancy and decrease the probability of major breakdown.
- Column #4 Column 4 is the total of columns 2 and 3 and is representative of what the University should purchase in terms of millions of kilowatt hours if they are to recognize maximum life out of the existing generators. Present high costs necessitates overwork of generators.
- Column #5 Column 5 is the product of columns 1 and 4 in cost of millions of dollars. This is what a maximum life efficiency operation would cost under the present operating conditions.
- Column #6 Column 6 is the cost in millions of dollars for the extra fuel oil that will be required to fire the oil furnace to generate the extra steam required by the electrical and heating loads of winter. The cost of this fuel has been shown to increase at a rate of 1% per annum. This is predicated on the GVEA stipulation that when the new refinery comes on line the cost of fuel oil will drop 29%.
- Column #7 Column 7 is the projected cost of maintenance for the new generator based on an annual inflation increase.
- Column #8 Column 8 is the cost of extra coal required to generate steam from the furnaces. The price increase is shown at 2% per year.
- Column #9 Column 9 is the net saving to the University. This dollar amount in millions of dollars is equal to column 5, minus columns 6, 7, & 8.

UNIVERSITY OF ALASKA

Proposed Power Plant Expansion

page 2

Column #10 Column 10 is cumulative savings at 6%. This number is arrived at by
 $(9_a \times 1.06) + 9_b = 10_b$.

Column #11 Column 11 is equal to column 10 times 1.06.

Proposed Power Plant Expansion

ECONOMIC COMPARISON SCHEDULE

YEAR	1	2	3	4	5	6	7	8	9	10	11
	GVEA cost/KWH										
1979	5.0	8.36	2.2	10.56	.478	.105	.030	.071	.273	.273	.289
1980	5.0	8.74	2.25	11.0	.550	.145	.04	.073	.295	.584	.619
1981	5.0	9.13	2.32	11.45	.572	.146	.05	.076	.306	.925	.981
1982	5.4	9.55	2.4	11.95	.645	.173	.06	.077	.338	1.318	1.398
1983	5.83	9.95	2.45	12.43	.724	.174	.07	.085	.396	1.794	1.901
1984	6.30	10.42	2.54	12.96	.816	.198	.07	.085	.468	2.369	2.511
1985	6.30	10.39	2.62	13.51	.918	.200	.08	.087	.551	3.063	3.247
1986	7.35	11.38	2.70	14.08	1.034	.227	.08	.088	.640	3.886	4.120
1987	7.93	11.90	2.75	14.65	1.162	.229	.09	.090	.812	4.931	5.227
1988	8.57	12.43	2.81	15.24	1.306	.256	.09	.092	.868	6.096	6.46
1989	9.25	12.93	2.9	15.89	1.469	.259	.10	.094	1.010	7.472	7.920
	Purchased Power (Mill KWH)										
	UA Produced Power (Mill KWH)										
	TOTAL (Columns 2 & 3) (Mill KWH)										
	TOTAL COST (Mil.\$)										
	Extra Oil Costs (Mil.\$)										
	Incr Maint Cost for new Gen (Mil.\$)										
	Incr Coal w/new Gen (Mil.\$)										
	New Savings (Mil.\$)										
	Cumulative Savings (Mil.\$)										
	Cum Savings w/6% Int (Mil.\$)										



UNIVERSITY OF ALASKA

FAIRBANKS, ALASKA 99701

October 20, 1977

Mr. Steve Cowper, State Representative
Chairman House Finance Committee
210 Nerland Building
Fairbanks, Alaska 99701

Subject: Revenue Bonds for Expansion of Electrical Generation, UAF

Dear Steve:

Attached is a recent letter from GVEA on the subject. Previously the utility company had some reservations on our proposed expansion. This letter seems to clear all those reservations.

We look forward to the introduction to the 1978 session of the required resolution. Our estimated cost in 1976 was \$4,000,000. Without legislative action at the 1977 session, we now request the amount be increased to \$4,400,000 to allow for one additional year's cost escalation.

If we can provide you with any additional information, please contact me (479-7591). Thank you for your continued interest in this and other University matters. Good luck in forthcoming session.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ken Garrison".

Kenneth D. Garrison, Director
Facilities Planning and Construction

KDG:lei

cc: Tilsworth w/attachment
Tom Gruenig w/attachment
Neubert



10 13 1977

1.0#

Ken ✓
Jerry

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

October 12, 1977

Mr. Gerald V. Neubert
University of Alaska
Office of Institutional Studies
& Physical Facilities Development
Fairbanks, Alaska 99701

Dear Mr. Neubert:

Recent developments lead us to believe that your proposed 7.5 MW turbine addition to the UofA Power Plant is in the best interests of the University while presenting no detrimental effects to the GVEA System.

Very truly yours,

R. L. Huffman
General Manager

RLH:es

cc: M. Kelly
A. Lomen

(54)
HCR 91



University of Alaska, Fairbanks

Fairbanks, Alaska 99701

February 22, 1977

Representative Steve Cowper, Chairman
House Finance Committee
Pouch V
Juneau, Alaska 99801

Dear Steve:

At the House Finance Committee Hearings, you requested a report on University capital accounts for projects which were funded but have not been implemented. This report is currently being prepared by this office and should be on its way to you within a few days. The report will also make note of projects which may have substantial balances remaining but are virtually closed out.

In general, any projects which were funded and not as yet implemented have extenuating circumstances which have affected either program development, land acquisition, or other physical site problems.

If you wish information at any time relative to the University's capital improvement program or needs, please call me.

Very truly yours,

Kenneth B. Garrison, Director
Facilities Planning and Construction

KDG:lz

cc: M. Arth
T. Tilsworth
F. Diebold

Alaska State Legislature

REPRESENTATIVE
Steve Cowper
CHAIRMAN
FINANCE COMMITTEE

House of Representatives

February 21, 1977

RECEIVED
OFFICE OF PLANNING &
INSTITUTIONAL STUDIES

Mr. Kenneth D. Garrison
Director, Facilities Planning
University of Alaska
Fairbanks, Alaska 99701

FEB 23 1977 LOG #

Dear Ken:

This letter is in reply to yours of February 11, 1977,
regarding the proposed University power plant addition.

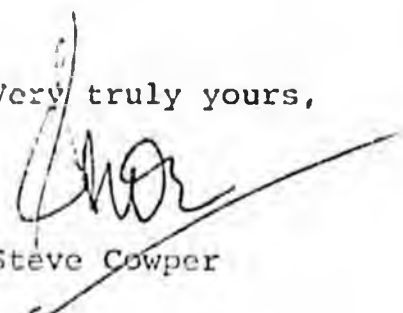
I would be interested in initiating legislation authorizing
the revenue bonds for the power plant if this will in fact
result in lower costs to the University. To begin with, you
might furnish me with the following:

1. The Mower report. *614*
2. Any GVEA response other than the short letter
of February 10, 1977, including cost and load
assumptions.
3. Any written analysis done by your office on
the matter.
4. All correspondence from the Governor's office
relating to the proposal.

Do you anticipate any problems or delay due to environmental
consideration? What kind of assumptions did you make as to
projected growth on the Fairbanks campus? I frankly don't
see any more buildings there in the next ten years, other
than (hopefully) the Museum and possible completion of the
gymnasium addition.

I await your reply with interest.

Very truly yours,


Steve Cowper

SCC:mas