

STATE OF ALASKA

THE LEGISLATURE

1979

Source

CSHJR 30

Legislative
Resolve No.

22



Relating to the sale of revenue bonds of the Alaska Power Authority for the Terror Lake hydroelectric generating project at Kodiak, Alaska, and for the Solomon Gulch hydroelectric generating project near Valdez, Alaska.

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

WHEREAS the State of Alaska has funded a feasibility study for the Terror Lake hydroelectric project in the Kodiak Island Borough through money loaned from the Alaska Power Authority power project revolving fund and the water resources revolving fund in the amount of \$520,000; and

WHEREAS the completed study shows that the hydroelectric project is feasible; and

WHEREAS the Alaska Power Authority has submitted to the legislature and to the governor a statement of its recommendations for financing the hydroelectric project, as required in AS 44.56.180(b), and a statement outlining the general design, demonstration of financial feasibility, and maximum amount of revenue bonds necessary for the project; and

WHEREAS, according to statements by the authority, it is to finance the project only through the issuance of revenue bonds and may not construct, acquire, or own the project; and

WHEREAS the statements by the authority provide that the project is to be designed, acquired, and constructed by the Kodiak Electric Association under an agreement with the authority which shall provide that the authority have ownership rights in the project only as may be necessary to secure the payment of the principal and interest on revenue bonds issued for the project; and

WHEREAS the statements submitted to the governor and to the legislature fully satisfy the conditions set out in AS 44.-56.180 which must be satisfied before the adoption of this resolution; and

WHEREAS the cost to be incurred in financing the project will require the issuance of revenue bonds of the authority in a presently estimated amount not to exceed \$120,000,000; and

WHEREAS it is considered to be in the best interests of the state that revenue bonds of the authority be issued to finance the cost of the project; and

WHEREAS the Copper Valley Electric Association, Inc. has received a Federal Energy Regulatory Commission license for the Solomon Gulch hydroelectric generating project near Valdez, Alaska, and construction has begun on the project; and

WHEREAS initial financing for the project has been secured from other sources but it is considered in the public interest to finance a portion of the project from the proceeds of the sale of revenue bonds of the Alaska Power Authority; and

WHEREAS the Alaska Power Authority has submitted to the legislature and to the governor a statement of its recommendations for financing a portion of the Solomon Gulch hydroelectric project, as required in AS 44.56.180(b), and a statement outlining the general design, demonstration of financial feasibility, and maximum amount of revenue bonds necessary for that purpose; and

WHEREAS, according to statements by the authority, it is to finance a portion of the project only through the issuance of revenue bonds and is not to construct, acquire or own the project; and

WHEREAS the statements by the authority indicate that the project is to be designed, acquired, and constructed by the Copper Valley Electric Association under an agreement with the authority which shall provide that the authority have ownership rights in the project only as may be necessary to secure the payment of the principal and interest on revenue bonds issued for the project; and

WHEREAS the statements submitted to the governor and to the legislature fully satisfy the conditions set out in AS 44.-56.180 which must be satisfied before the adoption of this resolution; and

WHEREAS the cost to be incurred in financing a portion of the project will require the issuance of revenue bonds of the authority in a presently estimated amount not to exceed \$20,000,000; and

WHEREAS it is considered to be in the best interests of the state that revenue bonds of the authority be issued to finance a portion of the cost of the project;

BE IT RESOLVED that the Alaska State Legislature approves the general design of the Terror Lake hydroelectric project in the Kodiak Island Borough and the sale of revenue bonds by the Alaska Power Authority in an amount not to exceed \$120,000,000 to pay the costs of the project; and be it

FURTHER RESOLVED that the Alaska State Legislature approves the general design of the Solomon Gulch hydroelectric project near Valdez, Alaska, and the sale of revenue bonds by the

Alaska Power Authority in an amount not to exceed \$20,000,000 to pay the cost of a portion of the project.