



# SOUTHEAST ALASKA POWER AGENCY

## Regular Board Meeting

### June 22, 2023 AGENDA

Thursday, June 22, 2023		<i>Meeting held Electronically</i> <b>For telephonic participation dial:</b>  <b>1.888.475.4499<sup>1</sup> or</b> <b>1.833.548.0276</b>  <b>Meeting ID No. 836 2619 8362</b>
9 am	Meeting Starts	
12 Noon	Lunch Break	
1 pm	Meeting resumes	
2 pm	Meeting Adjourns	

- 1. Call to Order**
  - A. Roll Call
  - B. Communications/Lay on the Table Items
  - C. Disclosure of Conflicts of Interest
- 2. Approval of the Agenda**
- 3. Persons to be Heard**
- 4. Review and Approve Minutes**
  - A. March 8 & 10, 2023 Regular Meeting
  - B. March 21, 2023 Special Meeting
  - C. April 25, 2023 Special Meeting

**5. New Business**

A.	Update Re CEO Contract
B.	Executive Session Re Agency's CEO
C.	Reserved for Possible Action following Executive Session
D.	Consideration of Resolution #2023-091 (Equality & Diversity Policy)
E.	Consideration of Increase to RR23384 & 23385 (Swan & Tyee FERC Relicensing) for Legal Services
F.	Consideration of Increase to RR22373 Standby Generator for Ktn Headquarters
G.	Consideration of Resolution #2023-092 Re DNR Reclamation
H.	Second Quarter Operations Plan Update
I.	Solar Power Presentation

**6. Financial Reports**

**7. Staff Reports**

- A. Power System Specialist (*Schofield*)
- B. Operations Manager (*Hammer*)
  - (i) *Plant Operations Quarterly Report*
  - (ii) *Operations Manager Projects Report*

<sup>1</sup> In the event of a failure with Zoom connectivity, the meeting will continue by telephonic participation by dialing 1.800.315.6338 (Code 73272#).

8. **CEO Report**
9. **Next Meeting Dates:** (September 28 & 29, Petersburg)
10. **Director Comments**
11. **Adjourn**

# Southeast Alaska Power Agency Regular Meeting Minutes

**Location:** Wrangell, Alaska  
**Date:** March 8 & 10, 2023  
**Start Time:** March 8 - 1PM  
 March 10 - 9AM

## Agenda Items

### March 8, 2023

#### 1) Call to Order

##### A. Roll Call.

Chairperson Sivertsen called the regular meeting to order at 1:00 p.m. AKST on March 8, 2023. The following directors and alternates were present, thus establishing a quorum of the board:

Directors	Present <i>Electronically (E) In Person (IP)</i>	Alternates	Present <i>Electronically (E) In Person (IP)</i>	Representing	Community
Bob Sivertsen	IP	Andy Donato	IP	Swan Lake	Ketchikan
Abby Bradberry	IP	Delilah Walsh	IP	Swan Lake	Ketchikan
Janalee Gage		Jeremy Bynum	IP	Swan Lake	Ketchikan
Jeff Good	IP	Mark Walker	IP	Tyee Lake	Wrangell
Bob Lynn	IP	Karl Hagerman	IP	Tyee Lake	Petersburg

The following SEAPA staff and counsel were present for all or part of the meeting:

Staff	Present <i>Electronically (E) In Person (IP)</i>	Staff/Counsel	Present <i>Electronically (E) In Person (IP)</i>
Robert Siedman, Acting CEO	IP	Sharon Thompson, EA/CA	IP
Clay Hammer, Operations Mgr.	IP	Marcy Graves, Admin. Asst.	IP
Ed Schofield, Power Sys. Sp.	E	Joel Paisner, SEAPA Counsel	IP
Kay Key, Controller	E		

##### B. Communications/Lay on the Table Items: None

##### C. Disclosure of Conflicts of Interest: None

#### 2) Approval of the Agenda

Chairperson Sivertsen requested a motion to approve the Agenda.

➤ <b>Motion</b>	M/S (Lynn/Bradberry) to approve the Agenda. Following discussion on a motion by Mr. Lynn to amend the agenda to add Old Business Item 8 to discuss the CEO position, Mr. Lynn withdrew his motion to amend, and the motion to approve the Agenda, as presented, was approved unanimously by polled vote.	✓ <b>Action 23- 1028</b>
-----------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------



3) **Persons to be Heard:** None

4) **Review and Approve Minutes**

The Chair requested a motion to approve the minutes for the annual meeting held on January 26, 2023.

➤ <b>Motion</b>	M/S (Lynn/Bynum) to approve the Minutes of the annual meeting of January 26, 2023. The motion was approved unanimously by polled vote.	✓ <b>Action</b> 23- 1029
-----------------	----------------------------------------------------------------------------------------------------------------------------------------	--------------------------------

The Chair requested a motion to approve the minutes for the special meeting held on March 1, 2023.

➤ <b>Motion</b>	M/S (Lynn/Bradberry) to approve the Minutes of the special meeting of March 1, 2023. The motion was approved unanimously by polled vote.	✓ <b>Action</b> 23- 1030
-----------------	------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------

5) **Staff Reports**

A. *Power System Specialist Report (Schofield)*

Mr. Schofield provided updates on the SEAPA Headquarters and Computer Maintenance Management Systems projects, FERC licensing tasks, and Swan Lake Debris Removal Winch issues.

B. *Operations Manager (Hammer)*  
(i) *Projects Report for 03/8 & 03/10/2023 Board Meeting*

Mr. Hammer provided updates on the Wrangell Warehouse Fire Remediation, Tyee Circuit Switcher, Tyee Cargo Van, Tyee Cleveland Peninsula Helipad, Tyee TSV Bypass and Vent Valves and SEAPA ROV Projects.

(ii) *Plant Operations Review - First Quarter Report*

Mr. Hammer presented his first report on Plant Operation Reviews conducted during the first quarter of 2023. He reported the findings after inspections were performed on the generators, station service and substation, grounds/camp/dock, and dam/reservoir/gate, at the Swan Lake Plant. He also noted the maintenance and repairs that were completed at the plant. He reported findings following inspections at Tyee on the generators, station service/substation, and grounds/dock/penstock tunnel/airstrip, and discussed plant maintenance and repairs. He closed the report with a safety update.

The meeting recessed at 2:25 p.m. and resumed at 2:36 p.m.

6) **Acting CEO Report (Robert Siedman, P.E.)**

Mr. Siedman provided updates on safety, governmental affairs & external industry activities, bid results following bid solicitations, best practices and process improvements, and personnel recruitment.

7) **Financial Reports**

➤ <b>Motion</b>	M/S (Lynn/Bynum) to accept year-to-date financial statements through December 2022, and disbursements for December 2022, January 2023, and February 2023 totaling \$2,445,886.28, as presented. Following Mr. Siedman's review of the financial statements presented in the board packet and board discussion on the various reports presented, the motion was approved unanimously by polled vote.	✓ <b>Action</b> 23- 1031
-----------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------

The meeting recessed at 5:13 p.m.



On March 9, 2023, SEAPA Directors, staff, and counsel, toured the Agency's Wrangell Warehouse and Tye Hydroelectric Facility.

**March 10, 2023**

The meeting resumed at 9 a.m. on March 10, 2023.

**8) New Business**

The Chair requested a roll call. The same directors, staff, and counsel, that were present for the March 8 meeting were present on March 10.

The Chair reported there were no communications or lay on the table items.

A. *First Quarter Operations Plan Update (Siedman)*

Mr. Siedman reported that both the Swan and Tye Lake plants are in a very healthy condition, and elaborated on precipitation and lower-than-average temperatures. He provided the current model predictions from the International Research Institute and Climate Prediction Centers. He noted there is a high probability that SEAPA's reservoir levels will stay above the draft limits for 2023.

B. *Consideration of Contract Re Tye Circuit Switcher Replacement Project*

➤ <b>Motion</b>	M/S (Lynn/Bynum) to authorize staff to enter into a Contract with Electric Power Constructors, Inc. for the 2023 Tye Circuit Switcher Replacement Contract for the not-to-exceed value of \$337,300, subject to negotiation of the bid price, and further moved to increase the FY2023 Budget for RR23381 to \$337,300. The motion was approved unanimously by polled vote.	✓ <b>Action 23- 1032</b>
-----------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------

C. *Discussion Re SEAPA 2023 Transmission Line Brushing Projects*

Mr. Siedman reported that the Agency solicited bids for SEAPA's Swan-Tye Intertie and Swan-Bailey Transmission Line brushing projects on January 23rd. Only one bid was received for each project. The sole bid for each project was rejected as they exceeded the Agency's budget. He discussed staff's strategy going forward.

D. *Executive Session Re Agency's CEO and Strategic Resiliency Plan as Relates to HSI*

➤ <b>Motion</b>	M/S (Lynn/Good) to recess into Executive Session to be conducted pursuant to SEAPA's Bylaws and Alaska Statute 44.62.310 for discussions with the Agency's attorney present related to hydrosite investigations, the immediate knowledge of which could have an adverse effect on the legal position of the Agency.  I further move to recess into execute session to be conducted pursuant to SEAPA's Bylaws and Alaska Statute 44.62.310 for discussions related to a subject that could prejudice the reputation and character of any person, provided that the persons may request a public discussion.	✓ <b>Action 23- 1033</b>
-----------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------

Mr. Bynum moved to amend the motion.

➤ <b>Motion</b>	M/S (Bynum/Bradberry) to amend the motion to recess into executive session to divide the two issues and act on them separately. The motion failed 3 to 2 with Directors Lynn, Good, and Sivertsen voting no, and Directors Bradberry and Bynum voting yes.	✓ <b>Action 23- 1034</b>
-----------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------



The Chair requested a vote on the main motion as presented. The motion passed 4 to 1 with Directors Good, Sivertsen, Bynum, and Lynn voting in favor of the motion, and Director Bradberry voting against the motion.

The meeting recessed at 9:30 a.m. for the executive session. The meeting resumed into regular session at 12:32 p.m.

E. *Reserved for any Action/Discussion following Executive Session*

The Chair called the meeting back to order following the executive session, and announced that direction was given regarding hydrosite investigations. Mr. Lynn introduced the following motion:

➤ <b>Motion</b>	M/S (Lynn/Good) to proceed with negotiating a contract with SEAPA's Acting CEO, Robert Siedman, for the purpose of retaining Mr. Siedman as the Chief Executive Officer of the Southeast Alaska Power Agency. The motion passed 4 to 1 with Directors Bynum, Lynn, Good, and Sivertsen voting in favor of the motion, and Director Bradberry voting against the motion.	✓ Action 23- 1035
-----------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------

The Chair announced he will be calling a special board meeting to discuss potential negotiations and what the board may want to consider regarding terms and conditions.

F. *Consideration of SEAPA Policy Handbook Updates*

➤ <b>Motion</b>	M/S (Lynn/Bynum) to authorize staff to accept the proposed revisions presented in the March 2023 Redlined Draft of SEAPA's March 2015 Policies and Procedures Handbook as presented at SEAPA's March 8 and 10, 2023 regular board meeting, and update the Table of Contents in the Handbook accordingly. Once the revisions are accepted and table of contents updated, the March 2023 Revised Policy Handbook shall be deemed as approved in its entirety.	✓ Action 23- 1036
-----------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------

The board discussed staff's proposed revisions in the redlined draft of the Policy Handbook presented in the board packet. The following is a record of the adopted, excluded, and deferred revisions:

Pdf Page #	Section # / Proposed Change	Change Adopted	Change Excluded and/or Deferred	Comment
81	<p><b>Section 1. History and Background of SEAPA.</b></p> <p>Delete last sentence of last paragraph in Section 1 that states: "In February 1998, the PMC set the wholesale power rate at 6.8 cents per kilowatt hour and that same rate is still in effect as of the writing of this revised policy manual in 2015."</p>	<b>X</b>		<b>Adopted:</b> Wholesale Power Rate has changed. Deleting entire sentence will preclude inaccuracies as rate changes occur.
83	<p><b>Section 1. History and Background of SEAPA.</b></p> <p>Under <b>Key Agency Agreements and Documents</b>, there is a list of six (6) key agreements and documents governing Agency actions related to the management, operation, maintenance, and repair of SEAPA's project. Of these six documents, staff requests that #4 be changed, and that #6 be deleted in its entirety, as follows:</p>			



	<p>#4 states: "Indenture of Trust Agreement - Wells Fargo Bank and Agency (February 1, 2009). Suggest changing #4 to state only: "Indenture of Trust Agreements" and delete: "Wells Fargo Bank and Agency (February 1, 2009)". Suggest #6 be deleted: #6: states: "Swan Lake Operations and Maintenance Agreement".</p>	X		<p><b>Adopted:</b> SEAPA currently has more than one indenture of trust and dates of indentures vary, and the Swan Lake O&amp;M Agreement between SEAPA &amp; KPU was terminated effective as of July 1, 2019, therefore language in the policy including it no longer applies.</p>
101-104	<p>Section 5 titled "<b>Project Management, Operation, Maintenance and Repair</b>" is deleted in its entirety.</p>	X		<p><b>Adopted:</b> Section no longer applicable due to termination of the Swan Lake O&amp;M Agreement between SEAPA &amp; KPU.</p>
105-106	<p>The title of Section 6.2 "<b>Rate Obligations in the Indenture</b>" shall be deleted and changed to: "<b>Existing Indentures of Trust Due to Bonding Obligations</b>"  Section 6.2.1 states: Existing Indentures of Trust Due to Bonding Obligations. With the restructuring of the Agency, it borrowed a total of \$16,496,000, with varying maturity dates extending until June 1, 2028.  Section 6.2.1 shall be deleted in its entirety.  Section 6.2.2 shall be renumbered to Section 6.2.1 and shall state: "<u>Rate Setting Mandate in the Indentures</u>. The Indentures require rates to be set by the Agency, and collected from the Member Utilities consistent with the PSA."  All of the remaining language in 6.2.2 shall be deleted in its entirety.</p>	X		<p><b>Adopted:</b> SEAPA currently has more than one indenture of trust and dates of indentures vary.</p>
107	<p>Section 6.4 <b>Billing Procedures and Payment</b>  Section 6.4.1: delete in its entirety Section 6.4.3: delete in its entirety  The remaining paragraphs in Section 6.4 shall be renumbered accordingly.</p>	X		<p><b>Adopted:</b> Sections 6.4.1 &amp; 6.4.3 are no longer applicable due to termination of the Swan Lake O&amp;M Agreement between SEAPA &amp; KPU.</p>
108	<p>Section 6.4.6: <u>Acquisition of Capital Assets</u> states: "Capital assets are identifiable units of property that have a useful life of more than two years and which cost \$25,000 or more to place into service."  Change \$25,000 to \$10,000.  Section 6.4.6(3): delete in its entirety</p>	X  X		<p><b>Adopted:</b> Resolution #2019-072 lowered capitalization threshold from \$25K to \$10K effective as of 7/01/2019.  Deletion <b>Adopted:</b> 6.4.6(3) no longer applicable due to termination of the Swan Lake O&amp;M Agreement between SEAPA &amp; KPU.</p>



108	<p><b>Section 7: Agency Management and Staff:</b></p> <p>The first sentence only shall remain in Section 7. The remainder of the paragraph shall be deleted in its entirety. The following language shall be added to the paragraph:</p> <p>"The CEO will ensure appointments of agents or employees to assure compliance with any federal or state regulatory agencies."</p>	X		<p><b>Adopted:</b> Remainder of paragraph deleted as SEAPA employees and titles change, and Swan Lake O&amp;M Agreement with KPU no longer applies. New language added to assure compliance with all regulatory agencies. Board members suggested highlighted language.</p>						
109	<p><b>Section 7.1: Chief Executive Officer</b></p> <p>The 8th bullet point under Section 7.1 states: "Assures that the purchasing and operating utility or agencies are performing activities in a manner consistent with the Swan Lake O&amp;M Agreement, power sales agreements and SEAPA policies and procedures" shall be deleted in its entirety.</p>	X		<p>Deletion <b>Adopted:</b> Language relates to KPU as the purchasing and operating utility and is no longer applicable due to termination of the Swan Lake O&amp;M Agreement between SEAPA and KPU.</p>						
109	<p><b>Section 8: Delegations of Authority and Procurement Policy</b></p> <p><b>Section 8.1: Delegations of Authority Generally</b></p> <p>The last sentence of the paragraph states: "Such delegation shall be consistent with this Policy and Procurement Policy of the Agency adopted by motion on September 24, 2002.</p> <p>The following shall be added to the sentence:</p> <p>"and amended by motion on March 26, 2015, and further amended on _____, 2023."</p>		X	<p><b>Excluded and deferred</b> until date the board approves all changes to the handbook by motion. The blank date serves as a placeholder pending that approval. The date of final approval of the handbook revisions will be inserted so the dates of all handbook revisions are memorialized.</p>						
111	<p><b>Section 8.2.4. Procedures for Contracts:</b></p> <p>Language in this section states: "<u>Procedures for Contracts \$100,000 or less for Budgeted Items and above \$100,000 for Non-Budgeted Items.</u>"</p> <p>The table under the above language states:</p> <table border="1" data-bbox="233 1356 821 1558"> <thead> <tr> <th>Procurement Value</th> <th>Approval Authority</th> </tr> </thead> <tbody> <tr> <td>\$100,000 or less for items budgeted in SEAPA's budget for that fiscal year in which such procurement contract is to be executed.</td> <td>CEO</td> </tr> <tr> <td>Over \$100,000 and for Non-Budgeted Items</td> <td>Motion or Resolution of the Board</td> </tr> </tbody> </table> <p>Staff proposed changing \$100,000 to \$200,000 or less for Budgeted Items, and above \$200,000 for Non-Budgeted Items based on inflation, supply chain disruptions, etc.</p>	Procurement Value	Approval Authority	\$100,000 or less for items budgeted in SEAPA's budget for that fiscal year in which such procurement contract is to be executed.	CEO	Over \$100,000 and for Non-Budgeted Items	Motion or Resolution of the Board		X	<p><b>Excluded and deferred</b> to a later board meeting for discussion.</p>
Procurement Value	Approval Authority									
\$100,000 or less for items budgeted in SEAPA's budget for that fiscal year in which such procurement contract is to be executed.	CEO									
Over \$100,000 and for Non-Budgeted Items	Motion or Resolution of the Board									



Section 8.2.5 states: Procedures for Goods Purchase, Construction Services Contracts, and Professional Services Contracts, including Open Consultant Services Contracts provided that such contracts are for budgeted items or items previously approved by the Board. The table under this language states:

Procurement Value	Procedure
\$50,000 or less	May be made on the open market without the necessity of competitive bidding, or solicitation. Notwithstanding the foregoing, the CEO or other authorized SEAPA personnel shall use reasonable efforts to secure such Procurement Contracts at the most reasonable price available in the market at the time of procurement.
Over \$50,000 - \$75,000	Oral price quotations from at least three (3) qualified persons or vendors
Over \$75,000 - \$100,000	Option of: (i) submitting an RFP to at least three (3) prospective qualified vendors, which shall generate at least three responses from such vendors, or (ii) follow competitive bidding procedures set forth in paragraph 7, below, in this Policy.
Over \$100,000	Competitive bidding procedures set forth in paragraph 7, below.

111-112 The table below shows changes suggested by staff to the procurement values in the above table, based on inflation, supply chain disruptions, etc.

Procurement Value	Procedure
\$150,000 or less	May be made on the open market without the necessity of competitive bidding, or solicitation. Notwithstanding the foregoing, the CEO or other authorized SEAPA personnel shall use reasonable efforts to secure such Procurement Contracts at the most reasonable price available in the market at the time of procurement.
<del>Over \$50,000 - \$75,000</del>	<del>Oral price quotations from at least three (3) qualified persons or vendors</del>
Over \$150,000 - \$200,000	Option of: (i) submitting an RFP to at least three (3) prospective qualified vendors, which shall generate at least three responses from such vendors, or (ii) follow competitive bidding procedures set forth in paragraph 7, below, in this Policy.

X

Procurement value of \$150,000 or less **excluded and deferred** to a later board meeting for discussion.

X

Deletion of "Over \$50,000- \$75,000 for oral price quotations from at least three (3) qualified persons or vendors" **adopted** as three oral price quotations are rarely received.

X

Procurement value over \$150,000-\$200,000 **excluded and deferred** to a later board meeting for discussion.



	Over \$200,000	Competitive bidding procedures set forth in paragraph 7, below.		X	Procurement value over \$200,000 <b>excluded and deferred</b> to a later board meeting for discussion.
114	<p>Section 8. <u>Competitive Bidding Not Required.</u> Notwithstanding any other provision of this Policy, the following may be purchased or contracted for without competitive bidding or soliciting quotations:</p> <p>Section 8.4(ii) states: "that which causes substantial duplication in maintenance, expertise or training or the stocking of parts, materials, supplies, or replacements. Any purchase which is to be excluded from competitive bidding by the authority of this subparagraph which exceeds \$100,000 must first be approved by the board."</p> <p>Staff proposed changing dollar amount to \$200,000.</p>			X	Change <b>Excluded and deferred</b> to a later board meeting for discussion.
114-115	<p>Section 8.11. Emergency procurements; provided that (i) the CEO must first declare an emergency and notify the Board of such (if practical); (ii) the CEO approves those Procurement Contracts for Two Hundred Fifty Thousand Dollars (\$250,000.00) or less without any approval or solicitation process; and (iii) the CEO seeks the approval of the Chairperson or Vice Chairperson of SEAPA for Procurement Contracts exceeding <b>Fifty</b> Thousand Dollars (\$250,000.00) ...".</p> <p>Correct typo to "<b>Fifty</b>".</p>			X	<b>Adopted</b> to correct typo.
115	<p>Section 9. <u>Acquisition of Real Property Interest.</u></p> <p>Section 9.1. "No real property may be acquired by SEAPA without first being specifically approved by the Board. No lease or easement to use land may be acquired by SEAPA for a payment in excess of Fifteen Thousand Dollars (\$15,000.00) without first being specifically approved by the Board."</p> <p>Staff proposed changing dollar amount from \$15,000 to \$25,000 and adding "if the total" language as follows:</p> <p>Section 9.1. "No real property may be acquired by SEAPA without first being specifically approved by the Board. No lease or easement to use land may be acquired by SEAPA for a payment <b>if the total</b> is in excess of Twenty-five Thousand Dollars (\$25,000.00) without first being specifically approved by the Board."</p>			X	<b>Adopted</b> to increase dollar amount from \$15,000 to \$25,000 and adding new " <b>if the total</b> " language as demonstrated.

115	<p><u>Section 11. Sale or Other Disposition of Personal Property Interest.</u></p> <p>Section 11.1 states: "The CEO may sell or otherwise dispose of any surplus, obsolete or unneeded supplies, materials, equipment or other personal property with a value of Five Thousand Dollars (\$5,000.00) or less, by giving notice of each proposed disposition in such manner as the CEO deems reasonable and appropriate; provided, however, the CEO shall not be required to give notice if the cost of giving notice exceeds the value of the supplies, materials, equipment, or other personal property."</p> <p>Staff proposed increasing the dollar value from \$5,000 to \$10,000.</p>		X	<p>Change <b>excluded and deferred</b> pending discussion with Controller whether increase conflicts with capitalization policy.</p>
115	<p>Section 11.2 states: "No supplies, materials, equipment or other personal property of a value of more than Five Thousand Dollars (\$5,000.00) may be sold or otherwise disposed of until the Board has declared, by motion or resolution, such property surplus, obsolete, unneeded, or that the transaction is otherwise in the best interest of SEAPA.</p> <p>Staff proposed increasing the dollar value from \$5,000 to \$10,000.</p>		X	<p>Change <b>excluded and deferred</b> pending discussion with Controller whether increase conflicts with capitalization policy.</p>
116	<p>Section 9. Agency Insurance</p> <p>Delete the last sentence in the first paragraph of Section 9 that states:</p> <p>"The Operator of the Agency's Swan Lake facility is obligated under an O&amp;M Agreement to carry workers compensation insurance, comprehensive general liability insurance, and additional liability insurance related to its O&amp;M activities at the facility."</p>		X	<p><b>Adopted:</b> Swan Lake O&amp;M Agreement with KPU no longer applies.</p>
116	<p>Section 9.1: "The Insurance Plan covers four (4) areas: insurance coverages currently carried by the Agency; insurance requirements of the operating utility as contained in the O&amp;M Agreement for the Agency's Swan Lake facility, maintenance of an insurance component within the Self-Insured Risk Fund (developed by an Independent Engineering Consultant), and other related considerations.</p> <p>Staff proposed changing four (4) to three (3) and deleting " insurance requirements of the operating utility as contained in the O&amp;M Agreement for the Agency's Swan Lake facility"</p>		X	<p><b>Adopted:</b> Swan Lake O&amp;M Agreement with KPU no longer applies.</p> <p>With deletion of Swan Lake O&amp;M Agreement language, the number of areas covered by the Insurance Plan changes from four (4) to three (3).</p>

116	9.1.2: " <u>Operation and Maintenance Agreement Insurance Requirement</u> . The Operator of the Agency's Swan Lake project, pursuant to the existing agreement with the Agency, requires it to maintain appropriate insurance coverages for its activities, and are primary to the Agency coverages."	X	<b>Adopted:</b> Swan Lake O&M Agreement with KPU no longer applies.
-----	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---	---------------------------------------------------------------------

➤ <b>Motion</b>	M/S (Bynum/Lynn) to amend the main motion to exclude those items that the Board agreed to defer to a later date. The motion was approved unanimously by polled vote.	✓ <b>Action</b> 23-1037
-----------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------

The Chair requested a vote on the main motion. The main motion was adopted, as amended, and approved unanimously by polled vote.

G. *Consideration of Project Manager Recruitment*

➤ <b>Motion</b>	M/S (Lynn/Sivertsen) to authorize the Agency's CEO to recruit and hire a full-time Project Manager to provide support for all SEAPA facilities within the salary range of \$112,500 to \$169,500 annually based on the successful candidate's skills and experience.	✓ <b>Action</b> 23-1038
-----------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------

Mr. Siedman elaborated on the information provided in the board packet regarding the position.

➤ <b>Motion</b>	M/S (Bynum/Bradberry) to postpone the project manager recruitment until such time as SEAPA has an approved contract with the CEO.	✓ <b>Action</b> 23-1039
-----------------	-----------------------------------------------------------------------------------------------------------------------------------	----------------------------

Following discussion, Mr. Siedman announced he would provide the board with an organizational chart for SEAPA at the next board meeting. The Chair requested a vote on the amendment to the main motion to postpone the main motion. The motion passed four to one with Directors Good, Bradberry, Sivertsen, and Bynum voting in favor of the postponement, and Director Lynn voting against the postponement.

9) **Next Meeting Dates**

The Chair announced a special board meeting would be held March 21, 2023 to discuss CEO contract negotiations, and that April 7th may be a separate special board meeting date to discuss brushing contracts. The next regular meeting is scheduled for June 22, 2023 in Ketchikan.

10) **Director Comments**

Directors exchanged various comments.

11) **Adjourn**

➤ <b>Motion</b>	M/S (Abby/Good) to adjourn the meeting. After hearing no objections, the Chair declared the meeting adjourned.	✓ <b>Action</b> 23-1040
-----------------	----------------------------------------------------------------------------------------------------------------	----------------------------

The meeting adjourned at 1:56 p.m.

**Signed:**

**Attest:**

\_\_\_\_\_  
**Secretary/Treasurer**

\_\_\_\_\_  
**Chairperson**



# Southeast Alaska Power Agency Special Meeting Minutes

Location: Held Electronically<sup>1</sup>

Date: March 21, 2023

Time: 10:00 a.m. AKDT

## Agenda Items

### 1) Call to Order

A. Roll Call.

Chairperson Sivertsen called the special meeting to order at 10:00 a.m. AKDT on March 21, 2023. The following directors and alternates were present, thus establishing a quorum of the board:

Directors	Present Electronically (E) In Person (IP)	Alternates	Present Electronically (E) In Person (IP)	Representing	Community
Bob Sivertsen	E	Andy Donato	E	Swan Lake	Ketchikan
Abby Bradberry	E	Delilah Walsh	E	Swan Lake	Ketchikan
Janalee Gage		Jeremy Bynum	E	Swan Lake	Ketchikan
Jeff Good	E	Mark Walker	E	Tyee Lake	Wrangell
Bob Lynn	E	Karl Hagerman	E	Tyee Lake	Petersburg

The following SEAPA staff and counsel were present for all or part of the meeting:

Staff	Present Electronically (E) In Person (IP) or Telephonically (T)	Staff/Counsel	Present Electronically (E) In Person (IP)
Robert Siedman, Acting CEO	E	Marcy Hornecker, Admin. Asst.	E
Clay Hammer, Operations Mgr.		Sharon Thompson, EA/CA	E
Ed Schofield, Power Sys. Sp.	E	Joel Paisner, SEAPA Counsel	E
Kay Key, Controller	E		

B. Communications / Lay on the Table Items: None

C. Disclosure of Conflicts of Interest: None

### 2) Approval of the Agenda

Chairperson Sivertsen requested a motion to approve the Agenda.

➤ Motion	M/S (Lynn/Bynum) to approve the Agenda as presented. The motion was approved unanimously by polled vote.	✓ Action 23- 1041
----------	----------------------------------------------------------------------------------------------------------	-------------------------

### 3) Persons to be Heard

Mr. Schofield commented on the Agency's hiring practices.

<sup>1</sup> The meeting was held electronically via Zoom.



4) **New Business**

A. *Discussion Relating to Negotiations Re CEO Contract*

The Chair provided an overview of the Board's actions to date relating to the Agency's CEO position, and Board members voiced their preferences for an approach going forward.

B. *Executive Session Re Discussion relating to Agency's CEO*

➤ <b>Motion</b>	M/S (Lynn/Bynum) to recess into Executive Session to be conducted pursuant to SEAPA's Bylaws and Alaska Statute 44.62.310 for discussions related to a subject that could prejudice the reputation and character of any person, provided that the persons may request a public discussion. The motion was approved unanimously by polled vote.	✓ <b>Action 23- 1042</b>
-----------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------

The meeting recessed at 10:25 a.m. for the executive session, and resumed at 11:45 a.m. into regular session.

The Chair announced that the Board met in executive session, had discussions, and will return to regular session for Item C under New Business.

C. *Reserved for any Action following Executive Session*

➤ <b>Motion</b>	M/S (Bynum/Lynn) to appoint Board members Bob Lynn, Jeff Good, and SEAPA's counsel, Joel Paisner, to enter into negotiations regarding the CEO contract within the boundaries established. The motion was approved unanimously by polled vote.	✓ <b>Action 23- 1043</b>
-----------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------

The Chair requested discussion on upcoming board meetings. April 27th is reserved as a potential date for a special board meeting for the Agency's brushing contracts. The Chair announced a special board meeting may also be established following the appointed Board members and counsel negotiations regarding the CEO contract.

The Chair requested director comments. Directors exchanged various comments.

5) **Adjourn**

➤ <b>Motion</b>	M/S (Bradberry/Lynn) to adjourn the meeting. The Chair announced the meeting adjourned after no objections were heard.	✓ <b>Action 23- 1044</b>
-----------------	------------------------------------------------------------------------------------------------------------------------	----------------------------------

The meeting adjourned at 11:53 a.m.

**Signed:**

**Attest:**

\_\_\_\_\_  
**Secretary/Treasurer**

\_\_\_\_\_  
**Chairperson**



# Southeast Alaska Power Agency Special Meeting Minutes

**Location:** Held Electronically<sup>1</sup>

**Date:** April 25, 2023

**Time:** 2:00 p.m. AKDT

## Agenda Items

### 1) Call to Order

#### A. Roll Call.

Chairperson Sivertsen called the special meeting to order at 2:00 p.m. AKDT on April 25, 2023. The following directors and alternates were present, thus establishing a quorum of the board:

Directors	Present Electronically (E) In Person (IP)	Alternates	Present Electronically (E) In Person (IP)	Representing	Community
Bob Sivertsen	E	Andy Donato	E	Swan Lake	Ketchikan
Abby Bradberry	E	Delilah Walsh	E*	Swan Lake	Ketchikan
Janalee Gage	E	Jeremy Bynum	E	Swan Lake	Ketchikan
Jeff Good	E	Mark Walker		Tyee Lake	Wrangell
Bob Lynn	E	Karl Hagerman	E	Tyee Lake	Petersburg

\*Ms. Walsh joined the meeting at 2:22 p.m.

The following SEAPA staff and counsel were present for all or part of the meeting:

Staff	Present Electronically (E) In Person (IP) or Telephonically (T)	Staff/Counsel	Present Electronically (E) In Person (IP)
Robert Siedman, Acting CEO	E	Marcy Hornecker, Admin. Asst.	E
Clay Hammer, Operations Mgr.	E	Sharon Thompson, EA/CA	E
Ed Schofield, Power Sys. Sp.	E	Joel Paisner, SEAPA Counsel	E
Kay Key, Controller	E		

#### B. Communications / Lay on the Table Items: None

#### C. Disclosure of Conflicts of Interest: None

### 2) Approval of the Agenda

Chairperson Sivertsen requested a motion to approve the Agenda.

<b>&gt; Motion</b>	M/S (Lynn/Good) to approve the Agenda as presented. The motion was approved unanimously by polled vote.	✓ <b>Action 23- 1045</b>
--------------------	---------------------------------------------------------------------------------------------------------	----------------------------------

### 3) Persons to be Heard: None

<sup>1</sup> The meeting was held electronically via Zoom.





#### 4) New Business

##### A. Update Re CEO Contract Negotiations

The Chair announced that open discussions regarding the initial offer regarding the CEO position may tend to prejudice the reputation and character of a person. The Acting CEO declined open discussions. The Chair requested a motion to enter into an executive session.

##### B. Executive Session Re Discussion relating to Agency's CEO

<b>➤ Motion</b>	M/S (Good/Lynn) to recess into Executive Session to be conducted pursuant to SEAPA's Bylaws and Alaska Statute 44.62.310 for discussions related to a subject that could prejudice the reputation and character of any person, provided that the persons may request a public discussion. The motion was approved unanimously by polled vote.	✓ Action 23- 1046
-----------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------

The meeting recessed at 2:05 p.m. for the executive session, and resumed at 3:15 p.m. into regular session.

The Chair announced that the Board met in executive session, had discussions, and will proceed with Item C under New Business.

##### C. Reserved for Possible Action following Executive Session

<b>➤ Motion</b>	M/S (Bradberry/Lynn) to direct SEAPA's counsel and the negotiation team to prepare a draft contract as discussed in executive session and present the draft contract to the final candidate for review. The motion was approved unanimously by polled vote.	✓ Action 23- 1047
-----------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------

##### D. Presentation of SEAPA Organizational Chart

Mr. Siedman presented an organizational chart of the Agency.

##### E. Consideration of Brushing Contracts

<b>➤ Motion</b>	M/S (Good/Gage) to authorize staff to enter into a contract with Carlos Tree Service, Inc. for SEAPA's 2023 Swan-Tyee Intertie and Swan-Bailey Transmission Line Brushing Projects for the lump-sum value of \$1,065,329.60, and further move to increase FERC 571 in the FY2023 Operating Budget by \$199,330. The motion was approved unanimously by polled vote.	✓ Action 23- 1048
-----------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------

##### F. Discussion Re SEAPA Office Furnishings

Mr. Siedman explained that due to the upcoming move to a new building, staff has purchased board-approved furnishings, and will donate the Agency's existing office furnishings.

Prior to adjournment, the Chair announced that the next meeting date is June 22nd and requested director's comments. Directors exchanged various comments.

#### 5) Adjourn

The Chair requested a motion to adjourn.

➤ **Motion**

M/S (Gage/Good) to adjourn the meeting. The Chair announced the meeting adjourned after no objections were heard.

✓ **Action**  
23-  
1049

The meeting adjourned at 3:58 p.m.

**Signed:**

**Attest:**

\_\_\_\_\_  
**Secretary/Treasurer**

\_\_\_\_\_  
**Chairperson**

Unapproved Draft



## **AGENDA ITEM 5A**

---

**(Update Re CEO Contract)**

**MEMORANDUM**  
**ATTORNEY-CLIENT COMMUNICATIONS**

TO: Chairperson  
Southeast Alaska Power Agency

FROM: Joel R. Paisner, Ascent Law Partners, LLP

DATE: June 9, 2023

RE: Suggested Motion for Executive Session

---

The Board of Directors may conduct an executive session during a Regular Board Meeting to be held on June 22, 2023, for discussions relating to the Agency's CEO.

If it is determined during the meeting that an executive session is necessary, I recommend the following motions be made:

I move to recess into Executive Session to be conducted pursuant to SEAPA's Bylaws and Alaska Statute 44.62.310 for discussions related to a subject that could prejudice the reputation and character of any person, provided that the persons may request a public discussion.

## **AGENDA ITEM 5C**

---

**(Placeholder for possible action following Executive Session)**



# SOUTHEAST ALASKA POWER AGENCY

**Date:** June 9, 2023  
**To:** SEAPA Board of Directors  
**From:** Robert Siedman, P.E., Acting CEO  
**Subject:** Resolution #2023-091 Re Equality & Diversity Policy

Attached for your consideration is Resolution #2023-091 authorizing adoption of an Equality and Diversity Policy, which is attached to the resolution. The policy memorializes SEAPA's ongoing goal of providing equality and fairness to all SEAPA employees, and outlines management's commitments, employee responsibilities, harassment, bullying, and discrimination, process for reporting inappropriate conduct, and consequences for inappropriate conduct.

As a joint action agency of the State of Alaska, SEAPA has always modeled many of the State's policies including their Equal Employment Opportunity (EEO) policy not to discriminate against any employee or applicant for employment on the basis of race, religion, color, national origin, age, physical or mental disability, sex, marital status, changes in marital status, pregnancy, or parenthood, unless the reasonable demands on the employee's position require a distinction. The EEO policy is written into the Agency's contracts and has been adhered to since the inception of the Agency. The Equality & Diversity Policy not only enhances the Agency's ongoing modeling of the EEO policy but is also required for federal funding opportunities.

It is worth noting that Alaska is recognized as the 12th most diverse state in the country according to the U.S. Census Bureau 2020 Census Redistricting data, and in 2021, the Anchorage Daily News reported that Alaska is increasingly more diverse. The census measures diversity by the chance that two randomly chosen individuals in a state will share the same race and ethnicity. In Hawaii for example, there's a 76% chance that they will be different, which is the highest odds in the country. In Alaska, there's a 62.8% chance which only enhances the exercise of equality and diversity.

Please consider the following suggested motion:

SUGGESTED MOTION
<b>I move to approve SEAPA Resolution No. 2023-091 adopting an Equality and Diversity Policy.</b>

Attachment(s):  
Resolution No. 2023-091 with Equality & Diversity Policy attached



## SOUTHEAST ALASKA POWER AGENCY

### RESOLUTION NO. 2023-091\*\*

---

#### **Southeast Alaska Power Agency Authorizing an Equality and Diversity Policy**

**WHEREAS**, the Southeast Alaska Power Agency (SEAPA) seeks to adopt an Equality and Diversity Policy to encourage a supportive and inclusive culture amongst its workforce; and

**WHEREAS**, the Board of Directors reviewed and considered the attached Equality and Diversity Policy at its June 22, 2023 regular board meeting.

**NOW THEREFORE, BE IT RESOLVED** that the Board of Directors of SEAPA hereby adopts the attached Equality and Diversity Policy dated June 22, 2023.

***This Resolution No. 2023-091*** was duly PASSED and ADOPTED by SEAPA's Board of Directors at its regular board meeting on the 22nd day of June 2023.

SOUTHEAST ALASKA POWER AGENCY

By \_\_\_\_\_  
Robert Sivertsen, Chairperson

ATTEST:

\_\_\_\_\_  
Secretary/Treasurer





---

## Southeast Alaska Power Agency

# Equality and Diversity Policy

The Southeast Alaska Power Agency (SEAPA) is dedicated to encouraging a supportive and inclusive culture amongst its whole workforce. It is within SEAPA's best interest to promote diversity and eliminate discrimination in the workplace.

SEAPA's goal is to ensure that all employees and job applicants are given equal opportunity and that our organization is representative of all sections of society. Each employee will be respected and valued and able to give their best as a result.

This policy reinforces our commitment to providing equality and fairness to all in our employment and not provide less favorable facilities or treatment on the grounds of age, caring responsibilities, disability, family situation, gender expression, gender identity, gender reassignment, marriage and civil partnership, pregnancy and maternity, race including ethnic origin, color, nationality and national origin, religion or belief, sex, sexual orientation, socio-economic background, or trade union activity.

All employees, no matter whether they are part-time, full-time, or temporary will be treated fairly and with respect. When SEAPA selects candidates for employment, promotion, training, or any other benefit, it will be on the basis of their aptitude and ability to meet the qualifications required for the position for which they are applying.

All employees will be provided help and encouragement to develop their full potential and utilize their unique talents. Therefore, the skills and resources of our organization will be fully utilized to maximize the efficiency of our whole workforce within the organization.

### Management Commitments

- ❖ To create an environment in which individual differences and the contributions of all team members are recognized and valued.
- ❖ To create a working environment that promotes dignity and respect for every employee.
- ❖ To promote a zero-tolerance policy regarding any form of intimidation, bullying, or harassment, and to discipline those that breach this policy.
- ❖ To promote equality in the workplace, which SEAPA aligns with its best practices efforts, and make sound business sense.

- ❖ To encourage anyone who feels they have been subject to discrimination to raise their concerns so corrective measures can be undertaken.
- ❖ To encourage employees to treat everyone with dignity and respect.
- ❖ To regularly review all of our employment practices and procedures so that fairness is maintained at all times.

### **Employee Responsibilities**

- ❖ Respecting the diversity and dignity of all people.
- ❖ Creating inclusive environments that are free from harassment, discrimination, and bullying.
- ❖ Being intentional with actions to drive equality and diversity.
- ❖ Committing to help SEAPA meet our Equality and Diversity responsibilities.

### **Harassment, Bullying and Discrimination:**

SEAPA bases employment decisions on merit, considering qualification, performance, skills and achievements and does not tolerate discrimination against any of our employees or applicants for employment based on race, color, religious beliefs, pregnancy, gender, sexual orientation, gender identity or expression, transgender status, national origin, ethnic origin or background, social origin, family or marital status, age, medical condition, disability, genetic information, union membership, military service or veteran status.

SEAPA does not tolerate harassment or bullying and will maintain an environment free from demoralizing effects of harassment or unwelcome offensive or improper conduct. SEAPA actively seeks to protect employees from harassment or bullying by management, other employees, contractors, and non-employees.

### **Reporting Inappropriate Conduct:**

If an employee believes they or another individual has been subjected to conduct prohibited by this Policy, the employee is urged and expected to report the relevant facts promptly to SEAPA's HR department.

### **Consequences:**

Employees who do not comply with this Policy and have engaged in discrimination, bullying or harassment, will be subject to appropriate disciplinary action, up to and including termination of employment.

SEAPA will inform all employees that an Equality and Diversity policy is in operation and that they are obligated to comply with its requirements and promote fairness in the workplace. The policy will also be drawn to the attention of funding agencies, stakeholders, customers, learners, and job applicants.

SEAPA's Equality and Diversity Policy is fully supported by SEAPA's Board of Directors and has been reviewed by the IBEW Local 1547 trade union and/or employee representatives.

This policy will be monitored and reviewed annually to ensure that equality and diversity is continually promoted in the workplace.

**This Equality and Diversity Policy is formally adopted by the Southeast Alaska Power Agency's Board of Directors this 22nd day of June, 2023.**

**SOUTHEAST ALASKA POWER AGENCY**

By \_\_\_\_\_  
**Robert Sivertsen, Chairperson**

**ATTEST:**

\_\_\_\_\_  
**Secretary/Treasurer**



# SOUTHEAST ALASKA POWER AGENCY

**Date:** June 9, 2023  
**To:** SEAPA Board of Directors  
**From:** Robert Siedman, P.E., Acting CEO  
**Subject:** Consideration of Increase to FY2023 RR23384 & RR23385 Budgets

**FISCAL NOTE:**  
RR 23384 (SWL FERC Relicensing) \$25,000 and RR 23385 (TYL FERC Relicensing) for \$25,000 approved in SEAPA FY2023 R&R Capital Budget for Relicensing Professional Services.

The approved FY2023 RR budget included \$25,000 respectively for professional services for RR23384 and RR23385 for Swan and Tye Lake FERC relicensing. The Agency contracted with Kleinschmidt Associates earlier this year to provide their professional services to support the planning process for development of a strategic plan to relicense the Swan and Tye Lake Projects. Kleinschmidt's not-to-exceed contract price for their services is \$25,000 for each project.

On May 2, 2023, Kleinschmidt met with SEAPA staff to discuss various relicensing strategies and actions to consider in advance of commencing, or concurrently with, relicensing to reduce the scope and complexity of the process. Following the meeting, Kleinschmidt provided a summary of their review of relevant information to be considered in evaluating potential modifications of the FERC boundaries, land ownership and permit status, potential resource concerns, and timing. Kleinschmidt recommends the Agency retain legal counsel experienced in FERC relicensing matters for further guidance and to pose questions to be considered for these important topics.

SEAPA's counsel, Joel Paisner, will elaborate further at the board meeting on his recommendation for counsel, and staff seeks an increase of \$10,000 to each of the RR23384 and RR23385 budgets to retain counsel for this purpose.

Please consider the following suggested motion:

**SUGGESTED MOTION**

**I move to increase SEAPA's FY2023 R&R Budget for RR23384 for Swan Lake Relicensing to \$35,000 and RR23385 for Tye Lake Relicensing to \$35,000.**

Attachments:  
Appendix A - RR23384 Budget Description & Estimate  
Appendix B - RR23385 Budget Description & Estimate



**FERC Relicensing – Swan Lake**

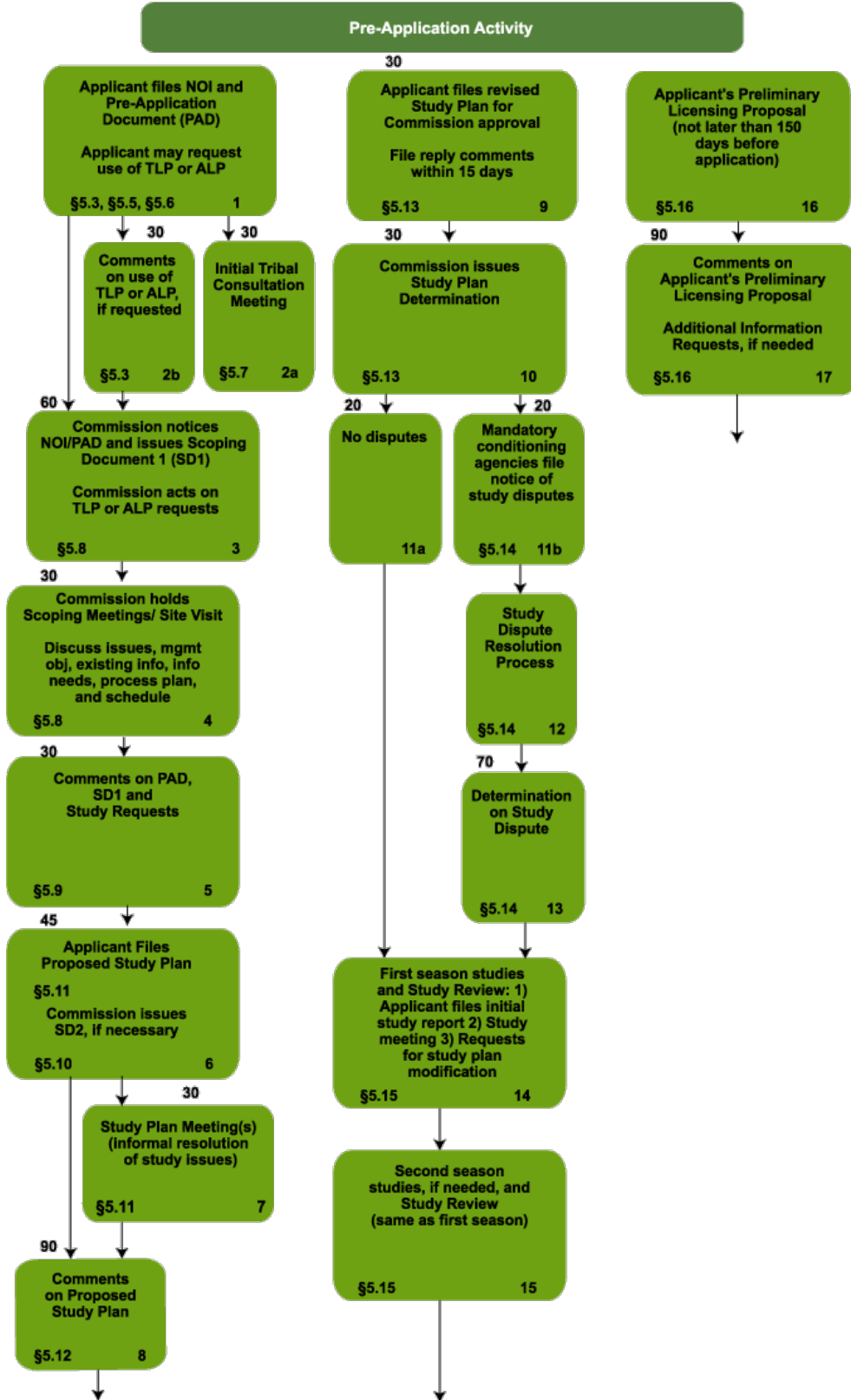
Description:	<b>FERC Relicensing – Swan Lake</b>		
Cost Estimate:	<b>\$3,110,000</b>	Sched. Complete:	<b>JUN 2030</b>
		Project Mgmt:	<b>Schofield</b>
<b>PROJECT DISCUSSION</b>			
<p>The FERC (Federal Energy Regulatory Commission) license for SEAPA’s Swan Lake hydroelectric project expires July 2030. SEAPA’s effort to seek a new license will involve multiple federal agencies; consultations with state, federal, and tribal agencies; and include NEPA environmental assessments. FERC’s outline of processes for hydropower licensing is attached.</p> <p>Application preparation, including Notice of Intent (NOI) and Pre-Application Documents (PAD), will begin in 2023, as well as development of scope and a Study Plan.</p> <p><b>June 2023: Increased budget for 2023 by \$10,000 to contract legal services. FERC relicensing efforts in the United States are anticipated to ramp up and legal services will be limited.</b></p>			

<b>PROJECT COST ESTIMATE</b>			
BREAKDOWN	ESTIMATE	BUDGET – EXPENDITURES	
Professional Services	\$25,000	<b>FY23 BUDGET</b>	<b>\$35,000</b>
Legal Services	\$10,000	FY24-FY30 BUDGET	3,075,000
Total Estimate	\$35,000	Total Budget	\$3,110,000
<b>Project Cost Estimate Discussion</b>			
<p>The combined estimate (Swan Lake and Tye Lake) for FERC relicensing is estimated at \$6.24MM in the 4R Plan. Development of the Study Plan will begin in 2023 and serve as the basis for a more accurate overall cost estimate.</p>			

# FERC Relicensing – Swan Lake

## PROCESSES FOR HYDROPOWER LICENSES Integrated Licensing Process (ILP)

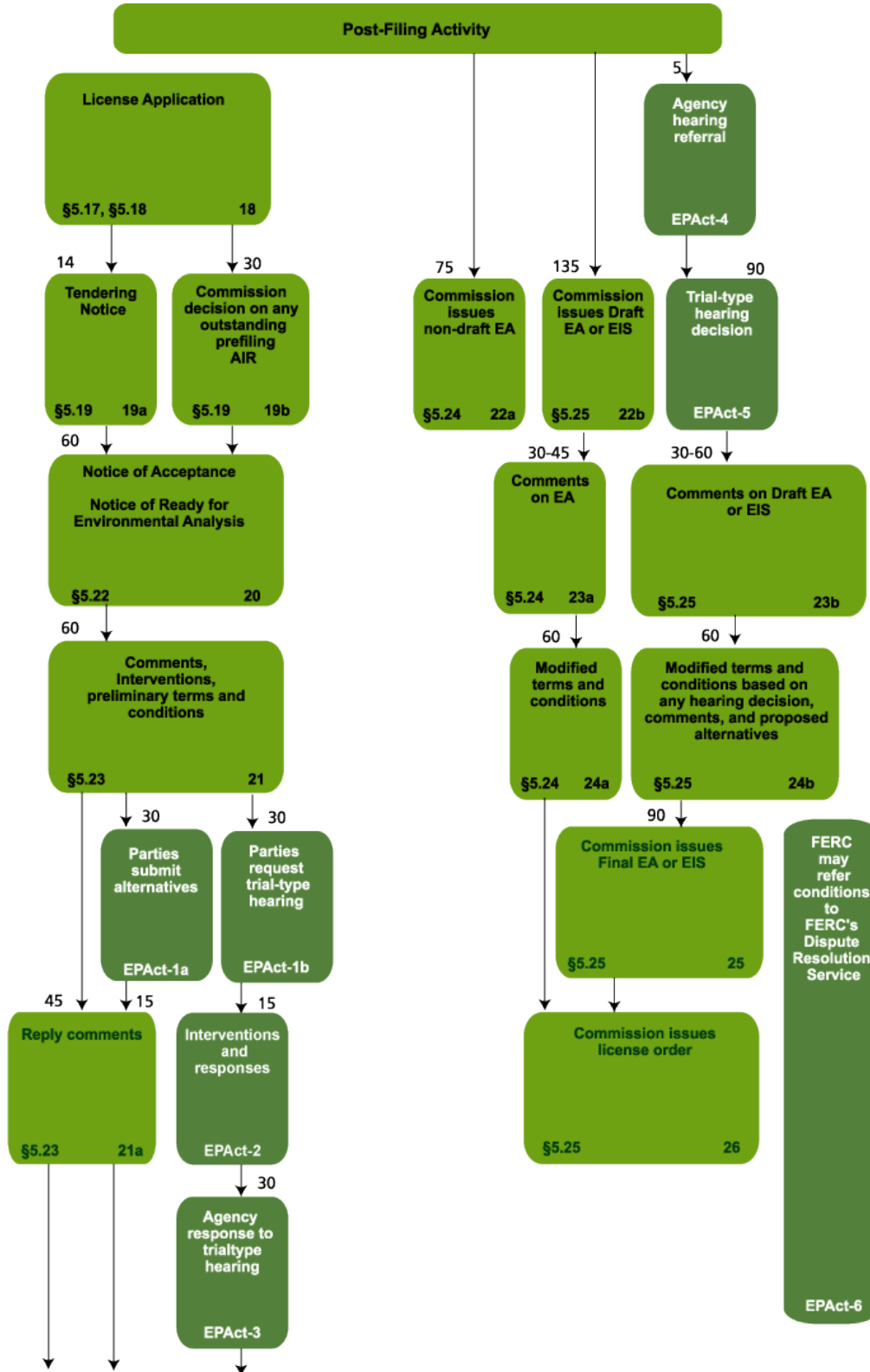
5.5-5 years before expiration for relicense



# FERC Relicensing – Swan Lake

## PROCESSES FOR HYDROPOWER LICENSES Integrated Licensing Process (ILP)

2 years before expiration for relicense







**FERC Relicensing – Tye Lake**

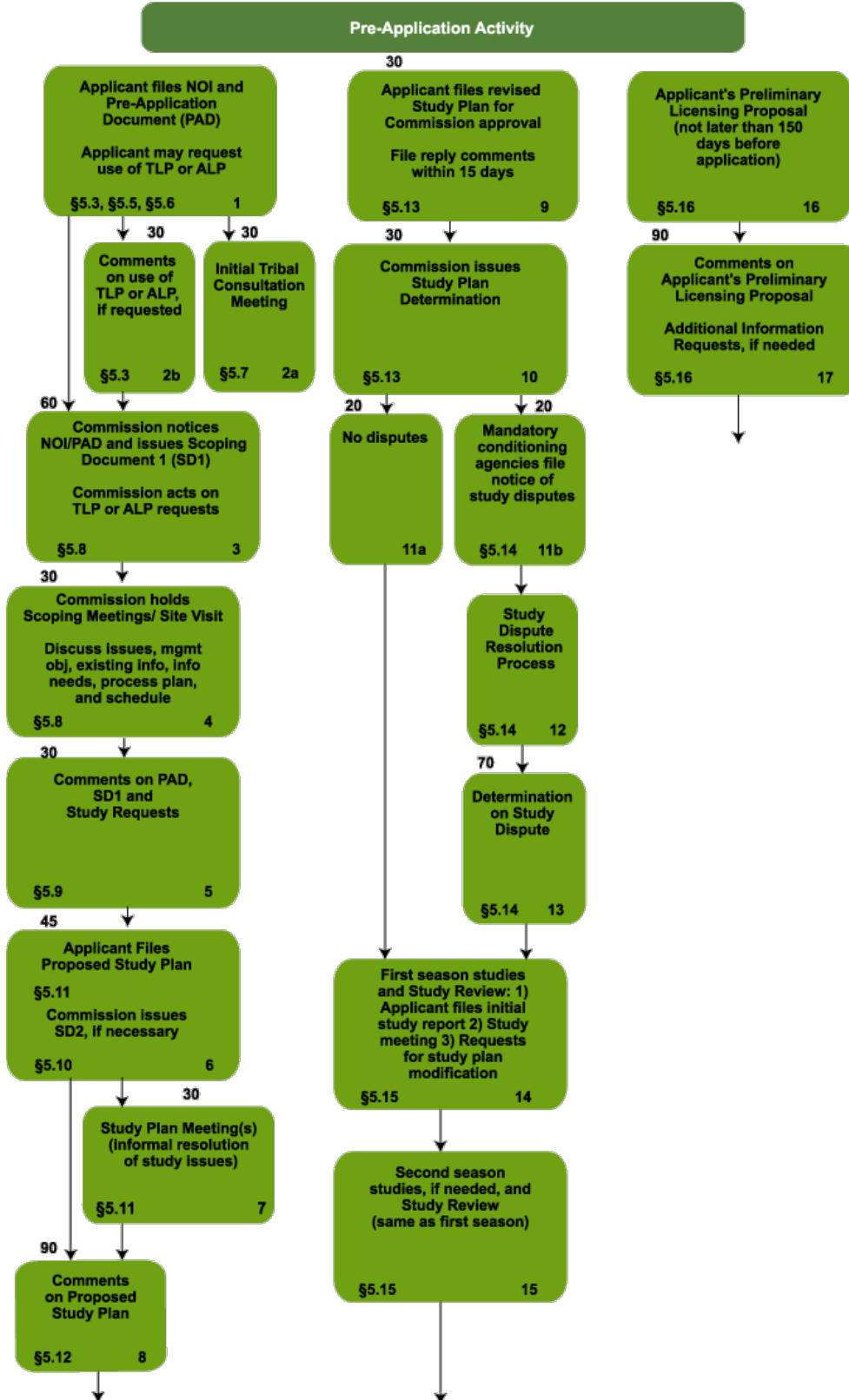
Description:	<b>FERC Relicensing – Tye Lake</b>		
Cost Estimate:	<b>\$3,110,000</b>	Sched. Complete:	<b>AUG 2031</b>
		Project Mgmt:	<b>Schofield</b>
<b>PROJECT DISCUSSION</b>			
<p>The FERC (Federal Energy Regulatory Commission) license for SEAPA’s Tye Lake hydroelectric project expires August 2031. SEAPA’s effort to seek a new license will involve multiple federal agencies; consultations with state, federal, and tribal agencies; and include NEPA environmental assessments. FERC’s outline of processes for hydropower licensing is attached.</p> <p>Application preparation, including Notice of Intent (NOI) and Pre-Application Documents (PAD), will begin in 2023, as well as development of scope and a Study Plan.</p> <p><b>June 2023: Increased budget for 2023 by \$10,000 to contract legal services. FERC relicensing efforts in the United States are anticipated to ramp up and legal services will be limited.</b></p>			

<b>PROJECT COST ESTIMATE</b>			
BREAKDOWN	ESTIMATE	BUDGET – EXPENDITURES	
Professional Services	\$25,000	<b>FY23 BUDGET</b>	<b>\$35,000</b>
Legal Services	\$10,000		3,075,000
Total Estimate	\$35,000	Total Budget	\$3,110,000
<b>Project Cost Estimate Discussion</b>			
<p>The combined estimate (Swan Lake and Tye Lake) for FERC relicensing is estimated at \$6.24MM in the 4R Plan. Development of the Study Plan will begin in 2023 and serve as the basis for a more accurate overall cost estimate.</p>			

# FERC Relicensing – Tye Lake

## PROCESSES FOR HYDROPOWER LICENSES Integrated Licensing Process (ILP)

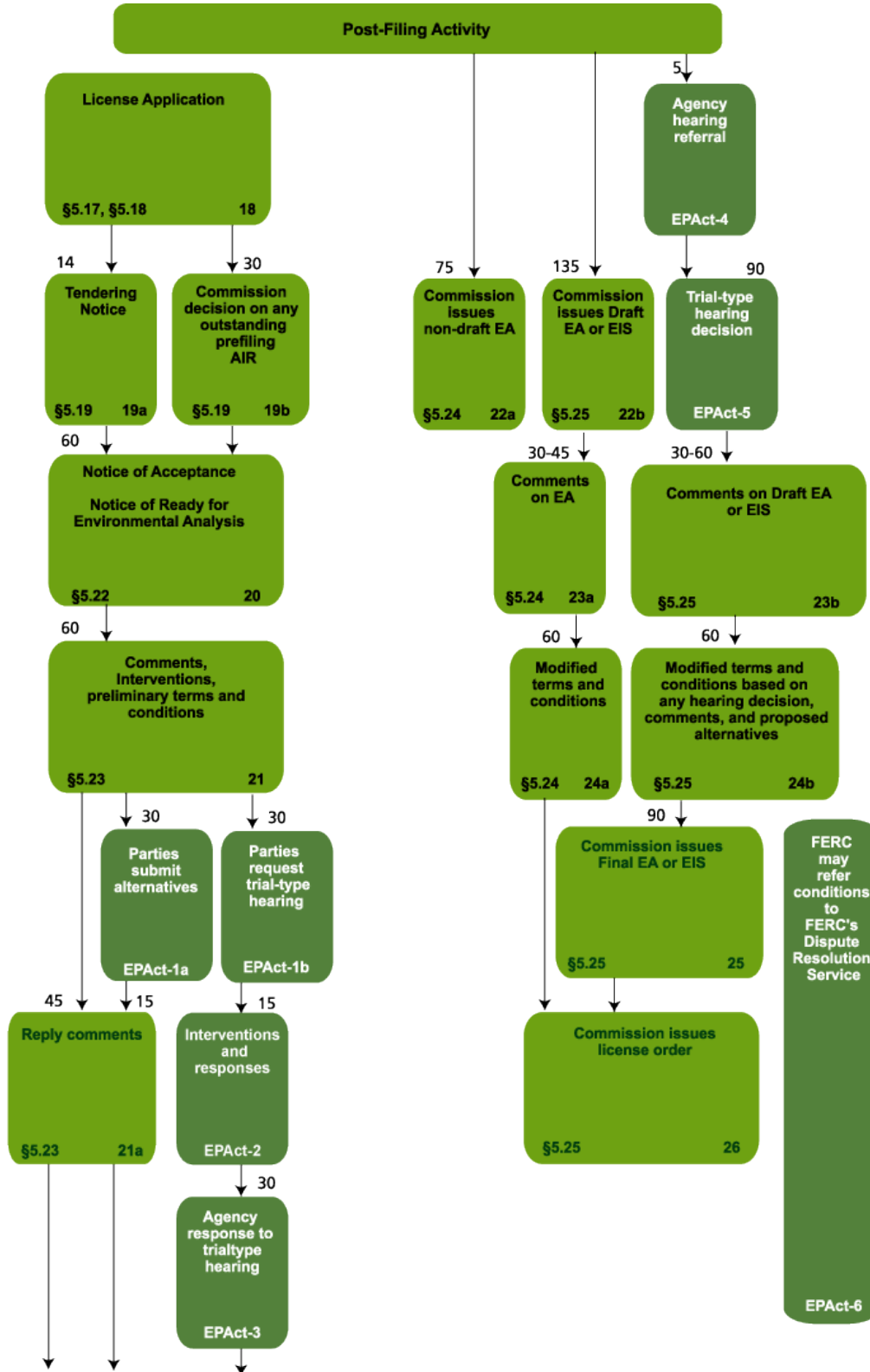
5.5-5 years before expiration for relicense



# FERC Relicensing – Tye Lake

## PROCESSES FOR HYDROPOWER LICENSES Integrated Licensing Process (ILP)

2 years before expiration for relicense





# SOUTHEAST ALASKA POWER AGENCY

**Date:** June 9, 2023  
**To:** SEAPA Board of Directors  
**From:** Robert Siedman, P.E., Acting CEO  
**Subject:** Consideration of Increase to FY2023 RR22373 Budget

**FISCAL NOTE:**  
\$15,000 was approved for RR22373 (Ketchikan Headquarters Standby Generator) in SEAPA FY2023 R&R Capital Budget.

The approved FY2023 R&R budget included \$15,000 for a standby generator, labor installation, LP tank and materials, and shipping, for RR22373 for a standby generator for the new SEAPA headquarters; however, once increased inflationary costs and as-built conditions were realized, it became apparent that the cost and size of the generator needed to be increased.

A manufacturer's budgetary estimate, and local vendor's estimate for the LP tanks, for the increased size generator necessitates an increase to \$29,800 for RR22373.

Please consider the following suggested motion:

**SUGGESTED MOTION**

**I move to increase SEAPA's FY2023 R&R Budget for RR22373 to \$29,800 for a larger sized Standby Generator for SEAPA's new Ketchikan Headquarters Building.**

Attachment:  
RR22373 Updated Description & Cost Estimate



**RR22373**

# Standby Generator KTN Headquarters

Description:	<b>Standby Generator at KTN HQ</b>		
Cost Estimate:	<b>\$29,800</b>	Sched. Complete:	<b>DEC 2023</b>
		Project Mgmt:	<b>Schofield</b>
<b>PROJECT DISCUSSION</b>			
<p>This project would include the purchase and installation of a stationary, 3-phase standby generator for the new SEAPA Headquarters. The standby generator would maintain critical facility power requirements to ensure operational supervisory control systems (SCADA) remain in service during power grid failures.</p> <p><b>2023: Size of generator was increased due to inflationary increases and to match as-built conditions at the new HQ building.</b></p>			

<b>PROJECT COST ESTIMATE</b>				
BREAKDOWN		ESTIMATE	BUDGET – EXPENDITURES	
Generator	\$19,500	\$29,800	<b>FY23 BUDGET</b>	<b>\$29,800</b>
Labor Installation	\$4,000			
LP Tank & Materials	\$4,300			
Shipping	\$2,000			
Total Estimate		\$29,800	Total Budget	\$29,800
<b>Project Cost Estimate Discussion</b>				
<p>Budget based on budgetary estimate provided by manufacturer and local vendor for LP tanks.</p>				



# SOUTHEAST ALASKA POWER AGENCY

**Date:** June 9, 2023  
**To:** SEAPA Board of Directors  
**From:** Robert Siedman, P.E., Acting CEO  
**Subject:** Resolution #2023-092 Re DNR Reclamation Closure

One of the last holdovers from the restructuring of the Four Dam Pool Power Agency (“FDPPA”) is the need to revise the current Reclamation Fund established through the Alaska Department of Natural Resources (ADNR). At the time of restructuring, an attempt was made to amend the original agreement to separate the FDPPA project owners who all contribute to the Reclamation Fund. However, this amendment was never finalized by ADNR, and the parties have continued their annual contributions of \$75,000<sup>1</sup> and held by SEAPA on behalf of all the contributors. Complicating matters is the fact that SEAPA-owned projects are under the Juneau ADNR office jurisdiction and Kodiak Electric Association (KEA) and Copper Valley Electric Association (CVEA) projects are under the Anchorage office. There has also been almost constant turnover in those offices and loss of institutional knowledge on the issues since restructuring.

Initially SEAPA sought to reduce its costs by evaluating whether an alternative form of security would be viable such as a bond or letter of credit in lieu of our annual \$37,500 payment. These were ruled out as these alternatives would be much more costly. The ADNR completed its legal review and accepts the attached Second Amendment to Lease and Easement Documents for the Tyee Lake, Swan Lake, Terror Lake and Solomon Gulch Hydroelectric Projects, and the other parties to the agreement have accepted it.

At this time, we are seeking the Board's authorization to:

- approve the attached Resolution No. 2023-092
- grant the CEO authority to sign a new Trustee Agreement (if required by ADNR)
- disburse funds to CVEA and KEA as determined by the Trustee; and
- grant the CEO authority to sign the Final Second Amendment to Lease and Easement Documents

Please consider the following suggested motion:

SUGGESTED MOTION
I move to approve Resolution No. 2023-092 granting the CEO authority to sign the Final Second Amendment to Lease and Easement Documents, a new Trustee Agreement as required by ADNR, disburse funds to Kodiak Electric Association and Copper Valley Electric Association, and take other necessary actions to complete the Second Amendment to DNR’s Lease and Easement Agreement for SEAPA’s Projects.

Attachment:  
Resolution No. 2023-092 with Exhibit 1 (Second Amendment)

<sup>1</sup> \$75,000 is the total for all parties.



## SOUTHEAST ALASKA POWER AGENCY

### RESOLUTION NO. 2023-092

---

#### **Southeast Alaska Power Agency Authorizing Reclamation Closure**

**WHEREAS**, the Southeast Alaska Power Agency (SEAPA) has existing Lease and Easement agreements with the Alaska Department of Natural Resources (ADNR); and

**WHEREAS**, SEAPA, Kodiak Electric Association (KEA) and Copper Valley Electric Association (CVEA) were all members of the Four Dam Pool Power Agency (FDPPA) and as part of a restructuring of SEAPA, KEA and CVEA left the Agency; and

**WHEREAS**, in 2005, SEAPA established a custodial Reclamation Contingency Fund in accordance with the original Lease and Easement agreements, and ADNR required annual deposits of \$75,000 to the Fund, to which KEA and CVEA each contributed \$18,750 annually; and

**WHEREAS**, all parties to the Lease and Easement agreements seek to revise the agreements to allow KEA and CVEA to have separate Lease and Easement agreements with ADNR, and ADNR agrees that this in the best interest of all parties; and

**WHEREAS**, SEAPA has negotiated a revised Second Amendment to the Lease and Easement agreement with ADNR, attached and incorporated by this reference as **Exhibit 1**.

**NOW THEREFORE, BE IT RESOLVED** that the Board of Directors of SEAPA hereby agree that the Second Amendment to the Lease and Easement Agreement with ADNR is approved and SEAPA's CEO is authorized to execute the Second Amendment so long as it is in substantially the same form as **Exhibit 1**, and

**IT IS FURTHER RESOLVED**, that SEAPA's CEO is authorized to take all necessary steps to enter into a new Trust Agreement to receive SEAPA's payments into the ADNR Reclamation Fund and is further authorized to execute such new Trust Agreement and to arrange for the distribution of funds in the Trust to KEA and CVEA so long as ADNR has authorized such distribution.



**SOUTHEAST ALASKA POWER AGENCY**  
**RESOLUTION NO. 2023-092**

---

***This Resolution No. 2023-092*** was duly PASSED and ADOPTED by SEAPA's Board of Directors on the 22nd day of June 2023 in Ketchikan, Alaska.

SOUTHEAST ALASKA POWER AGENCY

By \_\_\_\_\_  
Robert Sivertsen, Chairperson

ATTEST:

\_\_\_\_\_  
Secretary/Treasurer



**SECOND AMENDMENT TO LEASE AND EASEMENT DOCUMENTS FOR THE  
TYEE LAKE, SWAN LAKE, TERROR LAKE AND SOLOMON GULCH  
HYDROELECTRIC PROJECTS**

This amendment is entered into between The Southeast Alaska Power Agency (“SEAPA”), formerly known as The Four Dam Pool Power Agency (“SEAPA”)<sup>1</sup>, Copper Valley Electric Association, Inc. (“CVEA”), Kodiak Electric Association, Inc. (“KEA”), and the State of Alaska, Department of Natural Resources (“DNR”). This amendment shall be referred to as the “Second Amendment.” SEAPA, KEA and CVEA shall be referred to collectively as the “Parties” and each individually as a “Party.”

**RECITALS**

- A. WHEREAS, The Four Dam Pool Agency (“FDPPA”) and DNR entered into lease and easement agreements related to the Tyee and Swan Lake hydroelectric projects, which agreements are listed in Attachment A-1 (the “Swan/Tyee Agreements”). FDPPA and DNR also entered into lease and easement agreements related to the Terror Lake hydroelectric project, which agreements are listed in Attachment A-2 (the “Terror Lake Agreements”). FDPPA and DNR also entered into lease and easement agreements related to the Solomon Gulch hydroelectric project, which agreements are listed in Attachment A-3 (the “Solomon Gulch Agreements”).
- B. WHEREAS, FDPPA and DNR amended the Swan/Tyee Agreements pursuant to an agreement titled “Amendment to Lease and Easement Documents For Tyee and Swan Lake Hydro Projects,” dated April 6, 2005 (the “Swan/Tyee First Amendment”). FDPPA and DNR also amended the Terror Lake Agreement and Solomon Gulch Agreements pursuant to an agreement titled “Amendment to Lease and Easement Documents for Solomon Gulch and Terror Lake Hydro Projects,” dated April 6, 2005 (the “Terror Lake/Solomon Gulch First Amendment”). The Swan/Tyee First Amendment and the Terror Lake/Solomon Gulch First Amendment shall collectively be referred to as the “First Amendments.”
- C. WHEREAS, pursuant to the Asset Transfer Agreement (“ATA”), dated November 11, 2008, between SEAPA, KEA and CVEA, and consistent with the Joint Action Agency Agreement, KEA and CVEA have withdrawn from SEAPA as part of SEAPA’s restructuring. When the restructuring closed on February 24, 2009 (the “Closing”), the following became final:
- a. KEA purchased the Terror Lake hydroelectric project from SEAPA.
  - b. CVEA purchased the Solomon Gulch hydroelectric project from SEAPA.
  - c. SEAPA no longer held an interest in the Terror Lake and Solomon Gulch hydroelectric projects.

---

<sup>1</sup> In January 2009, the Four Dam Pool Power Agency’s changed its name to The Southeast Alaska Power Agency.

- d. KEA no longer held an interest in SEAPA and the Swan Lake, Tyee Lake, and Solomon Gulch hydroelectric projects.
  - e. CVEA no longer held an interest in SEAPA and the Swan Lake, Tyee Lake, and Terror Lake hydroelectric projects.
- D. WHEREAS, subject to the terms and conditions of the ATA and related documents, at Closing, SEAPA conveyed, transferred, assigned and delivered to KEA and KEA agreed to have transferred from SEAPA, all of SEAPA's right, title, and interest in and to the Terror Lake Project, including all of the real and personal property, contracts, contract rights, and other rights and interests relating to the Terror Lake Project, including, but not limited to the Terror Lake Agreements.
- E. WHEREAS, subject to the terms and conditions of the ATA and related documents, at Closing, SEAPA conveyed, transferred, assigned and delivered to CVEA and CVEA agreed to have transferred from SEAPA, all of SEAPA's right, title, and interest in and to the Solomon Gulch Project, including all of the real and personal property, contracts, contract rights, and other rights and interests relating to the Solomon Gulch Project, including, but not limited to the Solomon Gulch Agreements.
- F. WHEREAS, SEAPA and DNR desire to amend the Swan/Tyee Agreements to account for the change in ownership of the projects and hereby terminate all the terms and condition previously set out in the Swan/Tyee First Amendment related to performance guarantees for the Swan/Tyee Agreements.
- G. Similarly, KEA and DNR each desire to amend the Terror Lake Agreements to account for the change in ownership of the project and hereby terminate all the terms and conditions previously set out in the Terror Lake/Solomon Gulch First Amendment related to performance guarantees for the Terror Lake Agreements.
- H. Lastly, CVEA and DNR desire to amend the Solomon Gulch Agreements to account for the change in ownership of the project and hereby terminate all the terms and conditions previously set out in the Terror Lake/Solomon Gulch First Amendment related to performance guarantees for the Solomon Gulch Agreements.

NOW, THEREFORE, in consideration of the foregoing recitals and mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, SEAPA, KEA, CVEA, and DNR agree to the following:

### **TERMS AND CONDITIONS**

1. Amendment. This Second Amendment is an amendment to, and fully enforceable as a term of, each of the Swan/Tyee Agreements, the Terror Lake Agreements, and the Solomon Gulch Agreements, all terms of which, except to the extent expressly modified herein, remain in full force and effect.

2. Breach/Remedies. A breach of this Second Amendment is a breach of the applicable recorded lease or easement agreement and all remedies available under the applicable agreement apply, to the same extent, to this Second Amendment.
3. Effective Date. This Second Amendment shall be effective as of the date all Parties have signed the document (the “Effective Date”).
4. Amending the Agreements to reflect the appropriate party. The Swan/Tyee Agreements and any Amendments and the Terror Lake/Solomon Gulch Agreements and any Amendments shall be amended to reflect the appropriate party consistent with this Second Amendment and as listed below:
  - a. All references to “FDPPA,” “Power Agency,” “lessee,” “grantee,” or other similar terms in the Swan/Tyee Agreements shall hereafter mean SEAPA, not FDPPA.
  - b. All references to “FDPPA,” “Power Agency,” “lessee,” “grantee,” or other similar terms in the Terror Lake Agreements and as it relates to the Terror Lake hydroelectric project shall hereafter mean KEA, not SEAPA or FDPPA.
  - c. All references to “FDPPA,” “Power Agency,” “lessee,” “grantee,” or other similar terms in the Solomon Gulch Agreements and the as it relates to the Solomon Gulch hydroelectric project shall hereafter mean CVEA, not SEAPA or FDPPA.
5. No Further SEAPA Liability for Terror Lake and Solomon Gulch;. The Parties hereby agree that SEAPA is released from and shall have no further obligations or liability under the Terror Lake Agreements and Solomon Gulch Agreements.
6. No Further CVEA Liability for Swan/Tyee and Terror Lake. The Parties hereby agree that CVEA is released from and shall have no further obligations or liability under the Swan/Tyee Agreements and the Terror Lake Agreements.
7. No Further KEA Liability for Swan/Tyee and Solomon Gulch. The Parties hereby agree that KEA is released from and shall have no further obligations or liability under the Swan/Tyee Agreements and the Solomon Gulch Agreements.
8. No Joint and Several Liability. As detailed in this Second Amendment, the obligations of SEAPA, KEA and CVEA are separate and the Parties agree SEAPA, KEA and CVEA will not have any joint and several liability for any obligations assumed under this Second Amendment.
9. Assignment and Assumption. The Parties agree and acknowledge that the obligations and liabilities associated with the Terror Lake Agreements have been assigned to and assumed by KEA. The Parties agree and acknowledge that the obligations and liabilities associated with the Solomon Gulch Agreements have been assigned to and assumed by CVEA.
10. First Amendment Termination. The Parties agree that the “Amendment to Lease and Easement Documents For Tyee and Swan Lake Hydro Projects”, dated April 6, 2005 (the “Swan/Tyee First Amendment”) and the “Amendment to Lease and Easement Documents for Solomon Gulch and Terror Lake Hydro Projects”, dated April 6, 2005 (the “Terror

Lake/Solomon Gulch First Amendment”), are hereby terminated in their entirety, no longer bind the Parties, and each Party to this Agreement is hereby released from them.

11. Performance Guarantee. All Parties agree to work with their respective DNR/Division of Mining, Land & Water/Regional Land Office, to implement a Performance Guarantee arrangement consistent with the stipulations of the original authorizations, with each Party obtaining an independent arrangement for a Performance Guarantee.

12. Binding Effect. The covenants, agreements, terms, provisions and conditions contained in this Second Amendment shall bind and inure to the benefit of the Parties hereto and their respective successors and assigns.

13. Authority. Each Party hereto represents and warrants to the others that all necessary authorizations required for execution and performance of this Second Amendment have been given and that the undersigned is duly authorized to execute this Second Amendment and bind the Party for which it signs.

IN WITNESS WHEREOF, the Parties have each executed this Second Amendment as of the dates written below.

**SIGNATURES FOLLOW ON NEXT PAGES**



Dated: \_\_\_\_\_

\_\_\_\_\_  
Darron Scott, CEO  
Kodiak Electric Association, Inc.

STATE OF ALASKA                    )  
                                                  )  
THIRD JUDICIAL DISTRICT        )        ss.

THIS IS TO CERTIFY that on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned, a Notary Public in and for the State of \_\_\_\_\_, duly commissioned and sworn as such, personally appeared \_\_\_\_\_ to me known and known to me to be the identical individual named in and who executed the foregoing instrument, and acknowledged to me the same was signed freely and voluntarily for the uses and purposes therein stated.

IN WITNESS WHEREOF, I set my hand and seal the day and year last above written.

\_\_\_\_\_  
Notary Public in and for Alaska  
My commission expires: \_\_\_\_\_

Dated: \_\_\_\_\_

\_\_\_\_\_  
Chris Carpeneti, Southeast Regional Manager  
Division of Mining, Land and Water  
State of Alaska, Department of Natural Resources

STATE OF ALASKA                    )  
                                                  )  
THIRD JUDICIAL DISTRICT        )        ss.

THIS IS TO CERTIFY that on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned, a Notary Public in and for the State of \_\_\_\_\_, duly commissioned and sworn as such, personally appeared \_\_\_\_\_ to me known and known to me to be the identical individual named in and who executed the foregoing instrument, and acknowledged to me the same was signed freely and voluntarily for the uses and purposes therein stated.

IN WITNESS WHEREOF, I set my hand and seal the day and year last above written.

\_\_\_\_\_  
Notary Public in and for Alaska  
My commission expires: \_\_\_\_\_

Dated: \_\_\_\_\_

\_\_\_\_\_  
Samantha Carroll, Southcentral Regional Manager  
Division of Mining, Land and Water  
State of Alaska, Department of Natural Resources

STATE OF ALASKA                    )  
                                                  )  
THIRD JUDICIAL DISTRICT        )

ss.

THIS IS TO CERTIFY that on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned, a Notary Public in and for the State of \_\_\_\_\_, duly commissioned and sworn as such, personally appeared \_\_\_\_\_ to me known and known to me to be the identical individual named in and who executed the foregoing instrument, and acknowledged to me the same was signed freely and voluntarily for the uses and purposes therein stated.

IN WITNESS WHEREOF, I set my hand and seal the day and year last above written.

\_\_\_\_\_  
Notary Public in and for Alaska  
My commission expires: \_\_\_\_\_

## ATTACHMENT A-1 – Swan/Tyee Agreements

### TYEE LAKE PROJECT:

ADL 106841 - A Lease entered into on January 29, 2002, between the State of Alaska, Department of Natural Resources as lessor and The Four Dam Pool Power Agency as lessee, as recorded January 31, 2002, in the Ketchikan Recording District in Book 339, pp 524-544 and in the Wrangell Recording District in Book 35, pp 714-734, and then as amended on April 6, 2005, as recorded August 19, 2005, in the Ketchikan Recording District as 2005-003174-0, pp. 1-13, in the Wrangell Recording District as 2005-000307-0, pp. 1-13, and in the Petersburg Recording District as 2005-00683-0, pp. 1-13.

ADL 106842 – A Lease entered into on January 29, 2002, between the State of Alaska , Department of Natural Resources as lessor and The Four Dam Pool Power Agency as lessee, as recorded January 31, 2002, in the Ketchikan Recording District in Book 339, pp 466-486, and then as amended on April 6, 2005, as recorded August 19, 2005, in the Ketchikan Recording District as 2005-003174-0, pp. 1-13, in the Wrangell Recording District as 2005-000307-0, pp. 1-13, and in the Petersburg Recording District as 2005-00683-0, pp. 1-13.

ADL 103426 – Amendment No. 2 to an Easement titled “Right-Of-Way Permit” entered into on August 16<sup>th</sup> 1985, as recorded September 3, 1987, in the Wrangell Recording District in Book 16, pp 74 -85, the Petersburg Recording District in Book 29, pp 782 -793, and the Ketchikan Recording District in Book 151, pp 830 -841, then as 1<sup>st</sup> amended on April 23, 1996 as recorded in the Wrangell Recording District in Book 26, pp 285 -287, and 2<sup>nd</sup> amended on January 29, 2002, as recorded January 31, 2002, in the Wrangell Recording District in Book 35, pp 679 -694, the Petersburg Recording District in Book 71, pp 714 -729, and the Ketchikan Recording District in Book 339, pp 508 -523, and then as 3<sup>rd</sup> amended on April 6, 2005, as recorded August 19, 2005, in the Ketchikan Recording District as 2005-003174-0, pp. 1-13, in the Wrangell Recording District as 2005-000307-0, pp. 1-13, and in the Petersburg Recording District as 2005-00683-0, pp. 1-13.

ADL 104833 – Amendment No. 1 to an Easement titled “Right-Of-Way Permit” entered into on March 17 1987 as recorded in the Petersburg Recording District in Book 28, pp 866 -868, then as 1<sup>st</sup> amended on January 29, 2002, as recorded January 31, 2002, in the Wrangell Recording District in Book 35, pp 697 -713, the Petersburg Recording District in Book 71, pp 695 -711, and the Ketchikan Recording District in Book 339, pp 489 -505, then as 2<sup>nd</sup> amended on October 6, 2004, as document No. 000452-0 in the Wrangell Recording District, as document No. 000990-0 in the Petersburg Recording District, and as document No. 004321-0 in the Ketchikan Recording District, and then as 3<sup>rd</sup> amended on April 6, 2005, as recorded August 19, 2005, in the Ketchikan Recording District as 2005-003174-0, pp. 1-13, in the Wrangell Recording District as 2005-000307-0, pp. 1-13, and in the Petersburg Recording District as 2005-00683-0, pp. 1-13.



ADL 103267 – An Easement titled “Right of Way Permit” entered into on March 7, 1985 between the State of Alaska, acting through the Department of Natural Resources, Division of mining land and water and The Four Dam Pool Power Agency, as recorded August 26, 1987, in the Wrangell Recording District in Book 16, pp 26 -47, and the Petersburg Recording District in Book 29, pp 634 -655, then as 1<sup>st</sup> amended on October 6, 2004 as document No. 000450-0 in the Wrangell Recording District, and as document No. 000988-0 in the Petersburg Recording District, and then as 2<sup>nd</sup> amended on April 6, 2005, as recorded August 19, 2005, in the Ketchikan Recording District as 2005-003174-0, pp. 1-13, in the Wrangell Recording District as 2005-000307-0, pp. 1-13, and in the Petersburg Recording District as 2005-00683-0, pp. 1-13.

ADL 103762 – An Easement titled “Right-Of-Way Permit” entered into on May 26, 1987 between the State of Alaska, acting through the Department of Natural Resources, Division of lands as grantor and Alaska Power Authority as permittee, as recorded September 3, 1987, in the Wrangell Recording District in Book 16, pp 57 -73, then as 1<sup>st</sup> amended on October 6, 2004 as document No. 000448-0 in the Wrangell Recording District, and then as 2<sup>nd</sup> amended on April 6, 2005, as recorded August 19, 2005, in the Ketchikan Recording District as 2005-003174-0, pp. 1-13, in the Wrangell Recording District as 2005-000307-0, pp. 1-13, and in the Petersburg Recording District as 2005-00683-0, pp. 1-13.

#### **SWAN LAKE PROJECT:**

ADL 100921 – A Lease entered into on January 29, 2002 between the State of Alaska as lessor and The Four Dam Pool Power Agency as lessee, as recorded January 31, 2002, in the Ketchikan Recording District in Book 339, pp 415-435 and then as amended on April 6, 2005, as recorded August 19, 2005, in the Ketchikan Recording District as 2005-003174-0, pp. 1-13, in the Wrangell Recording District as 2005-000307-0, pp. 1-13, and in the Petersburg Recording District as 2005-00683-0, pp. 1-13.

ADL 106840 – A Lease entered into on January 29, 2002 between the State of Alaska as lessor and The Four Dam Pool Power Agency as lessee, as recorded January 31, 2002, in the Ketchikan Recording District in Book 339, pp 436-456 and then as amended on April 6, 2005, as recorded August 19, 2005, in the Ketchikan Recording District as 2005-003174-0, pp. 1-13, in the Wrangell Recording District as 2005-000307-0, pp. 1-13, and in the Petersburg Recording District as 2005-00683-0, pp. 1-13.

ADL 106839 – An Easement entered into on October 6, 2004 between the State of Alaska, acting through the Department of Natural Resources, Division of Mining, Land and Water and The Four Dam Pool Power Agency as permittee as recorded in the Ketchikan Recording District as Document No. 004320-0 and then as amended on April 6, 2005, as recorded August 19, 2005, in the Ketchikan Recording District as 2005-003174-0, pp. 1-13, in the Wrangell Recording District as 2005-000307-0, pp. 1-13, and in the Petersburg Recording District as 2005-00683-0, pp. 1-13.

## ATTACHMENT A-2 – Terror Lake Agreements

### TERROR LAKE PROJECT:

ADL 204022 - A Lease Agreement entered into on January 31, 2002 between the State of Alaska, Department of Natural Resources as lessor and The Four Dam Pool Power Agency as lessee, and recorded in the Kodiak Recording District at Book 187, pp. 424-444 and then as amended on April 6, 2005, as recorded April 15, 2005, in the Valdez Recording District as 2005-00221-0, pp. 1-12.

ADL 206462 - A Lease Agreement entered into on January 31, 2002 between the State of Alaska, Department of Natural Resources as lessor and The Four Dam Pool Power Agency as lessee, and recorded in the Kodiak Recording District at Book 187, pp. 403-423 and then as amended on April 6, 2005, as recorded April 15, 2005, in the Valdez Recording District as 2005-00221-0, pp. 1-12.

ADL 204024 - A Right-of-Way/Easement Agreement entered into on January 31, 2002 between the State of Alaska, acting by and through the Department of Natural Resources, Division of Mining, Land and Water as grantor and The Four Dam Pool Power Agency as grantee, and recorded in the Kodiak Recording District at Book 187, pp. 445-461 and then as amended on April 6, 2005, as recorded April 15, 2005, in the Valdez Recording District as 2005-00221-0, pp. 1-12.

ADL 215520 —A Lease Application for a communication site previously authorized under an Easement titled “Right-of-Way Permit” which expired May 1, 2008. The Easement was entered into on May 3, 1983 between the State of Alaska, acting through the Department of Natural Resources, Division of Lands and grantor and the Division of Telecommunication Systems as grantee, and recorded in the Kodiak Recording District at Book 177, pp. 692-696, then assigned to The Four Dam Pool Power Agency on February 13, 2002, and recorded in the Kodiak Recording District on May 20, 2003 as 2003-001715-0, pp. 1-3, and then as amended on April 6, 2005, as recorded April 15, 2005, in the Valdez Recording District as 2005-00221-0, pp. 1-12.

## **ATTACHMENT A-3 – Solomon Gulch Agreements**

### **SOLOMON GULCH PROJECT:**

ADL 67279 - A Lease Agreement entered into on January 31, 2002 between the State of Alaska, Department of Natural Resources as lessor and The Four Dam Pool Power Agency as lessee, and recorded in the Valdez Recording District at Book 148, pp. 49-69 and then as amended on April 6, 2005, as recorded April 15, 2005, in the Valdez Recording District as 2005-00221-0, pp. 1-12.

ADL 80113 - A Right-of-Way/Easement Agreement entered into on January 31, 2002 between the State of Alaska, acting by and through the Department of Natural Resource, Division of Mining, Land and Water as grantor and The Four Dam Pool Power Agency as grantee, and recorded in the Valdez Recording District at Book 148, pp. 70-86 and in the Chitina Recording District at Book 61, pp. 850-866 and then as amended on April 6, 2005, as recorded April 15, 2005, in the Valdez Recording District as 2005-00221-0, pp. 1-12.

ADL 201784 - A Right-of-Way/Easement Agreement entered into on January 31, 2002 between the State of Alaska, acting by and through the Department of Natural Resource, Division of Mining, Land and Water as grantor and The Four Dam Pool Power Agency as grantee, and recorded in the Valdez Recording District at Book 148, pp. 87-103 and then as amended on April 6, 2005, as recorded April 15, 2005, in the Valdez Recording District as 2005-00221-0, pp. 1-12.

ADL 226314 - A Right-of-Way/Easement Agreement entered into on January 31, 2002 between the State of Alaska, acting by and through the Department of Natural Resource, Division of Mining, Land and Water as grantor and The Four Dam Pool Power Agency as grantee, and recorded in the Valdez Recording District at Book 148, pp 104-120 and then as amended on April 6, 2005, as recorded April 15, 2005, in the Valdez Recording District as 2005-00221-0, pp. 1-12.

ADL 226315 - A Right-of-Way/Easement Agreement entered into on January 31, 2002 between the State of Alaska, acting by and through the Department of Natural Resource, Division of Mining, Land and Water as grantor and The Four Dam Pool Power Agency as grantee, and recorded in the Valdez Recording District at Book 148, pp. 121-138 and then as amended on April 6, 2005, as recorded April 15, 2005, in the Valdez Recording District as 2005-00221-0, pp. 1-12.

ADL 226316 - A Right-of-Way/Easement Agreement entered into on January 31, 2002 between the State of Alaska, acting by and through the Department of Natural Resource, Division of Mining, Land and Water as grantor and The Four Dam Pool Power Agency as grantee, and recorded in the Valdez Recording District at Book 148, pp. 139-156 and then as amended on April 6, 2005, as recorded April 15, 2005, in the Valdez Recording District as 2005-00221-0, pp. 1-1.

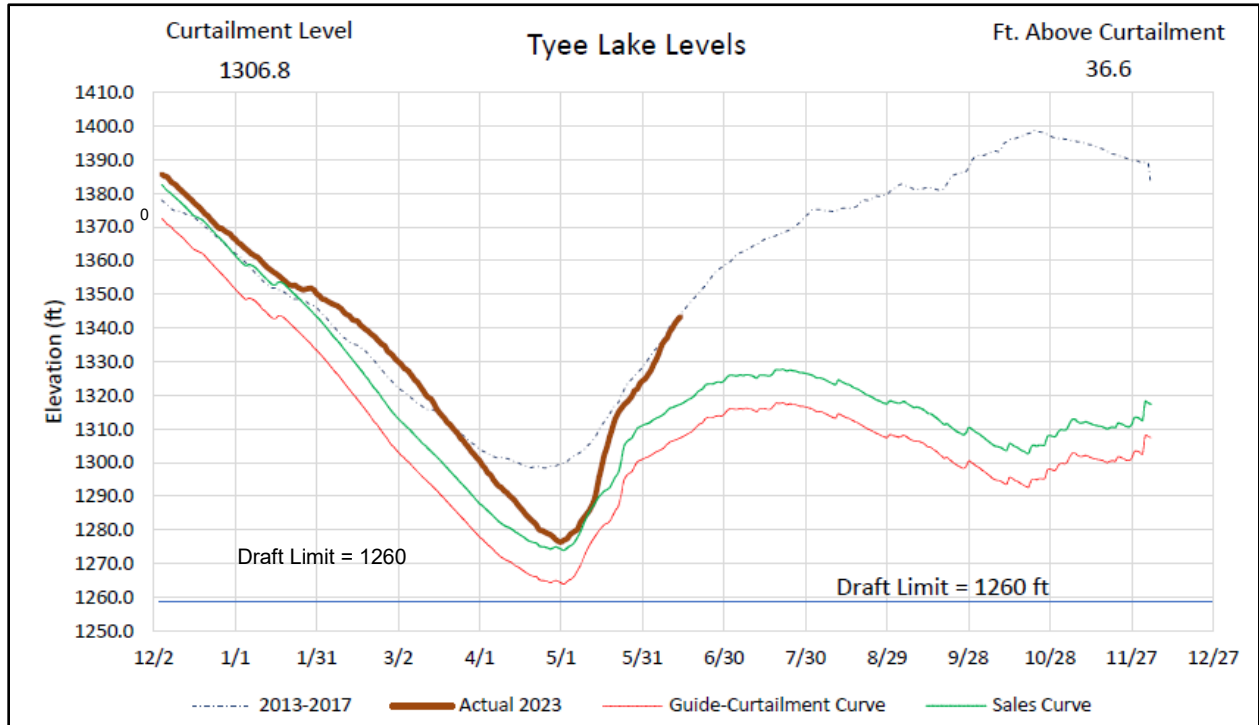
**Date:** June 14, 2023  
**To:** SEAPA Board of Directors  
**From:** Robert Siedman, P.E., Acting Chief Executive Officer  
**Subject:** Quarterly Operations Plan Update for June 22, 2023 Board Meeting

**Operations Plan Update:**

Precipitation during the months of March-April-May was average; however, temperatures in Southeast Alaska were below average. The Swan Lake rain gauge measured 24 inches of precipitation over the previous three-month interval. Below-average temperatures resulted in above-average loads. The result of this winter's high amount of precipitation and lower-than-average temperatures was an excellent snowpack (see the image below from Tye Lake Snow Survey). Tye Lake accumulated 133% of average snowfall and Swan Lake accumulated 136% of average snowfall as measured on April 19. The result of the above-average snowpacks was an excellent spring runoff and quick lake level recovery for both Swan and Tye.

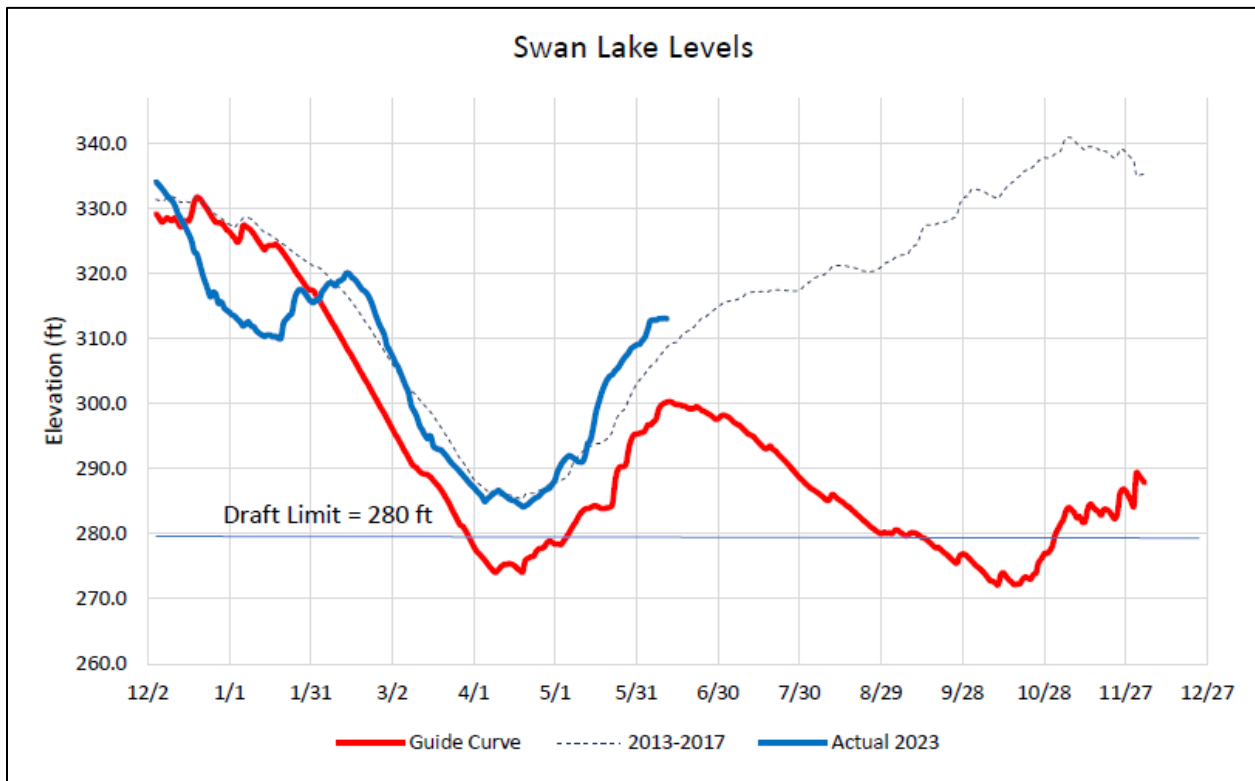


Tye Foreman, Nathan Stewart, Conducting Snow Survey



The lake level at Tye is currently in a very healthy condition with an elevation that is 36.6 feet above the curtailment curve. Southeast Alaska experienced a colder-than-average spring for 2023 due to El Nina weather patterns. The 2023 Operations Plan model accounted for this weather pattern and as a result, Tye lake levels are in line with model predictions and currently sitting at a level that is above the sales curve and more in line with the 2013-2017 average.

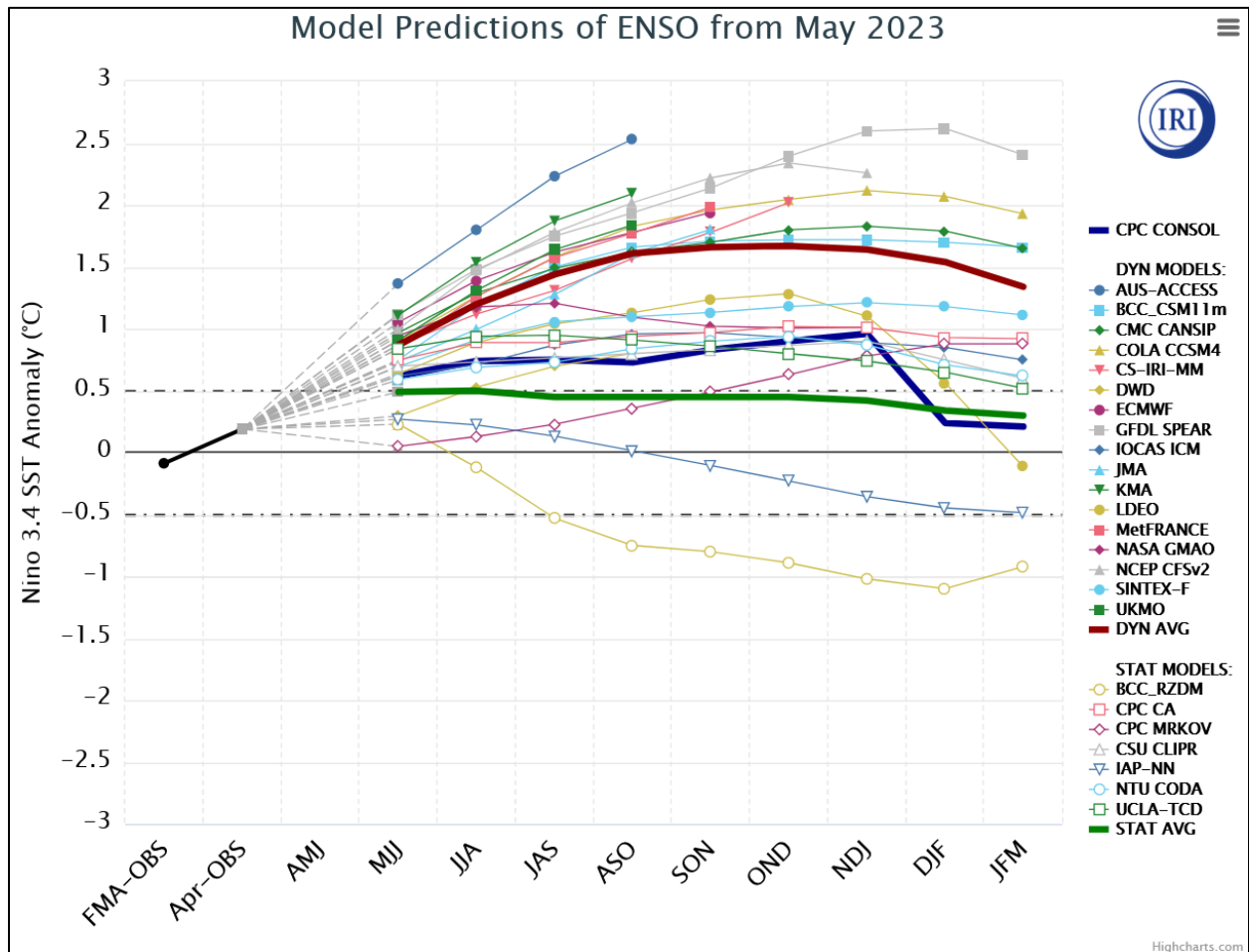
[Remainder of page intentionally left blank]



The lake level at Swan is also in a very healthy condition with the lake currently at elevation 313.1 feet. Balancing the lake level draft rate and recovery rate by utilizing the Swan-Tyee transmission line was ideal this spring. As evident in the Swan Lake chart above, SEAPA Operations scheduled dispatch to follow the 2013-2017 draft curve.

[Remainder of page intentionally left blank]





Current model predictions from the International Research Institute (IRI) and Climate Prediction Centers (CPC) (illustrated above) forecast a change from below-average oceanic temperatures starting in June to above-average oceanic temperatures throughout the summer in the Northern Hemisphere. As discussed in the 2023 Operations Plan, SEAPA developed 2023 guide curves in anticipation of La Nina type weather patterns for the first half of 2023 because of this phenomenon. Other than supplemental diesel for SEAPA’s yearly plant/line outages, SEAPA currently has capacity to deliver all its Member Utilities’ Firm Power Requirements for the foreseeable future in 2023. Peak loads have increased over the past five years at approximately 5% per year and are anticipated to continue to increase due to load growth and beneficial electrification.

## **AGENDA ITEM 5I**

---

**(Solar Power Presentation by Board Member Bynum)**





## SOUTHEAST ALASKA POWER AGENCY ACEO FINANCIAL COVER MEMO

---

DATE: June 15, 2023  
TO: SEAPA Board of Directors  
FROM: Robert Siedman, P.E., Acting Chief Executive Officer  
SUBJECT: Acting CEO Financial Cover Letter

---

SEAPA's financial position is stable. Increased debt service, enhanced transmission line right-of-way clearing cost and inflation were offset by rate increases in 2022 and 2023. As detailed in the 2022 Rate Study, a rate increase was forecasted to be necessary in 2024, however Q1 and Q2 revenues exceeded expectations. With higher-than-expected revenues, a rate increase in 2024 is unlikely.

SEAPA reservoirs are healthy. Spring electrical load demands were higher than anticipated resulting in additional water use at both Tyee and Swan reservoirs. Snowpacks, however, were above average, and the spring runoff has returned to forecasted levels, allowing for continued above average loads (and sales) if required throughout Q3.

### **REVENUE & EXPENSES:**

Revenue through May was higher than forecasted due to colder temperatures and boosted demand. Year-to-date energy demand resulted in the highest recorded mid-year sales on record. Total revenue from sales through May was \$6,347,287 actual vs. \$6,185,810 budget. Operating Expense as of April 30, 2023, was \$1,873,638 actual vs. \$2,021,549 budget.

The Wrangell Warehouse renovation project (RR22377) was completed in 2022 at a cost of \$811,550. All costs associated with that project were withdrawn from the Dedicated R&R Fund. Nonoperating income of \$661,093, representing insurance proceeds for the Wrangell Warehouse fire, were deposited to the Revenue Fund in 2022. This June, those funds will be transferred from the Revenue Fund to replenish the Dedicated R&R Fund.

### **RENEWAL & REPLACEMENT PROJECTS:**

The Dedicated R&R Fund balance as of May 31, 2023 was \$5,208,106. Expenditures as of April 30, 2023, on Capital Projects were \$1,487,297. Most expenditures occur during the yearly outage and will be recorded/reported in Q3.

### **RENEWABLE ENERGY CERTIFICATES (REC's):**

SEAPA successfully marketed most of its Renewable Energy Certificates (RECs) dating back as far as 2016. Older Certificates were sold at \$0.20 per MWh with newer Certificates sold at \$1.75 per MWh. A total of \$440,236 was generated in additional income for the Agency in 2022 and 2023. SEAPA still has 50% of its 2020 RECs on the market. We will market the first half of 2023 RECs in July.

**GRANTS:**

SEAPA has one grant, the FY13 DCCED, with an open balance at the end of March 2023 totaling \$90,840. The grant expires June 30, 2024. We have expedited the completion of this grant and anticipate finalizing the hydrosite investigations this year.



## SOUTHEAST ALASKA POWER AGENCY CONTROLLER MEMO

---

Date: June 15, 2023  
To: Robert Siedman

From: Kay Key  
Subject: **FINANCIAL STATEMENTS**

---

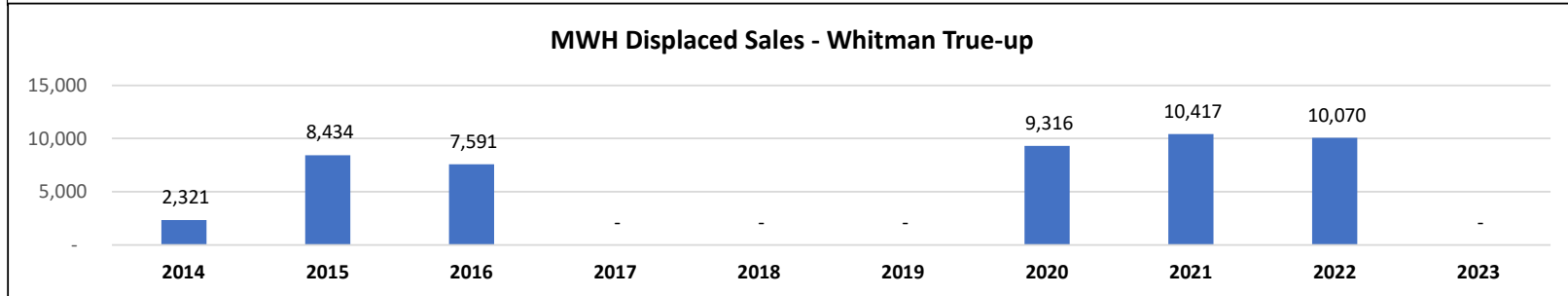
### SUGGESTED MOTION

I move to accept year-to-date financial statements through April 2023, and disbursements for March, April, and May 2023 totaling \$3,200,570.89, as presented.

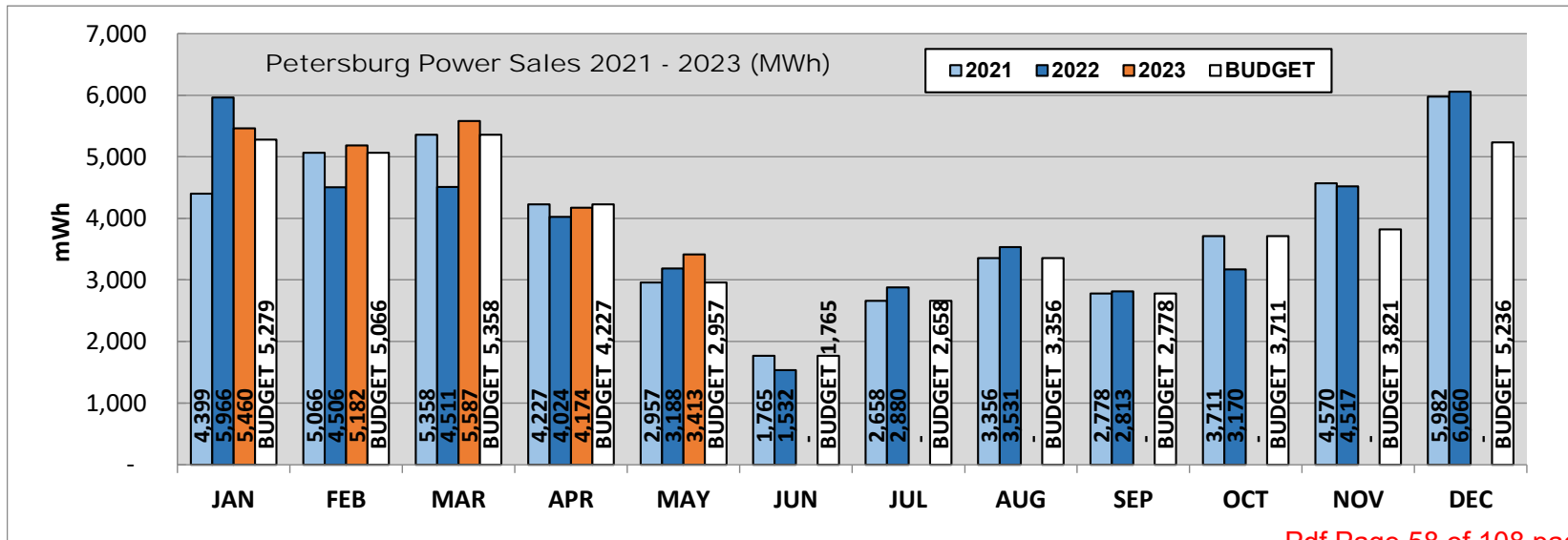
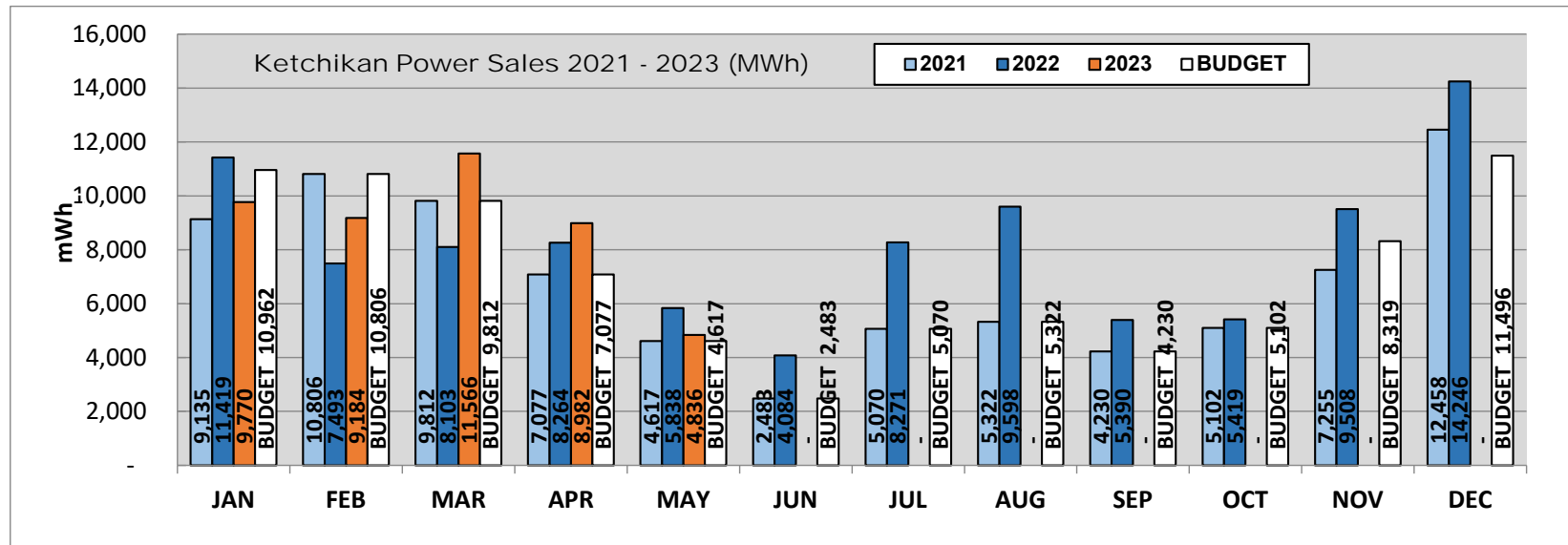
Financial Statements in this board packet include:

- **MWH-kWh Graphs** (May 2023)
- **Fund Allocation Graph** and **Self-Insured Benchmark Summary** (May 2023)
- **Grant Summary** (Quarterly through March 2023)
- **Year-to-Date Financial Statements through April 2023**
  - ✓ Financial Overview
  - ✓ Statement of Financial Position – Year-to-date with prior year comparison
  - ✓ Statement of Activities – Summary of year-to-date expenses by FERC code, compared to budget and prior year
  - ✓ Statement of Activities – Line-item detail of actual expenses compared to budget by location
  - ✓ R&R Summary
- **Renewable Energy Certificates Summary**
- **Disbursements for March, April, and May 2023**

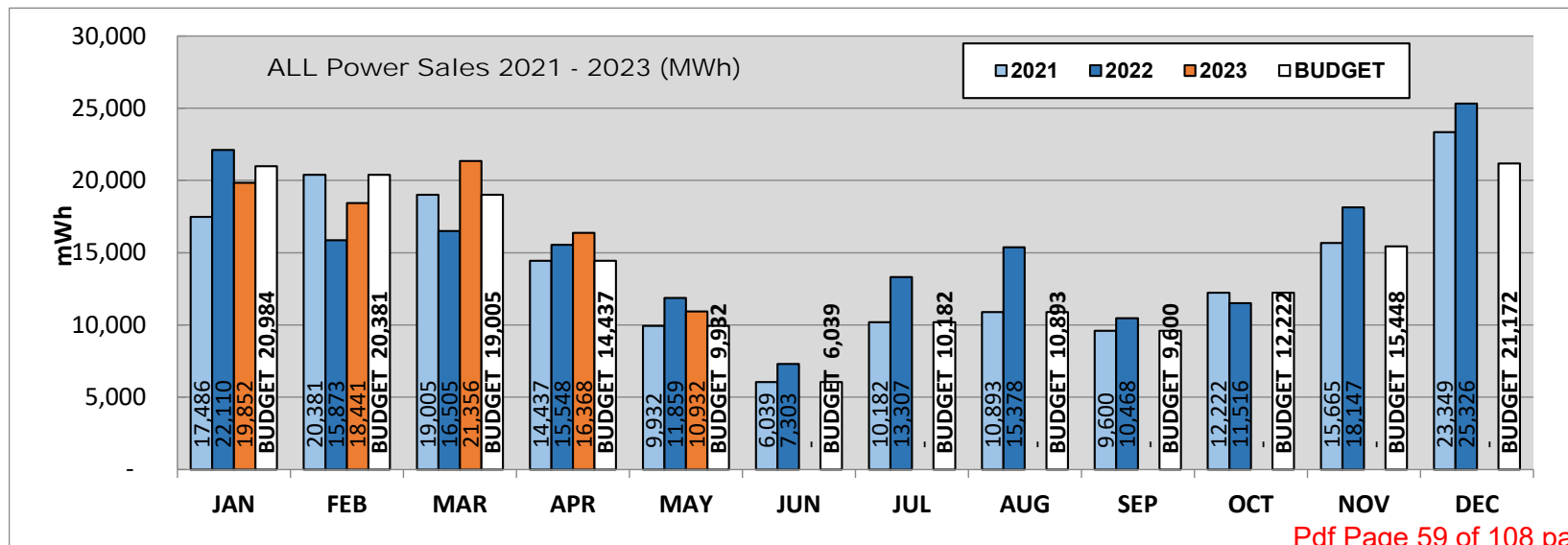
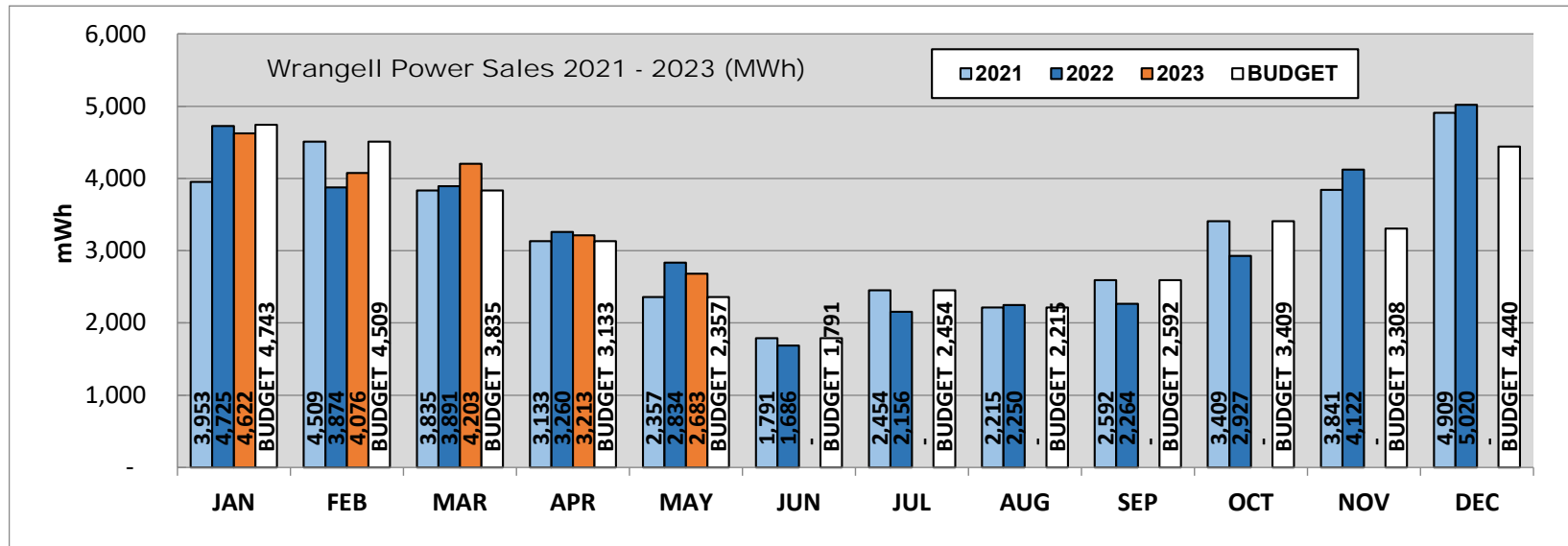
## SOUTHEAST ALASKA POWER AGENCY MWh Firm Power Sales YOY Comparison



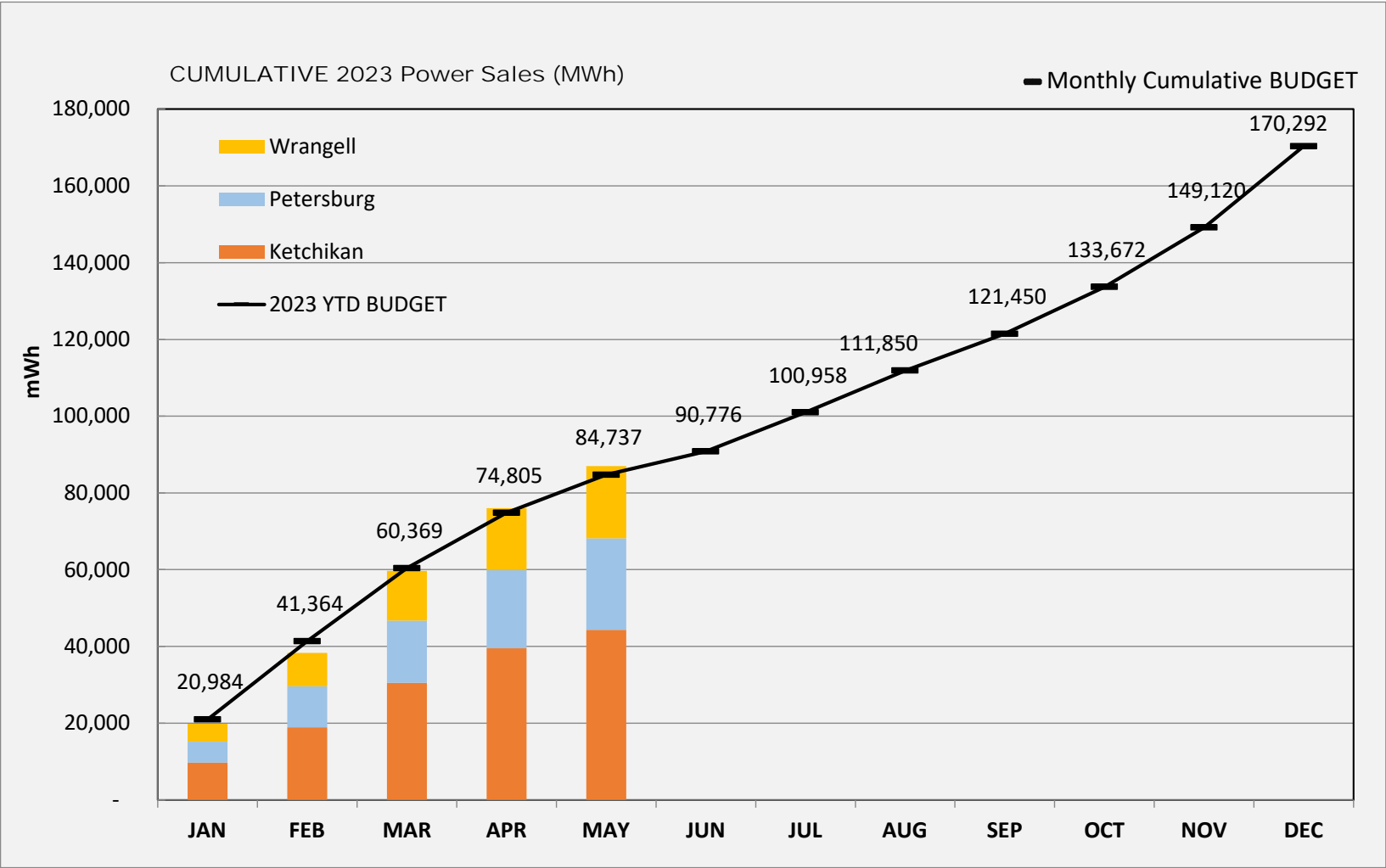
MAY 2023	2023 kWh HYDROPOWER SALES	CURRENT MONTH		YTD	
		Actual	Budget	Actual	Budget
	Ketchikan Power Purchases	4,835,776	4,617,344	44,337,573	43,274,342
Petersburg Power Purchases	3,412,641	2,957,350	23,814,712	22,886,232	
Wrangell Power Purchases	2,683,250	2,356,980	18,796,860	18,576,550	
<b>Total Power Purchases</b>	<b>10,931,667</b>	<b>9,931,674</b>	<b>86,949,145</b>	<b>84,737,124</b>	



MAY 2023	2023 kWh HYDROPOWER SALES	CURRENT MONTH		YTD	
		Actual	Budget	Actual	Budget
	Ketchikan Power Purchases	4,835,776	4,617,344	44,337,573	43,274,342
Petersburg Power Purchases	3,412,641	2,957,350	23,814,712	22,886,232	
Wrangell Power Purchases	2,683,250	2,356,980	18,796,860	18,576,550	
<b>Total Power Purchases</b>	<b>10,931,667</b>	<b>9,931,674</b>	<b>86,949,145</b>	<b>84,737,124</b>	



MAY 2023	2023 kWh HYDROPOWER SALES	CURRENT MONTH		YTD	
		Actual	Budget	Actual	Budget
	Ketchikan Power Purchases	4,835,776	4,617,344	44,337,573	43,274,342
Petersburg Power Purchases	3,412,641	2,957,350	23,814,712	22,886,232	
Wrangell Power Purchases	2,683,250	2,356,980	18,796,860	18,576,550	
<b>Total Power Purchases</b>	<b>10,931,667</b>	<b>9,931,674</b>	<b>86,949,145</b>	<b>84,737,124</b>	



MAY 2023

**Operations, Capital and Self-Insured Funds**

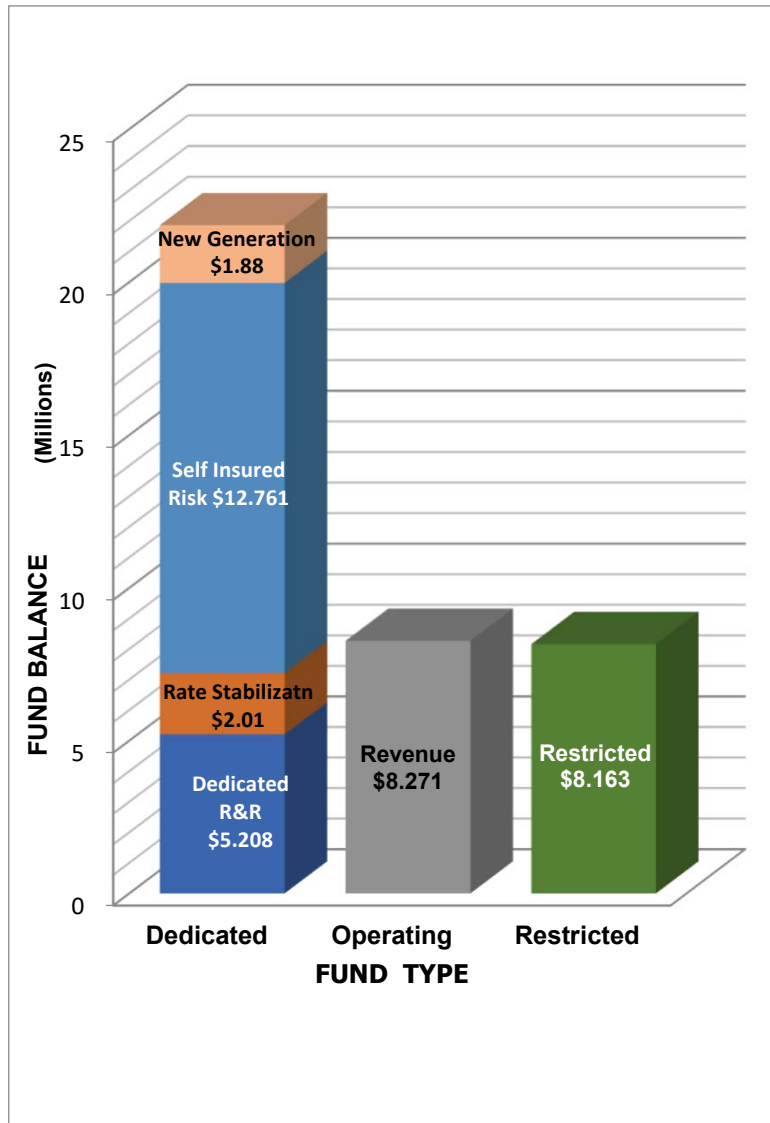
Revenue Fund	\$ 8,266,713	<sup>1</sup>
Checking	3,838	
Dedicated R&R Projects Fund	5,208,106	<sup>1</sup>
New Generation Fund	1,884,717	
Rate Stabilization Fund	2,005,004	
Self Insured Risk Fund	12,761,092	
<b>Total Operations, Capital and Insurance Funds</b>	<b>30,129,470</b>	

**Trustee (Bond) Funds**

2015 Series Interest	\$ 243,847	
2015 Series Reserve	567,792	
2019 Series Interest	3	
2019 Series Principal	82	
2019 Series Reserve	212,237	
2021 Series Interest	172,586	
2021 Series Principal	301	
2021 Series Reserve	777,715	
2022 Series Interest	133,374	<sup>2</sup>
2022 Series Principal	136	<sup>2</sup>
2022 Series Costs of Issuance	455,530	<sup>2</sup>
2022 Series Capitalized Interest	142,565	<sup>2</sup>
<b>Total Trustee Funds</b>	<b>2,706,168</b>	

**Other Restricted Funds**

STI - USFS CD	\$ 21,652	
DNR Reclamation Fund	1,506,547	
Required R&R Fund	1,000,699	
2022 Construction Fund	2,928,133	<sup>2</sup>
<b>Total Other Restricted Funds</b>	<b>5,457,031</b>	
<b>Total Agency Funds</b>	<b>\$ 38,292,669</b>	



<sup>1</sup> As of May 31, two of the four scheduled \$750K payments were transferred from the Revenue Fund to the Dedicated R&R Fund.  
<sup>2</sup> 2022 Series Bonds were issued September 29. Bond proceeds were deposited to the 2022 Construction Fund (Other Restricted). Expenditures related to construction of Don Finney Lane Headquarters (RR19326) are being drawn from this fund. Excess reserves were deposited to the 2022 Series Capitalized Interest Fund and are sufficient to cover 2022 Series bondholder interest payments through calendar year 2023.

**Dedicated Funds**

- New Generation = Project feasibility funding (hydro, wind, geothermal)
- Self-Insured Risk = Coverage for uninsured transmission lines, submarine cables and insurance deductibles.
- Rate Stabilization Fund = Reserve Fund governed by the Rate Stabilization Fund Policy.
- Dedicated R&R = Funds Renewal & Replacement projects approved by the SEAPA Board in the budget.

**Operating Funds**

Revenue Fund & Commercial Checking: All SEAPA income is deposited to the Revenue Fund as required by Bond Indentures and transferred to checking as needed to cover expenditures.

**Restricted Funds (Legally or contractually restricted)**

- All Trustee Funds: Bond Interest, Principal, Reserve and Costs of Issuance accounts
- USFS = USFS Land Remediation Certificate of Deposit
- DNR = Alaska DNR Reclamation Agreement (50% SEAPA and 50% held in trust for Copper Valley and Kodiak)
- R&R = \$1,000,000 minimum balance required by bond indenture
- 2022 Construction: Restricted towards SEAPA HQ construction; any remainder may be applied to other capital projects.



# SOUTHEAST ALASKA POWER AGENCY

Account Statement - Period Ending May 31, 2023



## ACCOUNT ACTIVITY

Portfolio Value on 04-30-23	12,833,236
Contributions	0
Withdrawals	-372
Change in Market Value	-73,758
Interest	29,773
Dividends	0

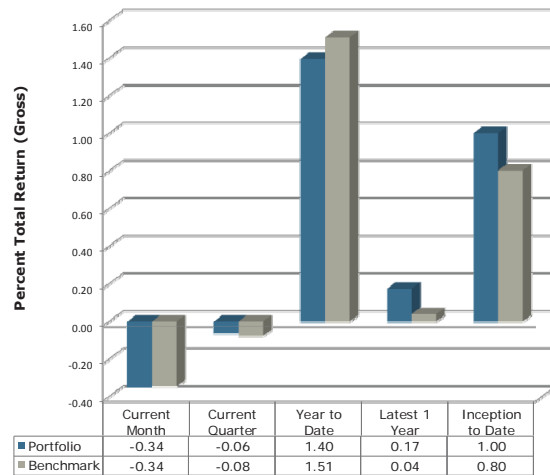
Portfolio Value on 05-31-23 12,788,879

## MANAGEMENT TEAM

Client Relationship Manager:	Blake Phillips, CFA® Blake@apcm.net
Your Portfolio Manager:	Bill Lierman, CFA®
Contact Phone Number:	(907) 272-7575

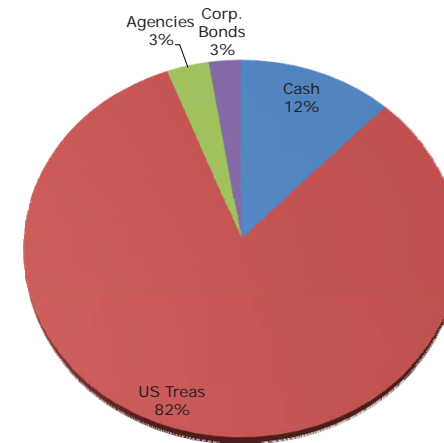
## INVESTMENT PERFORMANCE

**Current Account Benchmark:  
Bloomberg 1-3 Yr Government**



Performance is Annualized for Periods Greater than One Year

## PORTFOLIO COMPOSITION



### Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 4.70% Average Maturity: 1.88 Yrs

SOUTHEAST ALASKA POWER AGENCY  
GRANT SUMMARY

**MAR 2023**

AK DCCED GRANT 13-DC-553			
Grant Billing	Grant Budget	Billing thru 2023	Open Balance
<b>1 - Hydro Storage</b>	578,000	578,000	0
<b>2 - G&amp;T Site Evaluation</b>	2,109,092	2,018,252	90,840
<b>3 - Stability / Interconnecti</b>	0	0	0
<b>4 - Load Balance Model</b>	9,181	9,181	0
<b>5 - Project Mgmt</b>	255,712	255,712	0
<b>6 - Business Analysis / PSA</b>	48,015	48,015	0
<b>Total FY13 AK DCCED</b>	3,000,000	2,909,160	90,840

QUARTERLY BILLING				
Mar-23	Jun-23	Sep-23	Dec-23	FY23
-	-	-	-	-
8,927	-	-	-	8,927
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
8,927	-	-	-	8,927

TERM: JUL 2013 - JUN 2024  
The grant term runs through June 2024.



## APRIL 2023 YTD FINANCIAL OVERVIEW

### OPERATING REVENUE

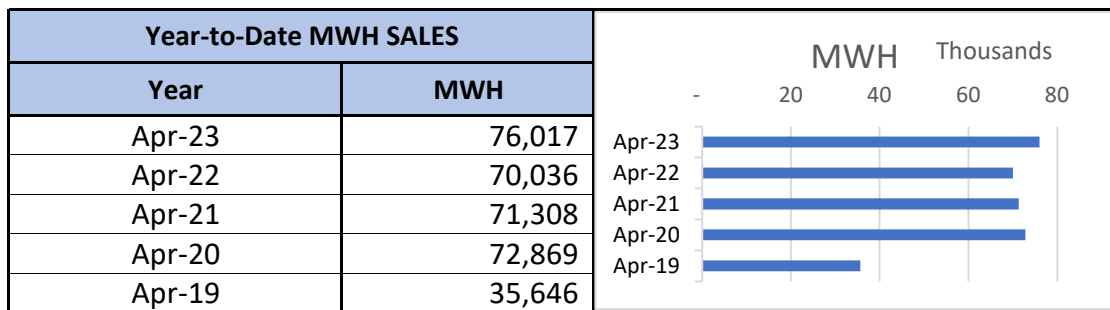
kWh SALES	JAN-APR Actual	JAN-APR Budget	JAN-APR Prior Yr
Ketchikan	\$2,883,631	\$2,821,961	\$2,458,630
Petersburg	1,489,351	1,454,808	1,325,079
Wrangell	1,176,294	1,184,028	1,098,570
<b>Total Firm Sales</b>	<b>\$5,549,276</b>	<b>\$5,460,797</b>	<b>\$4,882,279</b>

<b>2023 Renewable Energy Certificates Income</b>	<b>\$333,194</b>
------------------------------------------------------	------------------

### OPERATING EXPENSES

	JAN-APR Actual	JAN-APR Budget	JAN-APR Prior Yr
Hydro Facilities	\$762,343	\$769,380	\$623,328
Transmission	98,022	92,798	118,061
G&A	1,013,273	1,159,471	1,096,564
<b>Total Ops Exp</b>	<b>\$1,873,638</b>	<b>\$2,021,649</b>	<b>\$1,837,953</b>

### FIRM MWH TREND



2019 drought.

STATEMENT OF FINANCIAL POSITION  
as of April 30, 2023

Southeast Alaska Power Agency

	Year To Date 04/30/23	Prior Year To Date 04/30/22	
<b>Assets</b>			
<b>Current Assets</b>			
<b>Agency Funds</b>			
<b>Operating &amp; Reserve Funds</b>			
1110-001 - Revenue Fund	8,266,713	5,975,077	1 kWh sales up in 2023 plus REC sales
1110-002 - Commercial Checking	3,838	1,003	
1110-003 - Dedicated R&R Fund	5,208,106	6,484,667	
1110-004 - New Generation Fund	1,884,717	1,889,141	
1110-101 - Rate Stabilization Fund	2,005,004	2,003,868	
1110-102 - Self Insured Risk Fund	12,761,092	12,683,206	
<b>Total Operating &amp; Reserve Funds</b>	<b>30,129,470</b>	<b>29,036,962</b>	
<b>Restricted Trustee Funds</b>			
1120-004 - 2015 Series Bond Interest Fund	243,847	162,735	
1120-006 - 2015 Series Bond Reserve Fund	567,792	205,251	
1120-009 - 2019 Series Bond Interest Fund	3	17	
1120-010 - 2019 Series Bond Principal Fund	82	76	
1120-011 - 2019 Series Bond Reserve Fund	212,237	1,264,328	
1120-012 - 2021 Series Bond Interest Fund	172,586	175,874	
1120-013 - 2021 Series Bond Principal Fund	301	-	
1120-014 - 2021 Series Bond Reserve Fund	777,715	781,915	
1120-017 - 2022 Series Bond Interest Fund	133,374	-	2 2022 Bonds issued Sep 29, 2022
1120-018 - 2022 Series Bond Principal Fund	136	-	
1120-021 - 2022 Series Bond COI Fund	455,530	-	
1120-022 - 2022 Series Capitalized Interest Fund	142,565	-	2 Excess Reserve to pay bondholder interest in 2023
<b>Total Restricted Trustee Funds</b>	<b>2,706,168</b>	<b>2,590,197</b>	
<b>Restricted Other Funds</b>			
1130-001 - USFS CD - STI	21,652	21,640	
1130-002 - DNR Reclamation Fund	1,506,547	1,418,634	
1130-003 - Required R&R Fund	1,000,699	1,000,132	
1130-005 - 2022 Construction Fund	2,928,133	-	2 Proceeds from 2022 Bond Issuance for SEAPA HQ
<b>Total Restricted Other Funds</b>	<b>5,457,031</b>	<b>2,440,406</b>	
<b>Total Agency Funds</b>	<b>38,292,669</b>	<b>34,067,565</b>	
<b>Accounts Receivable</b>			
1100-001 - Accounts Receivable	2,039,213	1,686,359	
1100-002 - Grants Receivable	8,921	-	
1100-003 - Other Misc Receivable	5,800	5,800	
<b>Total Accounts Receivable</b>	<b>2,053,934</b>	<b>1,692,159</b>	
<b>Other Current Assets</b>			
<b>Accrued Interest Receivable</b>			
1200-102 - Accrued Interest Receivable	74,966	25,172	
<b>Total Accrued Interest Receivable</b>	<b>74,966</b>	<b>25,172</b>	
<b>Prepaid Fees</b>			
1200-201 - Prepaid FERC Fees	30,679	30,049	
1200-202 - Prepaid Insurance	439,164	375,854	Insurance expense increase in 2023
1200-204 - Prepaid USFS Land Use Fees	74,979	73,545	
1200-206 - Prepaid Admin Group Ben	326	11,995	
1200-207 - Prepaid Admin Retirement	90,671	15,448	
1200-208 - Prepaid Credit Card	7,804	-	
<b>Total Prepaid Fees</b>	<b>643,621</b>	<b>506,892</b>	
<b>Inventory Assets</b>			
1200-300 - Inventory Spares-Stores	433,037	232,552	5 Two Circuit Switchers added to inventory
1200-301 - Inventory SWL Winding Replace	890,405	890,405	
1200-302 - Inventory Flashboard Kickers	439,456	439,456	
1200-303 - Inventory Sub Cable Spare	768,484	768,484	
1210 - Accumulated Inventory Amortization	(292,323)	(219,341)	
<b>Total Inventory Assets</b>	<b>2,239,059</b>	<b>2,111,556</b>	
<b>Total Other Current Assets</b>	<b>2,957,647</b>	<b>2,643,620</b>	
<b>Total Current Assets</b>	<b>43,304,250</b>	<b>38,403,343</b>	

STATEMENT OF FINANCIAL POSITION  
as of April 30, 2023

Southeast Alaska Power Agency

	Year To Date 04/30/23	Prior Year To Date 04/30/22
<b>Capital Assets</b>		
1300-100 - Swan Lake Capital Assets	36,257,936	36,042,665
1300-200 - Tyee Lake Capital Assets	45,564,681	43,839,976
1300-300 - Swan-Tyee Intertie Capital Assets	115,329,753	115,184,260
1300-400 - Ketchikan Capital Assets	1,411,793	1,411,793
<b>Total Capital Assets</b>	<b>198,564,164</b>	<b>196,478,694</b>
<b>R&amp;R WIP Capital Projects</b>		
1320-100 - WIP Swan Lake	164,720	156,702
1320-200 - WIP Tyee Lake	154,369	128,918
1320-300 - WIP Swan-Tyee Intertie	-	1,107
1320-400 - WIP Ketchikan	5,273,907	290,111
<b>Total R&amp;R WIP Capital Projects</b>	<b>5,592,996</b>	<b>576,838</b>
Accumulated Depreciation	(67,346,897)	(62,289,770)
<b>Total Capital Assets</b>	<b>136,810,263</b>	<b>134,765,762</b>
<b>Other Assets</b>		
<b>Deferred Assets</b>		
1830-006 - New Generation Integration	12,520	7,021
1830-007 - 2019 Bond Gain on 2009 Refund	24,592	47,292
<b>Total Deferred Assets</b>	<b>37,112</b>	<b>54,313</b>
<b>Total Other Assets</b>	<b>37,112</b>	<b>54,313</b>
<b>Total Assets</b>	<b>180,151,624</b>	<b>173,223,418</b>
<b>Liabilities and Net Position</b>		
<b>Current Liabilities</b>		
<b>Accounts Payable</b>		
2100-001 - Accounts Payable General	649,400	196,358
<b>Total Accounts Payable</b>	<b>649,400</b>	<b>196,358</b>
<b>Other Current Liabilities</b>		
2100-301 - Other Current Liabilities	53,973	40,791
2100-304 - Reserve Interest Payable	443,077	338,205
2100-340 - Wages Payable	116,216	140,079
2100-341 - PTO Payable	164,365	230,212
2100-350 - Other Payroll Liabilities	53,349	17,914
Total Other Current Liabilities	830,980	767,200
<b>Total Current Liabilities</b>	<b>1,480,381</b>	<b>963,558</b>
<b>Long Term Liabilities</b>		
2200-001 - PERS Unfunded Liability WRG	562,603	634,379
2200-002 - DNR Fund CVEA KEA Liability	764,716	709,317
2200-202 - Series 2015 Bonds	10,295,000	10,295,000
2200-203 - Series 2019 Bonds	935,000	1,825,000
2200-204 - Series 2021 Bonds	11,070,000	11,330,000
2200-205 - Series 2022 Bonds	5,900,000	-
2200-302 - 2015 Bond Issuance Premium	555,171	610,229
2200-303 - 2019 Bond Issuance Premium	86,421	166,193
2200-304 - 2021 Bond Issuance Premium	2,697,740	2,822,251
2200-305 - 2022 Bond Issuance Discount	(51,823)	-
<b>Total Long Term Liabilities</b>	<b>32,814,827</b>	<b>28,392,370</b>
<b>Total Liabilities</b>	<b>34,295,208</b>	<b>29,355,928</b>
<b>Net Position</b>		
3100-001 - Net Investment Capital Assets	103,787,148	108,434,673
3100-002 - Restricted for Debt Service	2,593,000	2,253,788
3100-003 - Restricted by External Agreement	5,588,819	1,365,223
3100-004 - Unrestricted	31,802,683	31,079,245
<b>Total Net Position</b>	<b>143,771,651</b>	<b>143,132,928</b>
<b>Net Income</b>	<b>2,084,766</b>	<b>734,561</b>
<b>Total Net Position</b>	<b>145,856,416</b>	<b>143,867,489</b>
<b>Total Liabilities and Net Position</b>	<b>180,151,624</b>	<b>173,223,418</b>

6 2023 Work in Progress - SEAPA HQ + Furnishings

2 2022 Bond Issuance

2 2022 Bond Issuance

2 2022 Bond Issuance

7 Includes Construction Fund balance as of 12-31-22

Southeast Alaska Power Agency  
**STATEMENT OF ACTIVITIES - Budget Comparison YTD**  
**Year To Date as of April 30, 2023**

	YTD FY23	YTD BUDGET	VARIANCE % of Budget	YTD FY22	ANNUAL Budget
<b>OPERATING REVENUE</b>					
OPERATING REVENUE					
400 - Hydro Facility Revenues	5,549,276	5,460,797	2%	4,882,279	13,110,191
454 - Rent-Electric Property	10,334	10,350	0%	10,334	10,350
Total Operating Revenue	5,559,610	5,471,147	2%	4,892,613	13,120,541
<b>Net Operating Revenue</b>	<b>5,559,610</b>	<b>5,471,147</b>	<b>2%</b>	<b>4,892,613</b>	<b>13,120,541</b>
<b>OPERATING EXPENSE</b>					
<b>HYDRO FACILITY O&amp;M</b>					
535 - Operations Supervision	4,284	4,100	4%	3,362	6,400
537 - Hydraulic Expense	5,799	5,950	-3%	6,718	9,950
538 - Electric Expenses	6,379	11,450	-44%	2,072	72,000
539 - Operations Misc Expense	73,405	87,750	-16%	74,606	327,300
540 - Rents	68,168	62,440	9%	61,292	187,300
541 - Hydro Power Station Maintenance	11,486	13,500	-15%	9,228	45,500
543 - Dams Reservoirs Waterways	9,077	9,750	-7%	4,629	75,000
544 - Electric Plant Wages-Benefits	570,754	547,250	4%	446,632	1,659,000
545 - Nonproduction Plant Maintenance	9,591	12,940	-26%	14,134	80,900
561 - Control System Maintenance	3,400	14,250	-76%	655	37,000
<b>Total Hydro Facility Expense</b>	<b>762,343</b>	<b>769,380</b>	<b>-1%</b>	<b>623,328</b>	<b>2,500,350</b>
<b>TRANSMISSION O&amp;M</b>					
562 - Substation Expense	7,879	13,400	-41%	17,533	74,700
564 - XMSN Submarine Cable Expense	61	1,850	-97%	-	6,000
571 - XMSN Overhead Lines Expense	90,081	77,548	16%	100,527	1,942,680
<b>Total Transmission Expense</b>	<b>98,022</b>	<b>92,798</b>	<b>6%</b>	<b>118,061</b>	<b>2,023,380</b>
<b>GENERAL &amp; ADMIN EXPENSE</b>					
920 - Admin Wages-Benefits	418,135	584,406	-28%	593,173	1,922,000
921 - Office Expenses	58,646	53,775	9%	57,002	236,000
923 - Professional Services	105,968	103,650	2%	68,066	396,150
924 - Insurance	292,776	292,600	0%	239,927	877,800
928 - Regulatory Commission Expense	28,941	26,170	11%	19,400	99,900
930 - General Expense	76,230	67,950	12%	91,678	209,020
931 - Admin Rent	32,577	30,920	5%	27,319	56,600
<b>Total G&amp;A Expense</b>	<b>1,013,273</b>	<b>1,159,471</b>	<b>-13%</b>	<b>1,096,564</b>	<b>3,797,470</b>
<b>Total Operating Expense</b>	<b>1,873,638</b>	<b>2,021,649</b>	<b>-7%</b>	<b>1,837,953</b>	<b>8,321,200</b>
<b>NET OPERATING REVENUE/(EXPENSE)</b>	<b>3,685,972</b>	<b>3,449,498</b>	<b>7%</b>	<b>3,054,660</b>	<b>4,799,341</b>
<b>Nonoperating Income</b>					
941 - Grant Income	4,824			3,982	
942 - Interest Income Misc	133,883			76,236	
944 - Gain/(Loss) Investments	127,676			(342,143)	
946 - Misc Nonoperating Income	333,759			2,340	
<b>Total Nonoperating Income</b>	<b>600,143</b>			<b>(259,586)</b>	
<b>Nonoperating Expense</b>					
951 - Interest Expense	15,458			-	
952 - Bond Interest Expense	395,855			314,949	
953 - Depreciation-Amortization Expense	1,723,726			1,706,109	
954 - Grant Expense	5,552			3,982	
955 - Misc Nonoperating Expense	60,759			35,473	
<b>Total Nonoperating Expense</b>	<b>2,201,349</b>			<b>2,060,514</b>	
<b>NET NONOPERATING INCOME/(EXPENSE)</b>	<b>(1,601,207)</b>			<b>(2,320,099)</b>	
<b>Change in Net Position</b>	<b>2,084,766</b>			<b>734,561</b>	

**Southeast Alaska Power Agency**

Statement of Activities  
 YTD Budget  
 as of April 30, 2023

**OPERATING REVENUE**

**400 - Hydro Facility Revenues**

4000-401 Hydropower Sales Ketchikan	2,883,631	2,821,961	2,883,631	2,821,961	-	-	-	-	-	-
4000-402 Hydropower Sales Petersburg	1,489,351	1,454,808	1,489,351	1,454,808	-	-	-	-	-	-
4000-403 Hydropower Sales Wrangell	1,176,294	1,184,028	1,176,294	1,184,028	-	-	-	-	-	-
4000-421 Displaced Power Ketchikan	-	-	-	-	-	-	-	-	-	-

**Total 400 - Hydro Facility Revenues**

**454 - Rent-Electric Property**

4540-451 Rent Electric Property	10,334	10,350	10,334	10,350	-	-	-	-	-	-
---------------------------------	--------	--------	--------	--------	---	---	---	---	---	---

**Total 454 - Rent-Electric Property**

**TOTAL OPERATING REVENUE**

**OPERATING EXPENSE**

**535 - Operations Supervision**

0390 Software	2,856	3,000	-	-	1,428	1,500	1,428	1,500	-	-
0610 Office Equipment	307	300	-	-	72	150	235	150	-	-
0730 Office Supplies	1,121	800	-	-	584	400	536	400	-	-
<b>Total 535 - Operations Supervision</b>	<b>4,284</b>	<b>4,100</b>	<b>-</b>	<b>-</b>	<b>2,084</b>	<b>2,050</b>	<b>2,200</b>	<b>2,050</b>	<b>-</b>	<b>-</b>

**537 - Hydraulic Expenses**

0330 Helicopters	3,540	4,000	-	-	1,770	2,000	1,770	2,000	-	-
0800 Materials-Minor Equip	2,167	1,950	-	-	722	650	1,444	1,300	-	-
0850 Tools	92	-	-	-	46	-	46	-	-	-
<b>Total 537 - Hydraulic Expenses</b>	<b>5,799</b>	<b>5,950</b>	<b>-</b>	<b>-</b>	<b>2,538</b>	<b>2,650</b>	<b>3,261</b>	<b>3,300</b>	<b>-</b>	<b>-</b>

**538 - Electric Expenses**

0310 Contractor	112	6,300	-	-	22	2,800	90	3,500	-	-
0740 Operating Supplies	5,218	3,400	-	-	5,218	2,500	-	900	-	-
0800 Materials-Minor Equip	952	1,750	-	-	952	850	-	900	-	-
0850 Tools	97	-	-	-	97	-	-	-	-	-
<b>Total 538 - Electric Expenses</b>	<b>6,379</b>	<b>11,450</b>	<b>-</b>	<b>-</b>	<b>6,289</b>	<b>6,150</b>	<b>90</b>	<b>5,300</b>	<b>-</b>	<b>-</b>

**539 - Operations Misc Expense**

0300 Communication Services	14,298	14,000	-	-	6,710	6,000	7,588	8,000	-	-
0310 Contractor	1,750	1,200	-	-	800	600	950	600	-	-
0320 Flights	18,205	30,000	-	-	3,685	6,400	14,520	23,600	-	-
0360 Lodging	-	250	-	-	-	-	-	250	-	-
0373 Rent-Other	625	75	-	-	625	75	-	-	-	-
0401 Training-Pro-Tech	159	5,000	-	-	-	-	159	5,000	-	-
0402 Training-Safety	1,778	6,900	-	-	934	3,500	844	3,400	-	-
0410 Transport-Other	2,500	4,000	-	-	-	-	2,500	4,000	-	-
0420 Utilities	455	400	-	-	455	400	-	-	-	-
0600 Phones, Radios, Video	235	600	-	-	-	600	235	-	-	-
0710 Food, Meals	1,430	1,050	-	-	589	300	841	750	-	-
0740 Operating Supplies	642	1,100	-	-	101	600	541	500	-	-
0750 Safety	2,697	2,550	-	-	1,966	1,700	731	850	-	-
0800 Materials-Minor Equip	618	125	-	-	618	-	-	125	-	-

Southeast Alaska Power Agency

Statement of Activities  
YTD Budget  
as of April 30, 2023

	All Locations		0--No Location		1--Swan Lake		2--Tye Lake		3--Swan-Tye Intertie	
	01/01/22 Through 04/30/23		01/01/22 Through 04/30/23		01/01/22 Through 04/30/23		01/01/22 Through 04/30/23		01/01/22 Through 04/30/23	
	Actual	YTD Budget	Actual	YTD Budget	Actual	YTD Budget	Actual	YTD Budget	Actual	YTD Budget
0810 Rolling Stock Maint	5,791	5,800	-	-	2,920	1,800	2,871	4,000	-	-
0811 Marine Vessel Maint	1,514	800	-	-	1,313	800	201	-	-	-
0820 Fuels and Oils	13,605	6,500	-	-	690	5,000	12,914	1,500	-	-
0830 Fuels and Oils - Marine	6,780	6,500	-	-	3,809	3,250	2,971	3,250	-	-
0850 Tools	323	900	-	-	134	-	188	900	-	-
<b>Total 539 - Operations Misc Expense</b>	<b>73,405</b>	<b>87,750</b>	<b>-</b>	<b>-</b>	<b>25,351</b>	<b>31,025</b>	<b>48,054</b>	<b>56,725</b>	<b>-</b>	<b>-</b>
<b>540 - Rents</b>										
0030 FERC Land Use	30,679	24,700	-	-	6,592	5,300	24,087	19,400	-	-
0050 USFS Land Use	37,490	37,740	-	-	-	-	9,777	10,000	27,713	27,740
<b>Total 540 - Rents</b>	<b>68,168</b>	<b>62,440</b>	<b>-</b>	<b>-</b>	<b>6,592</b>	<b>5,300</b>	<b>33,864</b>	<b>29,400</b>	<b>27,713</b>	<b>27,740</b>
<b>541 - Hydro Power Station Maintnce</b>										
0310 Contractor	-	1,550	-	-	-	650	-	900	-	-
0740 Operating Supplies	7,821	4,700	-	-	6,728	2,100	1,093	2,600	-	-
0800 Materials-Minor Equip	2,900	5,500	-	-	790	4,000	2,110	1,500	-	-
0850 Tools	764	1,750	-	-	120	900	644	850	-	-
<b>Total 541 - Hydro Power Station Maint.</b>	<b>11,486</b>	<b>13,500</b>	<b>-</b>	<b>-</b>	<b>7,638</b>	<b>7,650</b>	<b>3,847</b>	<b>5,850</b>	<b>-</b>	<b>-</b>
<b>543 - Dams Reservoirs Waterways</b>										
0740 Operating Supplies	120	875	-	-	120	500	-	375	-	-
0800 Materials-Minor Equip	8,668	8,875	-	-	4,669	4,800	3,999	4,075	-	-
0850 Tools	288	-	-	-	288	-	-	-	-	-
<b>Total 543 - Dams Reservoirs Waterways</b>	<b>9,077</b>	<b>9,750</b>	<b>-</b>	<b>-</b>	<b>5,078</b>	<b>5,300</b>	<b>3,999</b>	<b>4,450</b>	<b>-</b>	<b>-</b>
<b>544 - Electric Plant Wages-Benefits</b>										
0110 Wages / PTO	360,265	341,600	-	-	196,599	173,100	163,666	168,500	-	-
0120 OT	53,057	47,300	-	-	34,688	29,000	18,369	18,300	-	-
0140 Taxes	34,829	24,590	-	-	19,907	12,540	14,923	12,050	-	-
0150 H&W	68,644	74,760	-	-	38,135	42,360	30,508	32,400	-	-
0160 Retirement	57,833	59,000	-	-	32,494	31,000	25,339	28,000	-	-
0170 Capx-Grants	(3,874)	-	-	-	(3,874)	-	-	-	-	-
<b>Total 544 - Electric Plant Wages-Benefits</b>	<b>570,754</b>	<b>547,250</b>	<b>-</b>	<b>-</b>	<b>317,950</b>	<b>288,000</b>	<b>252,804</b>	<b>259,250</b>	<b>-</b>	<b>-</b>
<b>545 - Nonproduction Plant Maintenance</b>										
0310 Contractor	998	625	-	-	-	125	998	500	-	-
0373 Rent-Other	2,703	2,740	-	-	2,703	2,740	-	-	-	-
0620 Satellite Hardware	32	-	-	-	-	-	32	-	-	-
0740 Operating Supplies	2,030	4,100	-	-	-	1,300	2,030	2,800	-	-
0750 Safety	12	-	-	-	-	-	12	-	-	-
0800 Materials-Minor Equip	3,026	3,000	-	-	2,610	1,500	416	1,500	-	-
0810 Rolling Stock Maint	178	500	-	-	-	-	178	500	-	-
0840 Furnishings	-	1,850	-	-	-	1,850	-	-	-	-
0850 Tools	610	125	-	-	-	-	610	125	-	-
<b>Total 545 - Nonproduction Plant Maint.</b>	<b>9,591</b>	<b>12,940</b>	<b>-</b>	<b>-</b>	<b>5,314</b>	<b>7,515</b>	<b>4,277</b>	<b>5,425</b>	<b>-</b>	<b>-</b>



**Southeast Alaska Power Agency**

Statement of Activities  
 YTD Budget  
 as of April 30, 2023

	All Locations		0--No Location		1--Swan Lake		2--Tye Lake		3--Swan-Tye Intertie	
	01/01/22 Through		01/01/22 Through		01/01/22 Through		01/01/22 Through		01/01/22 Through	
	04/30/23		04/30/23		04/30/23		04/30/23		04/30/23	
	Actual	YTD Budget	Actual	YTD Budget	Actual	YTD Budget	Actual	YTD Budget	Actual	YTD Budget
<b>561 - Control System Maintenance</b>										
0310 Contractor	-	7,250	-	-	-	3,250	-	4,000	-	-
0800 Materials-Minor Equip	3,400	7,000	-	-	-	7,000	3,400	-	-	-
<b>Total 561 - Control System Maint.</b>	<b>3,400</b>	<b>14,250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,250</b>	<b>3,400</b>	<b>4,000</b>	<b>-</b>	<b>-</b>
<b>562 - Substation Expense</b>										
0310 Contractor	-	1,750	-	-	-	-	-	1,750	-	-
0320 Flights	1,500	3,300	-	-	-	-	1,500	3,300	-	-
0360 Lodging	-	125	-	-	-	-	-	125	-	-
0373 Rent-Other	300	125	-	-	-	-	300	125	-	-
0420 Utilities	5,601	4,900	-	-	-	-	5,601	4,900	-	-
0710 Food, Meals	-	50	-	-	-	-	-	50	-	-
0740 Operating Supplies	91	750	-	-	83	300	8	450	-	-
0800 Materials-Minor Equip	387	2,250	-	-	304	250	83	2,000	-	-
0820 Fuels and Oils	-	75	-	-	-	-	-	75	-	-
0850 Tools	-	75	-	-	-	-	-	75	-	-
<b>Total 562 - Substation Expense</b>	<b>7,879</b>	<b>13,400</b>	<b>-</b>	<b>-</b>	<b>386</b>	<b>550</b>	<b>7,493</b>	<b>12,850</b>	<b>-</b>	<b>-</b>
<b>564 - XMSN Submarine Cable Expense</b>										
0410 Transport-Other	-	750	-	-	-	-	-	750	-	-
0740 Operating Supplies	61	150	-	-	-	-	61	150	-	-
0800 Materials-Minor Equip	-	825	-	-	-	-	-	825	-	-
0850 Tools	-	125	-	-	-	-	-	125	-	-
<b>Total 564 - XMSN Submarine Cable Exp.</b>	<b>61</b>	<b>1,850</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>61</b>	<b>1,850</b>	<b>-</b>	<b>-</b>
<b>571 - XMSN Overhead Lines Expense</b>										
0110 Wages / PTO	33,801	19,300	33,801	19,300	-	-	-	-	-	-
0120 OT	222	-	222	-	-	-	-	-	-	-
0140 Taxes	2,943	1,678	2,943	1,678	-	-	-	-	-	-
0150 H&W	7,627	7,600	7,627	7,600	-	-	-	-	-	-
0160 Retirement	5,886	1,050	5,886	1,050	-	-	-	-	-	-
0300 Communication Services	557	420	557	420	-	-	-	-	-	-
0310 Contractor	390	-	390	-	-	-	-	-	-	-
0320 Flights	2,890	1,250	2,890	1,250	-	-	-	-	-	-
0330 Helicopters	31,058	35,000	31,058	35,000	-	-	-	-	-	-
0410 Transport-Other	-	750	-	750	-	-	-	-	-	-
0420 Utilities	686	600	686	600	-	-	-	-	-	-
0710 Food, Meals	1,227	1,000	1,227	1,000	-	-	-	-	-	-
0740 Operating Supplies	1,546	2,100	1,546	2,100	-	-	-	-	-	-
0750 Safety	600	500	600	500	-	-	-	-	-	-
0800 Materials-Minor Equip	170	5,000	170	5,000	-	-	-	-	-	-
0811 Marine Vessel Maint	326	750	326	750	-	-	-	-	-	-
0820 Fuels and Oils	154	200	154	200	-	-	-	-	-	-
0830 Fuels and Oils - Marine	-	150	-	150	-	-	-	-	-	-
0850 Tools	-	200	-	200	-	-	-	-	-	-
<b>Total 571 - XMSN Overhead Lines Exp.</b>	<b>90,081</b>	<b>77,548</b>	<b>90,081</b>	<b>77,548</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Southeast Alaska Power Agency

Statement of Activities  
 YTD Budget  
 as of April 30, 2023

	All Locations		0--No Location		1--Swan Lake		2--Tye Lake		3--Swan-Tye Intertie	
	01/01/22 Through 04/30/23		01/01/22 Through 04/30/23		01/01/22 Through 04/30/23		01/01/22 Through 04/30/23		01/01/22 Through 04/30/23	
	Actual	YTD Budget	Actual	YTD Budget	Actual	YTD Budget	Actual	YTD Budget	Actual	YTD Budget
<b>920 - Admin Wages-Benefits</b>										
0110 Wages / PTO	293,402	338,130	293,402	338,130	-	-	-	-	-	-
0120 OT	307	650	307	650	-	-	-	-	-	-
0140 Taxes	25,855	25,626	25,855	25,626	-	-	-	-	-	-
0150 H&W	77,672	88,000	77,672	88,000	-	-	-	-	-	-
0160 Retirement	20,950	132,000	20,950	132,000	-	-	-	-	-	-
0170 Capx-Grants	(50)	-	(50)	-	-	-	-	-	-	-
<b>Total 920 - Admin Wages-Benefits</b>	<b>418,135</b>	<b>584,406</b>	<b>418,135</b>	<b>584,406</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>921 - Office Expenses</b>										
0300 Communication Services	9,888	8,000	9,888	8,000	-	-	-	-	-	-
0310 Contractor	18,168	19,600	18,168	19,600	-	-	-	-	-	-
0350 Licenses-Permits	54	100	54	100	-	-	-	-	-	-
0390 Software	4,439	5,350	4,439	5,350	-	-	-	-	-	-
0420 Utilities	11,135	5,750	11,135	5,750	-	-	-	-	-	-
0600 Phones, Radios, Video	313	-	313	-	-	-	-	-	-	-
0610 Office Equipment	525	2,000	525	2,000	-	-	-	-	-	-
0710 Food, Meals	892	600	892	600	-	-	-	-	-	-
0730 Office Supplies	8,071	7,000	8,071	7,000	-	-	-	-	-	-
0810 Rolling Stock Maint	978	325	978	325	-	-	-	-	-	-
0820 Fuels and Oils	1,074	450	1,074	450	-	-	-	-	-	-
0840 Furnishings	3,110	4,600	3,110	4,600	-	-	-	-	-	-
<b>Total 921 - Office Expenses</b>	<b>58,646</b>	<b>53,775</b>	<b>58,646</b>	<b>53,775</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Southeast Alaska Power Agency

Statement of Activities  
 YTD Budget  
 as of April 30, 2023

	All Locations		0--No Location		1--Swan Lake		2--Tye Lake		3--Swan-Tye Intertie	
	01/01/22 Through		01/01/22 Through		01/01/22 Through		01/01/22 Through		01/01/22 Through	
	04/30/23		04/30/23		04/30/23		04/30/23		04/30/23	
	Actual	YTD Budget	Actual	YTD Budget	Actual	YTD Budget	Actual	YTD Budget	Actual	YTD Budget
<b>923 - Professional Services</b>										
0910 Audit-Accounting	14,452	16,150	14,452	16,150	-	-	-	-	-	-
0920 Banking-Trustee-Investment	46,815	43,000	46,815	43,000	-	-	-	-	-	-
0930 Legal	16,000	16,000	16,000	16,000	-	-	-	-	-	-
0940 Legislative	28,700	28,500	28,700	28,500	-	-	-	-	-	-
<b>Total 923 - Professional Services</b>	<b>105,968</b>	<b>103,650</b>	<b>105,968</b>	<b>103,650</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>924 - Insurance</b>										
0960 Insurance	292,776	292,600	292,776	292,600	-	-	-	-	-	-
<b>Total 924 - Insurance</b>	<b>292,776</b>	<b>292,600</b>	<b>292,776</b>	<b>292,600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>928 - Regulatory Commission Expense</b>										
0010 Other Regulatory	20,500	21,720	-	-	10,700	11,360	9,800	10,360	-	-
0020 FERC Admin	8,291	4,000	-	-	8,291	4,000	-	-	-	-
0040 FERC Other	150	450	-	-	50	50	100	100	-	300
<b>Total 928 - Regulatory Commission Exp.</b>	<b>28,941</b>	<b>26,170</b>	<b>-</b>	<b>-</b>	<b>19,041</b>	<b>15,410</b>	<b>9,900</b>	<b>10,460</b>	<b>-</b>	<b>300</b>
<b>930 - General Expense</b>										
0200 Advertising-Public Relations	3,273	5,000	3,273	5,000	-	-	-	-	-	-
0210 Association Dues	41,291	40,200	41,291	40,200	-	-	-	-	-	-
0220 Board Meeting Expense	12,387	8,000	12,387	8,000	-	-	-	-	-	-
0230 Professional Development	13,611	8,500	13,611	8,500	-	-	-	-	-	-
0240 Travel Expense (Admin)	3,756	4,250	3,756	4,250	-	-	-	-	-	-
0250 Non-Travel Incidental	179	400	179	400	-	-	-	-	-	-
0260 Recruitment	1,476	1,500	1,476	1,500	-	-	-	-	-	-
0390 Software	255	-	255	-	-	-	-	-	-	-
0750 Safety	-	100	-	100	-	-	-	-	-	-
<b>Total 930 - General Expense</b>	<b>76,230</b>	<b>67,850</b>	<b>76,230</b>	<b>67,850</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>931 - Admin Rent</b>										
0371 Rent-Office Space	26,277	24,620	26,277	24,620	-	-	-	-	-	-
0372 Rent-Apartment	6,300	6,300	6,300	6,300	-	-	-	-	-	-
<b>Total 931 - Admin Rent</b>	<b>32,577</b>	<b>30,920</b>	<b>32,577</b>	<b>30,920</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>1,873,638</b>	<b>2,021,549</b>	<b>1,074,413</b>	<b>1,210,749</b>	<b>398,262</b>	<b>381,850</b>	<b>373,250</b>	<b>400,910</b>	<b>27,713</b>	<b>28,040</b>
<b>NET OPERATING REVENUE/(EXPENSE)</b>	<b>3,685,972</b>	<b>3,449,598</b>								

**Southeast Alaska Power Agency**

Statement of Activities  
 YTD Budget  
 as of April 30, 2023

**NONOPERATING INCOME**

**941 - Grant Income**

5410 Grant Income

**Total 941 - Grant Income**

**942 - Interest Income Misc**

5010 Interest Earned Misc

5020 Interest DNR Liability

5030 Interest Investment Income

**Total 942 - Interest Income Misc**

**944 - Gain/(Loss) Investments**

5200 Realized Gain/(Loss) on Invest

5210 Unrealized Gain/(Loss) Investmt

**Total 944 - Gain/(Loss) Investments**

**946 - Misc Nonoperating Income**

4213 Renewable Energy Cert Revenue

5040 Other Misc Income

**Total 946 - Misc Nonoperating Income**

**TOTAL NONOPERATING INCOME**

All Locations 01/01/22 Through 04/30/23	0--No Location 01/01/22 Through 04/30/23		1--Swan Lake 01/01/22 Through 04/30/23		2--Tye Lake 01/01/22 Through 04/30/23		3--Swan-Tye Intertie 01/01/22 Through 04/30/23	
	Actual	YTD Budget	Actual	YTD Budget	Actual	YTD Budget	Actual	YTD Budget
5410 Grant Income	4,824	-	4,824	-	-	-	-	-
<b>Total 941 - Grant Income</b>	<b>4,824</b>	<b>-</b>	<b>4,824</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
5010 Interest Earned Misc	36,733	-	36,733	-	-	-	-	-
5020 Interest DNR Liability	(11,681)	-	(11,681)	-	-	-	-	-
5030 Interest Investment Income	108,832	-	108,832	-	-	-	-	-
<b>Total 942 - Interest Income Misc</b>	<b>133,883</b>	<b>-</b>	<b>133,883</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
5200 Realized Gain/(Loss) on Invest	(135,055)	-	(135,055)	-	-	-	-	-
5210 Unrealized Gain/(Loss) Investmt	262,731	-	262,731	-	-	-	-	-
<b>Total 944 - Gain/(Loss) Investments</b>	<b>127,676</b>	<b>-</b>	<b>127,676</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
4213 Renewable Energy Cert Revenue	333,194	-	333,194	-	-	-	-	-
5040 Other Misc Income	565	-	565	-	-	-	-	-
<b>Total 946 - Misc Nonoperating Income</b>	<b>333,759</b>	<b>-</b>	<b>333,759</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL NONOPERATING INCOME</b>	<b>600,143</b>	<b>-</b>	<b>600,143</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Southeast Alaska Power Agency

Statement of Activities  
 YTD Budget  
 as of April 30, 2023

	All Locations		0--No Location		1--Swan Lake		2--Tye Lake		3--Swan-Tye Intertie	
	01/01/22 Through 04/30/23		01/01/22 Through 04/30/23		01/01/22 Through 04/30/23		01/01/22 Through 04/30/23		01/01/22 Through 04/30/23	
	Actual	YTD Budget	Actual	YTD Budget	Actual	YTD Budget	Actual	YTD Budget	Actual	YTD Budget
<b>NONOPERATING EXPENSE</b>										
<b>951 - Interest Expense</b>										
6020 Interest Expense Investments	15,458	-	15,458	-	-	-	-	-	-	-
<b>Total 951 - Depreciation-Amortization Expense</b>	15,458	-	15,458	-	-	-	-	-	-	-
<b>952 - Bond Interest Expense</b>										
6120 Bond Interest Expense 2015 Series	143,570	-	143,570	-	-	-	-	-	-	-
6130 Bond Interest Expense 2019 Series	11,396	-	11,396	-	-	-	-	-	-	-
6131 Bond Interest Expense 2021 Series	151,402	-	151,402	-	-	-	-	-	-	-
6132 Bond Interest Expense 2022 Series	89,486	-	89,486	-	-	-	-	-	-	-
<b>Total 952 - Bond Interest Expense</b>	395,855	-	395,855	-	-	-	-	-	-	-
<b>953 - Depreciation-Amortization Expense</b>										
6300 Depreciation Expense	1,700,226	-	1,700,226	-	-	-	-	-	-	-
6310 Inventory Amortization	23,500	-	23,500	-	-	-	-	-	-	-
<b>Total 953 - Depreciation-Amortization Expense</b>	1,723,726	-	1,723,726	-	-	-	-	-	-	-
<b>954 - Grant Expense</b>										
6520 Grant Contractual	5,152	-	5,152	-	-	-	-	-	-	-
6570 Grant Other Expense	400	-	400	-	-	-	-	-	-	-
<b>Total 954 - Misc Nonoperating Expense</b>	5,552	-	5,552	-	-	-	-	-	-	-
<b>955 - Misc Nonoperating Expense</b>										
6600 Other Misc Expense	3	-	3	-	-	-	-	-	-	-
6601 Renewable Energy Cert Expense	60,756	-	60,756	-	-	-	-	-	-	-
<b>Total 955 - Misc Nonoperating Expense</b>	60,759	-	60,759	-	-	-	-	-	-	-
<b>TOTAL NONOPERATING EXPENSE</b>	<b>2,201,349</b>	-	<b>2,201,349</b>	-	-	-	-	-	-	-
<b>NET NONOPERATING INCOME/(EXPENSE)</b>	<b>(1,601,207)</b>	-	<b>(1,601,207)</b>	-	-	-	-	-	-	-
<b>Change in Net Position</b>	<b>2,084,766</b>									

Southeast Alaska Power Agency  
**R&R Summary - Capital Expenditures**  
as of April 30, 2023

	<b>2023 EXPENDITURES</b>	<b>2023 BUDGET</b>	<b>PRIOR YRS EXPENDITURES</b>	<b>OVERALL EXPENDITURES</b>	<b>Overall Budget through 2023</b>
RR19307 - Helipads Cleveland	13,760	609,164	34,836	48,596	644,000
RR19326 - Don Finney Lane HQ	1,362,854	1,375,788	3,685,319	5,048,173	5,455,295
RR19331 - STCS-HMI-Historian	776	209,145	242,063	242,839	450,000
RR20343 - Partial Discharge Monitors SWL	-	38,427	89,803	89,803	128,230
RR21350 - Bunkhouse SWL	14,204	1,222,240	8,877	23,081	1,230,480
RR22364 - 15kV Switchgear TYL	-	100,000	-	-	1,211,000
RR22366 - Annunicators SWL	-	72,000	-	-	72,000
RR22367 - EDG Governors-Exciters SWL	-	119,200	-	-	119,200
RR22368 - Fire Service Panels SWL	-	95,000	-	-	95,000
RR22370 - Inlet Valve Ctrl System SWL	5,587	90,625	17,459	23,046	106,150
RR22373 - Standby Generator KTN HQ	-	15,000	-	-	15,000
RR22374 - Station Service Switchgear TYL	603	1,211,890	-	603	2,330,400
RR23379 - Battery Bank & Inverter PSG	-	40,000	-	-	40,000
RR23380 - Cargo Van TYL	63,075	67,500	-	63,075	67,500
RR23381 - Circuit Switchers TYL	3,028	337,300	-	3,028	495,630
RR23382 - Crew Boat TYL	-	130,000	-	-	350,000
RR23383 - Draft Tube Cavitation Repair SWL	-	35,000	-	-	35,000
RR23384 - FERC Relicensing SWL	6,974	25,000	-	6,974	25,000
RR23385 - FERC Relicensing TYL	5,301	25,000	-	5,301	25,000
RR23386 - Incinerator XFMR Panel-Controls SWL	5,394	31,000	-	5,394	31,000
RR23387 - Office Furnishings Don Finney Ln HQ	1,201	108,000	45,090	46,291	158,000
RR23388 - TSV Bypass & Vent Valves TYL	-	228,000	-	-	228,000
RR23389 - Wastewater Control Panel SWL	4,540	15,000	-	4,539	15,000
			-		
<b>Total All RR Projects</b>	<b>1,487,297</b>	<b>6,200,279</b>	<b>4,123,447</b>	<b>5,610,743</b>	<b>13,326,885</b>

Overall Budget is through December 2023 and does not include future years.

SEAPA MWh								INVOICE SUMMARY (SEAPA SALES)			
2016	2017	2018	2019	2020	2021	2022	MWh	DATE	PRICE	NET INCOME	
171,485	186,460	179,272	133,826	166,010	172,434	186,620	1,196,107				
-	-	-	-	-	-	(28,844)	(28,844)	08/30/22	\$1.50	\$26,460.53	INV1147
-	-	-	-	-	(172,434)	-	(172,434)	11/08/22	\$0.75	\$103,460.40	INV1158-1
-	-	-	-	(72,841)	-	-	(72,841)	11/08/22	\$0.65	\$37,877.32	INV1158-2
(171,485)	(186,460)	(179,272)	(133,826)	-	-	-	(671,043)	02/09/23	\$0.20	\$114,077.31	INV1175-1
-	-	-	-	-	-	(61,219)	(61,219)	02/09/23	\$1.00	\$48,975.20	INV1175-2
-	-	-	-	-	-	(96,557)	(96,557)	02/09/23	\$1.40	\$107,467.94	INV1175-3
-	-	-	-	(1,478)	-	-	(1,478)	02/09/23	\$1.75	\$1,917.70	INV1175-4
-	-	-	-	91,691	-	-	91,691		-	\$440,236	
-	-	-	-	91,691	-	-	91,691	< Remaining SEAPA MWh on Market			

Financial Reports

Statement of Activities

946-0-4213	Renewable Energy Certificate Revenue
955-0-6601	Renewable Energy Certificate Expense

FY2022 Revenue	\$167,798.25
FY2023 Revenue	\$272,438.15
	<u>\$440,236.40</u>

**SOUTHEAST ALASKA  
POWER AGENCY**

Revenue Fund . . . . . 1,738,902.46  
 Dedicated R&R Fund . . . . . 98,814.11  
 Construction Fund . . . . . 1,362,854.32  
 Commercial Checking . . . . . \$ **3,200,570.89**

**DISBURSEMENTS  
MAR - MAY 2023**

VENDOR		REVENUE FUND	DEDICATED R&R FUND	CONSTRUC- TION
A&P		107.16	-	-
Aero Services - KTN		23.47	-	-
AK DNR 550-1410		150.00	-	-
Alaska Airlines Cargo		121.66	-	-
Alaska Dispatch News		-	81.40	-
Alaska Permanent Capital Inc		7,261.89	-	-
Alaska Power Association		1,550.00	-	-
All About Details		375.00	-	-
All American Auto		516.00	-	-
All American Mechanical LLC		367.71	-	-
Alpine Mini Mart		106.84	-	-
Amazon.com		2,442.25	302.12	-
American Dictation Corp		849.00	-	-
Applied Industrial Technologies Inc		3,116.80	-	-
Ascent Law Partners LLP		36,313.88	711.00	-
Bay Company		2,238.19	-	-
Bernies		-	-	3,746.95
Bill Pierre Ford Inc	RR23380 Cargo Van TYL	-	61,060.00	-
Breakaway Adventures LLC		2,240.00	-	-
Breakaway Ferry & Freight LLC		2,500.00	2,500.00	-
Bynum, Jeremy		3.86	-	-
Cambria Properties LLC		4,725.00	-	-
Cape Fox Lodge		2,264.04	-	-
Capital One - April		15,641.16	-	-
Capital One - February		8,903.80	-	3,859.64
Capital One - May		9,000.00	-	-
Capital One -March		13,699.71	-	-
Channel Electric Inc		5,734.09	409.67	-
City Market Inc		651.55	-	-
Computershare 1450		7,750.00	-	-
Computershare 2019 Principal	Transfer to Principal Fund for bondholder payment	890,000.00	-	-
Computershare 2021 Interest	Transfers to Interest Fund	170,160.00	-	-
Computershare DNR	DNR Reclamation Fund annual deposit	75,000.00	-	-
Crescent Electric Supply Company		-	-	29,046.97
Dawson Construction LLC	RR19326 SEAPA HQ, RR21350 Bunkhouse SWL	-	10,000.00	1,316,570.26
Delta Western LLC		499.92	-	-
Dreisilker Electric Motors Inc		488.93	-	-
Federal Energy Regulatory Commissio	FERC annual Land Use fees	73,628.57	-	-
FedEx		389.81	-	-
First City Electric Inc		-	459.28	-
Full Circle Media Arts		243.75	-	-
Grainger		4,781.65	-	-
Hammer & Wikan, Inc		100.97	-	-
HDR Alaska Inc		8,290.96	-	-
High Tide Parts		2.50	-	-
Hubbell Power Systems, Inc		3,400.00	-	-
Jaco Analytical Lab, Inc		89.96	-	-
John Taylor and Sons Inc		285.00	-	-
Johnson's Building Supply		415.91	-	-
Kelley Connect		1,070.02	-	-



**SOUTHEAST ALASKA  
POWER AGENCY**

Revenue Fund . . . . . 1,738,902.46  
 Dedicated R&R Fund . . . . . 98,814.11  
 Construction Fund . . . . . 1,362,854.32  
 Commercial Checking . . . . . \$ 3,200,570.89

**DISBURSEMENTS  
MAR - MAY 2023**

VENDOR	REVENUE FUND	DEDICATED R&R FUND	CONSTRUCTION
Ketchikan City Port & Harbor	568.92	-	-
Ketchikan Daily News	357.80	117.78	-
Ketchikan Gateway Borough	18,995.73	-	-
Ketchikan High School	500.00	-	-
Law Office of James F Clark	10,000.00	-	-
Les Schwab	241.90	-	-
LNМ Services	550.73	-	-
Madison Lumber & Hardware Inc	91.40	93.98	-
Marble Construction	2,029.04	-	-
McMaster-Carr Supply Company	-	1,524.22	-
McMillen Inc	1,127.50	-	-
Mitchell Instrument Co	328.58	-	-
National Hydropower Association, Inc	975.00	-	-
Newark Corporation	-	341.20	-
Nordic Automotive	603.05	-	-
NRECA Group Ins 3 mos. admin group benefits	60,129.39	-	-
NRECA Group Ins Admin	4,356.15	-	-
NRECA RSP Admin	2,321.22	-	-
NRECA RSP Trust Contrib 3 mos. admin group benefits	75,113.70	-	-
Ottesens Ace Hardware	511.87	-	-
Petersburg High School	500.00	-	-
Petro Marine Services-KTN	2,487.00	-	-
Petro Marine Services-PSG	88.58	-	-
Petro Marine Services-WRG	14,221.60	-	-
Pilot Publishing Inc	248.00	88.00	-
Platt Electric Supply	70.82	376.29	-
PND Engineers	-	13,760.00	-
R&M Engineering-Ketchikan, Inc	1,350.00	930.59	-
Ray Matiashowski	16,000.00	-	-
RC Worst & Company Inc	-	3,861.38	-
RESPEC Company LLC	28,700.00	-	-
Samson Tug & Barge	1,051.24	2,015.20	-
Satellite & Sound Inc	1,188.00	-	-
SE Business Machines	480.00	-	-
Sentry Hardware & Marine	597.28	-	-
Service Auto Parts	1,770.95	-	-
Sockeye Business Solutions Inc	4,000.00	-	-
Southeast Auto & Marine Parts, Inc	1,685.67	-	-
Stikine Inn	5,086.00	-	-
Sunrise Aviation Inc	20,035.00	-	-
Svendsen Marine LLC	377.58	-	-
Sweet Tides Bakery	2,226.84	-	-
Taquan Air	3,840.00	-	-
Temsco Helicopters Inc	34,598.11	-	-
TexRus LLC	15,788.67	-	-
TKs MiniMart LLC	91.77	-	-
Tongass Indoor Storage	835.20	-	-
Tongass Trading Company Inc	305.93	-	-
TSS	867.50	-	-

**SOUTHEAST ALASKA  
POWER AGENCY**

Revenue Fund ..... 1,738,902.46  
 Dedicated R&R Fund ..... 98,814.11  
 Construction Fund ..... 1,362,854.32  
 Commercial Checking ..... \$ **3,200,570.89**

**DISBURSEMENTS  
MAR - MAY 2023**

VENDOR	REVENUE FUND	DEDICATED R&R FUND	CONSTRUCTION
Tyler Industrial Supply	527.97	-	-
Tyler Rental Inc	1,734.13	-	-
Voith Hydro Inc	5,744.04	-	-
Webstaurant Store LLC	3,843.95	-	-
Welsh Whiteley Architects, LLC	-	-	9,630.50
Workforce Go	163.28	-	-
Wrangell Chamber of Commerce	260.00	-	-
Wrangell City & Borough	17,944.14	-	-
Wrangell High School	500.00	-	-
Wrangell IGA Inc	1,677.87	-	-
Wrangell Sentinel	402.50	182.00	-
X2nSat	9,200.00	-	-
YRC Inc	2,109.85	-	-
<b>TOTAL</b>	<b>1,738,902.46</b>	<b>98,814.11</b>	<b>1,362,854.32</b>

---

**Date:** June 14, 2023  
**To:** Robert Siedman, Acting CEO  
**From:** Ed Schofield, Power System Specialist  
**Subject:** Board Packet Report for June 22, 2023, Meeting

**SEAPA Headquarters Project Update**

The SEAPA Headquarters construction is 98.04% complete as of May 31<sup>st</sup> and on budget. A thirty-day extension to the contracted completion date was granted due to Clearstory glass delivery schedule and an unforeseen HVAC component failure. The installation of the Clearstory glass was planned to be the last phase of the project to lessen the risk of damage. A two-week delay in the manufacturing was outside of the contractor's control. Completion of the clearstory glass installation is to be the last week of June. During HVAC commissioning a heat pump condenser failed. The manufacturer replaced the condenser with a new condenser that was expedited to Ketchikan. The new condenser arrived in Ketchikan and the manufacture representative was onsite June 7 to install and commission the VRV heating system. A final City of Ketchikan building code inspection for the issuance of the Certificate of Occupancy occurred on June 9<sup>th</sup>. On June 12, the substantial completion inspection was performed with the contractor, architect, and owner. A substantial completion task list was developed during the inspection and issued to the contractor. The owner's mechanical and electrical engineers will be onsite June 22<sup>nd</sup> to complete a final completion inspection. The contract's substantial completion tasks are scheduled for completion the last week of June 2023.



SEAPA Headquarters June 14, 2023

## **Federal Energy Regulatory Commission (FERC) Licensing Tasks**

Consultants for Kleinschmidt Associates were retained to provide consulting services to assist the Agency in strategic relicensing planning for both the Tyee and Swan Lake facilities. The FERC licenses were issued for a 50-year period; Swan Lake in 1980 and Tyee Lake in 1981. The expiration dates are June 31, 2030, and July 31, 2031, respectively. Kleinschmidt consultants met in Ketchikan May 2-3, to start gathering information (Studies & Reports) and to participate in general relicensing strategy discussions. A summary of that exercise was presented by Kleinschmidt on May 26<sup>th</sup>. The average estimated years to complete a FERC relicensing exercise is estimated to be seven. The FERC relicensing process follows the same steps as applying for a new license short of design and construction approval. All articles of the original license are open for evaluation by the governing agencies.

The Swan Lake Dam Surveillance and Safety Monitoring Report (DSSMR) for 2022 has been completed and submitted to FERC for review and comments.

FERC's regional engineer is scheduled to perform the Swan Lake annual site inspection on August 2, 2023.

### **Swan Lake Inlet Valve**

The Swan Lake Inlet Valve Control Upgrade Project was scheduled to occur in October of 2022. Due to supply change back-order issues, the start of this project has been delayed for over a year. The final parts order arrived in the first week of June. A project schedule has not been established due to the contractor's conflicting work schedule. This RR project will modernize the control systems of both of Swan Lake's penstock inlet valves.

### **Tyee Jet Boat RR Project Evaluation**

The following is staff's internal evaluation of the proposed purchase of a new jet propulsion crew boat (RR23382) based on the objectives and goals listed in the 2023 R&R budget. In addition, staff performed an analysis to determine the effectiveness of this project meeting operational needs. Also included is a list of positive and negative attributes of the proposed Jet Boat based on specifications versus a typical prop propulsion vessel (existing Tyee Crew Boat).

#### *Background:*

The following 2023 SEAPA budget description and specifications lists the project's objective as providing a reliable shallow draft crew transport vessel for the Tyee Hydro facility. Goals were defined as a vessel capable of providing significantly improved access across the Bradfield River tidal estuary.

Budget description and specifications:

- 28-foot Landing Craft, with enclosed cabin
- 6 passenger seating accommodations
- Payload capacity of 2,500 to 3,000 lbs. with the deck and gate sized to accommodate transport of Tyee's Argo vehicle.
- Main propulsion twin inboard diesels with Jet drives.



Budget cost estimate:

Vessel Hull	\$170,000	<u>Budget Expenditures</u>	
Drive Package	\$130,000	FY23 Budget	\$130,000
Navigational Package	\$5,000	FY24 Budget	\$220,000
15% Contingency	\$45,000	<b>Total</b>	<b>\$350,000</b>
<b>Total</b>	<b>\$350,000</b>		

*Objective Analysis*

In brief, a shallow draft jet driven vessel could potentially increase the access window into the Tyee facility by 2' feet, gaining one additional hour of tide change access. To gain water access to Tyee facility a short section of the Bradfield River estuary must be traversed. The estuary channels used for access are inaccessible by watercraft below a positive +6' foot tide elevation. Due to the required tide elevation of +6' a shallow draft vessel would not provide unlimited access as defined as the project objective. Tyee access by water from Wrangell is approximately 50 miles via a marine inland glacial deep-water fjord with approximately 1 mile being the Bradfield River estuary.



Aerial Photo of the Bradfield River Delta Estuary

The mouth of the Bradfield River is a two-mile-wide sand-and-gravel delta which has an average elevation of positive +6' to +10' at its mouth.

To build a shallow draft vessel for the sole purpose of accessing the Bradfield estuary would compromise the vessel's ability to safely operate in open water conditions.

If the primary objective is a shallow draft boat, then the most efficient design would be a shallow V-hulled (flat-bottomed) vessel constructed as light as possible with minimal draft propulsion systems - most commonly this would be Jet Drive propulsion system. If the primary use is deep sea transport, then a deep-draft vessel with propeller propulsion would be optimal.

### Vessel Specification Pros and Cons

#### *Jet Drive Pros:*

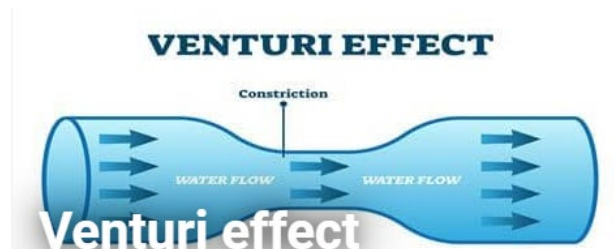
- Responsive thrust, quick directional control at high speeds.
- No exposed prop in the water, which has many advantages. For instance, the risk of getting tangled up in fishing gear from some commercial fishing activities is decreased. If the vessel is used for search and rescue, water recoveries would be far safer. If operated in shallow water with variable bottom depth conditions, the jets would be an advantage.
- Designed to be operated in shallow water (manufacturer's recommendation is 3' or greater to prevent damage to Jets).
- Provides better mobility at high speeds, which is why many law enforcement vessels use jets.
- Can be stopped in a short distance due to drop gate thrust control vs. directional gear change - another reason jets are popular with the law enforcement agencies.
- No external equipment extending below hull depth. There are exceptions for jet vessels requiring exceptional low-speed mobility; a rudder is installed to enhance low-speed mobility. An example is Gulf of Mexico crew transport vessels.
- Simplistic in design - prime mover is a drive shaft and prop installed in a venturi tunnel.

#### *Jet Drive Cons:*

- Jet Drives can require high engine operating RPM.
- Operating noise is higher due to high engine operating RPM.
- Increased vessel vibration due to high operating RPM.
- Potential shorter life expectancy than other propulsion systems due to high engine operating RPM.
- Higher horsepower to weight ratio requirement.
- Higher risk of accidental incidents due to the nature of use. (High speed and shallow water).
- Jet Drives are always submerged even when moored. Jets boats must be either removed and cleaned or operated regularly to prevent marine growth and electrolysis damage from occurring.
- Jet Drives require unique operating skills as they do not handle like prop propulsion systems.
- Jet Drives require unique maintenance knowledge. Not all outboard dealers will or can maintain Jets properly or are authorized to do warranty work.



- More susceptible to high-RPM cavitation when operated in rough sea conditions.
- Operating in shallow water can be dangerous due to submerged navigational hazards.
- Jet driven vessels designed with shallow V-hull for shallow water operations will inherently ride rough (uncomfortable for operator) when used in choppy water conditions.
- Rough conditions commonly experienced with shallow draft hull operated in seawater conditions increases vessel hull stress and operator fatigue.
- Jet Drives are susceptible to internal damage due to foreign object fouling. Foreign objects can be sucked into the jet such as seaweed, sand, and small rocks when operated in shallow water. Floating foreign objects such as ropes, plastic, sticks etc. are operating hazards. Some Jets are designed with replaceable internal wear components for this reason. Jets are essentially a very powerful water vacuum sucking up anything that gets near the intake and forcing the objects through a venturi design.



- Most modern high-end jets have a back-flushing function to assist in dislodging foreign objects sucked into the fouled jet venturi; however, this adds to the vessel operation complexity.
- Jet drive have higher fuel consumption than an outboard.
- Jet drive have higher maintenance costs than outboards due to high horsepower to weight requirements and more complex and costly engine designs.
- Marine engine manufacturers provide a serviceability rating for high output engines which range from M1 through M5. M1 being the most durable or “Continuous Duty”. High horsepower to weight ratio engines designed for small vessel jet operations are rated M4 or M5 (subject to operating limitations for warranty purposes)
- Diesel Jet drives with lower M ratings require step-up transmission to obtain the required Jet operating RPMs. The addition of a transmission increases vessel weight, maintenance, and purchase costs.
- Jet Drive are more expensive than prop propulsion systems.
- Jet Drive propulsion systems increase vessel hull manufacturing costs due to more complex and robust construction requirements.

*Summary:*

As assigned to oversee the Capital Improvement Program (Renewal & Replacements), the objective of my evaluation was to determine the pros of replacing the existing Tyee Landing Craft with a Jet drive landing craft as defined in the 2023 RR budget narrative. Information vetted from this analysis indicates that the benefits of a shallow water Jet driver vessel do not warrant the expenditure of a new vessel.

### *Recommendation to Improve Tyee Access:*

The addition of a small auxiliary outboard to the existing Tyee landing craft for the purpose of shallow water operations would provide the same window of access as a new Jet Boat.

### **SEAPA Office Standby Generator Purchase**

The new SEAPA headquarters electrical system was designed to add an emergency backup generator in the future to support the SEAPA plant SCADA remote operating system. A 50-kW generator was calculated to cover the essential load requirements for this purpose. The generator to be purchased is a basic self-contained residential propane fired unit. This will provide years of service with minimal annual maintenance.

### **Tyee Cleveland Peninsula Helicopter Pads RR Project**

A condition inspection of the Cleveland Peninsula helicopter landing pads was made on June 9th with the revised objective of assessing the ability to recondition or decommission if alternative landing sites exist and to determine what landing pads were absolutely necessary. The condition of the pads was determined to be good for 40-year-old wooden pads. All pads except for a few of the Cleveland section pads had alternative landing site (Muskeg) within a short walking distance. The pads that did not have alternative landing access were in good condition other than those that need brush cleared around them. The inspection did not reveal any main support post to be compromised or rotten. All the pads need general maintenance such as tightening of the fastening hardware, replacement of some of the post bracing and decking joist caps, and minor post leveling. The pads that need leveling were constructed using post and pad type construction.

The original landing pad design called for driven post or pinned construction if located on component rock foundations. The post and pad type construction if not on rock have settled due to heavy snow loads; repair to pads that are not level can be made with minimal effort. In summary, the pads are repairable and have many years of service life if repaired and adequately maintained. The pads that have alternative landing sites should be decommissioned. A rough cost estimate to correct pad deficiencies is approximately \$10,000 per pad with helicopter travel costs. The total number of pads that need repair is 16.





### **Helicopter Pad Damaged by Snow Load**

#### **Tyee Plant Inlet Valve Bypass Valve RR Project**

An analysis of the Tyee Bypass valve's condition has determined that replacement of the valve is not required. The operating issues that the plant operators were experiencing were found to be in the controls system of the valves and not in the valves themselves.

#### **Swan Lake Bunkhouse RR Project**

The final construction design of the modular bunkhouse is complete. The modular construction is scheduled to start August 8, 2023, with shipment to Ketchikan on October 28, 2023. The project completion date is December 16, 2023.

End of Report



## SOUTHEAST ALASKA POWER AGENCY

---

**Date:** June 9, 2023  
**To:** Robert Siedman, Acting CEO  
**From:** Clay Hammer, Operations Manager  
**Re:** Report for June 22, 2023 Board Meeting

### **Plant Operations Review Quarterly Report**

For the Second Quarter of 2023 a total of three Plant reviews were performed at each of the Agency-owned hydro facilities. Each review is a detailed inspection of each plant documented on a site-specific inspection form. These reviews take a minimum of one full day to perform, and provide an updated baseline of the overall health of each plant. Findings were as follows:

#### **Swan Lake Plant**

March, April, and May inspections were performed with plant foreman, Andy Cowan, and Shift Lead operator, John Stanley. On each occasion the plant was neat and orderly with no major safety concerns noted. Inspections started with Main Unit generators followed by station service, substation, Plant buildings and grounds, then closed with an inspection of the Dam and related ancillary equipment.

#### **Findings**

All weekly and monthly Work Orders (WOs) are up to date. A review of all outstanding WO's is complete; those pending are part of an annual or multi-year schedule that will be completed later this year.

The following is a list of assets and a highlight of repairs noted for scheduling:

#### **Generators**

- Units S-1 and S-2 are well maintained with no service items noted

#### **Station Service and Substation**

- Substation Service breakers L-1 and L-2 need to be labeled
- Drain Holes needed in conductor squeeze connections
- New Station Service transformers need to be labeled
- Pressure vessels are due for State inspection scheduled for August

## **Grounds/Camp/Dock**

- Tie rail needs to be replaced at the south side main dock
- Low level Ground Fault in Yard lighting circuit

## **Dam/Reservoir/Gate**

- Minor grout repair in seal area at fixed wheel gate

## **Notable Maintenance and Repairs Accomplished**

- Plant single-unit outage: work complete
- S-1 and S-2 generator brushes replaced
- Brush compartments cleaned and both units megger tested
- All generator air coolers removed, serviced, and inspected
- Generator main breakers cleaned, inspected, and returned to service
- Generator brake pad holders repaired; new brake pads installed
- Incinerator Control Panel updated
- Power washed Turbine pits
- 7000-hour service on front end Loader
- Swan Snow Survey

## **Tyee Lake Plant**

March, April, and May inspections were performed with plant foreman, Nathan Stewart, and plant lead, Ashley Goyne. Inspections started with main unit generators T1 and T2, followed by station service and substation, then closed with grounds, dock, penstock tunnel, and airstrip. The plant was clean, orderly, and no major safety concerns were noted.

## **Findings**

All weekly and monthly Work Orders (WOs) are up to date. A review of all outstanding WO's indicates that those remaining are annual or multiyear that will be scheduled later this season. The following is a list of assets and repairs noted to be scheduled:

## **Generators**

- T-1 and T-2 Actuator pistons need a wipe down with an oiled rag
- T-1 TSV bypass and vent valves scheduled for replacement under RR-23388
- T-2 TSV bypass and vent valves scheduled for replacement under RR-23388

## **Station Service/Substation**

- Station service pressure vessels need updated State inspections, which are scheduled for August
- Circuit Switchers CS-T20 and CS-T21 to be replaced under RR-23381 this year
- Guy Guards around substation need replacement

## Grounds/Dock/Penstock Tunnel/Airstrip

- Grade all service roads and compact as required
- Install new door Forest Service Storage Building

## Notable Maintenance and Repairs Accomplished

- Plant Single Unit Outage Work Done
- T-1 and T-2 generator brushes replaced with new
- T-1 and T-2 brush compartments cleaned; both units megger tested
- Turbine nozzles and Pelton runners - inspected both units
- Generator service breakers inspected and serviced
- Generator brakes inspected; no service required
- Cooling water strainers serviced
- Airstrip graded and compacted for summer season
- Forest Service Admin Cabins prepared ready for occupancy
- Tyee Snow Survey

## Safety

There were no recorded injuries this quarter and no reported Close Calls. All required safety training is up to date. Contract safety training is performed at a minimum once monthly to insure that all personnel are current and up to date on the latest safety standards.

### **Safety Training** this quarter included:

- ✓ *Forklift Operator Training*
- ✓ *Sleep deprivation*
- ✓ *Work Place Harassment*
- ✓ *Job Hazard Analysis*
- ✓ *Rigging and Lifting*
- ✓ *Hand Signals for rigging and lifting*
- ✓ *Bleeding control*





## PHOTOS



Swan Lake Units S-1 and S-2 back in service after Single Unit Outage Work



Freshly cleaned and serviced Swan Lake Generator Air Cooler



New Tye Circuit Switchers Offloaded at Tye Lake





Tyee Lake Snow Survey Work

[End of Report]



---

**Date:** June 9, 2023  
**To:** Robert Siedman, P.E., Acting CEO  
**From:** Clay Hammer, Operations Manager  
**Re:** Projects Report for June 22, 2023 Board Meeting

**Swan/Bailey and STI Contract Brushing**

SEAPA budgeted for contract cutting of approximately 138 acres of transmission line right-of-way on Revillagigedo Island for 2023. The Swan-Bailey and Swan-Tyee Intertie (STI) transmission line contracts were awarded to Carlos Tree Service (CTS) of Anchorage.

CTS started work on the STI portion of the project consisting of 38 acres just north of Swan Lake. The project foreman reports the crew is making steady progress and expect to be done with the STI within the week. After that they will concentrate on the 100 acres of Swan-Bailey transmission line between Ward Cove and Carrol Inlet.



Contract Right-of-Way Clearing at STI Transmission Line at head of Carrol Inlet

## **Tyee Circuit Switcher Project**

Replacement of two circuit switchers was scheduled this year under RR23381. These are the two large switches that connect Tyee generator transformers GT-1 and GT-2 to our STI and Tyee transmission lines and are critical to the operation of the plant.

Electric Power Constructors (EPC) was the successful bidder for this work. The project was scheduled to take place during the annual Spring Maintenance outage. Staff is pleased to announce that the work is complete and the switches were successfully installed and commissioned. The project was completed on time and within budget in spite of many logistical challenges.

In addition to completing this critical project, cost savings were realized when we bundled transportation of the switches to Tyee on the same barge utilized for Tyee's annual spring fuel delivery.



Circuit Switch Delivery to Tyee Plant





Typee Circuit Switcher Replacement work



## **Tyee Cargo Vans**

Tyee Lake's 25-year-old Astro Cargo Van has been officially retired from service and returned to Wrangell for surplus. Its replacement, a 2023 Ford all-wheel drive Cargo Van, is now in service at Tyee. The new van has a slightly smaller and more fuel-efficient engine, more head space for ease of loading, and a ¾-ton platform capable of handling more weight. This van is the primary mover of supplies and goods to and from the Tyee dock and airstrip keeping them dry and bear-free until they can be delivered. This vehicle is a welcome addition and should provide years of trouble-free service for the plant.



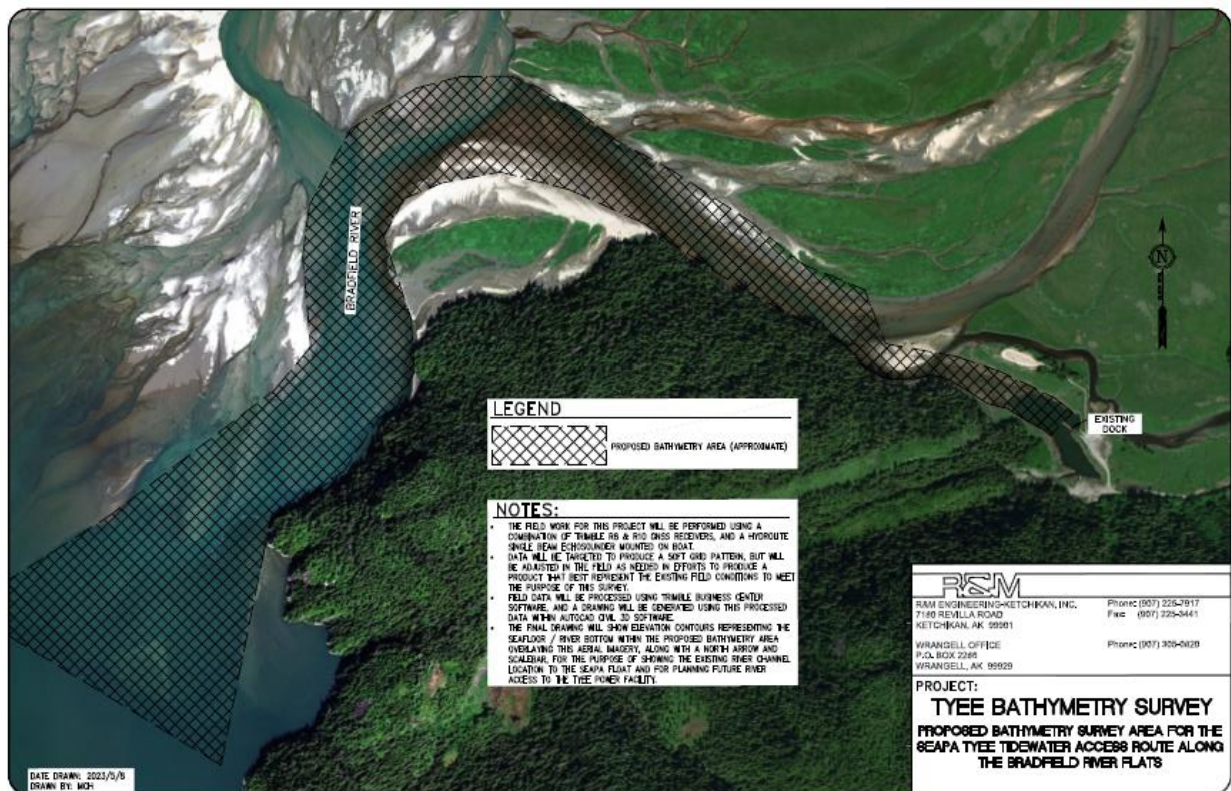
New SEAPA Cargo Van at Tyee Lake Plant



## Tyee Access Channel Bathymetric Survey

Staff noticed last season that with the exception of some aerial photos from the late 70's and early 90's that little, if any, documentation has ever been done on the access channel into the Tyee Lake facility. Transport of heavy goods to and from the Plant has always depended on an ever-dwindling base of local contractors familiar with the location to get barges in and out. With that base slowly dissipating, it is important that the channel be surveyed and documented to not only provide a road map for future contractors but also track any changes in the channel.

SEAPA initiated a task order with R&M Engineering of Ketchikan and Wrangell to accomplish this task. When completed, it will provide a Google Earth type overlay of the channel with depths recorded at intervals of no less than 50 feet. This will provide a useful navigational aid for future access as well as a basis for tracking and trending change. R&M's work is expected to take place later this Spring.



Tyee Bathymetric Survey

## SEAPA ROV

Earlier this year SEAPA was able to procure an M2 Pro Max underwater ROV for survey and photo documentation of the Agency's penstock trash racks, sea cable installations, and dock assets. This unit, manufactured by Chase, is a very capable modular platform able to accept a variety of plug-and-play sonar and camera accessories. This will enable in-house underwater documentation that would normally be performed by professional divers.

The unit was recently sent to the Swan Lake crew for training in preparation for a Trash Rack dive scheduled during the 2023 annual maintenance outage in June. Staff on site deployed it from the

Swan Dock conducting a number of maneuvers and collected photographs. So far the results are stunning. The clarity and detail of the photography is amazing and the unit itself is user-friendly.

#### Pro Max ROV Photos Taken at Swan Dock



End of Report



## SOUTHEAST ALASKA POWER AGENCY ACEO REPORT

---

DATE: June 14, 2023  
TO: SEAPA Board of Directors  
FROM: Robert Siedman, P.E., Acting Chief Executive Officer  
SUBJECT: ACEO Report

---

### **SAFETY:**

No work-related recordable or lost-time incidents have occurred since my last ACEO report. Additional information pertaining to training is presented in the Operations Manager's quarterly report.

### **GOVERNMENTAL AFFAIRS & EXTERNAL INDUSTRY ACTIVITIES:**

Alaska's legislative session ended in May this year and 31 bills passed both the House and the Senate. With approximately one third of the House & Senate brand-new for 2023 (17 of the 40 house members never having served before), this legislative session was challenging for both the House and the Senate. Considering this was the first year of the two-year 33<sup>rd</sup> legislature, I am anticipating a more productive legislative session in 2024.

Although the first year of the 33<sup>rd</sup> legislature passed the third-fewest bills in Alaskan history, the notable bills that I was tracking made significant progress. Below is an update on an Alaskan notable energy-related bill I have been tracking:

HB 62 (SB 33) – Renewable Energy Grant Fund: The Renewable Energy Grant Fund (REFAC) was about to sunset in June 2023. The fund was created in 2008 with the intent to appropriate \$50 million annually for five years for renewable energy resources. HB 62 was initially introduced as a bill that would reset the sunset date for the REFAC to June 30, 2033. Although there is no appropriation request to increase the fund for 2024, the bill passed with a surprising change that is beneficial to SEAPA. Legislators decided to remove the expiration date for the fund, making the REFAC permanent.

Permitting reform has been a topic that hydropower stakeholders have brought forward to congressional leaders for decades. The hydropower licensing (and relicensing) process is cumbersome, expensive, and slow. As an example, SEAPA has budgeted over \$6M for relicensing and anticipates a timeline of over five years to relicense Swan

and Tye Lakes with the Federal Energy Regulatory Commission (FERC). In recent years, the number of smaller hydroelectric operator/owners that are decommissioning facilities due to the high cost of relicensing has increased significantly. One of the highest risk factors and subsequent cost escalators to the relicensing process is the National Environment Policy Act (NEPA) review process. NEPA has been relatively unchanged for 50 years and as part of this year's legislative efforts to increase the debt ceiling, a permitting reform titled the Fiscal Responsibility Act of 2023 (FRA) was enacted.

A few of the substantial NEPA reforms that pertain to SEAPA are:

Narrowing Scope: The term "major Federal action" is the trigger for requiring an environmental review under NEPA. Reform under this category mostly pertains to new licenses and federal funding whereas scope has been reduced when the Federal agency does not have responsibility, control, financial interest and/or cannot control the outcome of the project.

Scope of Review: If a "major Federal action" is triggered, the scope of the review becomes important. The FRA limits and focuses the scope of the NEPA review process. The first key change in language under the FRA is a limitation to the environment impact statement. The FRA statutorily limits an environmental review of environmental effects to those that are "reasonably foreseeable". Although this language is still likely to be subject to litigation, this limitation may prevent far-reaching studies that impact the licensing and relicensing process and add significant cost.

The second key change that the FRA makes is with regard to the alternatives analysis. Similar to the former change, alternative analyses now have to be within a "reasonable range" and must be both "technically and economically feasible" and "meet the purpose and need of the proposal". The changes to the scope of review should reduce costs and delays with the licensing and relicensing process.

I made two visits to Washington DC since our last Board meeting. The following is a recap of those visits:

National Hydroelectric Association: Waterpower Week in Washington DC was the week of May 8 this year. The main focus of this event was Department of Energy (DOE) funding opportunities although there were technical tracks pertaining to marine energy and other hydro related technologies. The key take-aways are as follows:

DOE Section 242 Grants: *The Hydroelectric Production Incentive Program* was authorized by Congress with \$125M through the Bipartisan Infrastructure Law (BIL). This program is directed to hydroelectric facilities built after 2005. There was potential for the Swan Dam Raise Project (completed after 2005) to qualify for incentives, however after an in-depth meeting with the Grid Deployment Office (GDO), we determined that SEAPA was not eligible.



DOE Section 243 Grants: *The Hydroelectric Efficiency Improvement Program* was authorized by Congress with \$75M in incentive payments. Hydropower Facilities that make (or made) capital investments that improved efficiencies by at least 3% would be eligible for up to \$5M. I had a meeting with another department of the GDO while in Washington to determine whether the Swan Lake Dam Raise Project would be eligible because it gave SEAPA flexibility of dispatch which increased overall system efficiencies. Swan Lake was not eligible. I did however determine that Petersburg's hydroelectric project was eligible and relayed all the information to PMP&L. Petersburg has since applied and from the conversations I had with the GDO, they have an excellent chance at receiving grants.

DOE Section 247 Grants: *The Maintaining and Enhancing Hydroelectricity Incentives Program* was authorized by Congress with \$553.6M. This is the largest of the GDO grant programs authorized through the BIL and was the main focus for my visit to Washington, other than Congressional meetings I had with our Alaskan Senators and Representative. The good news is that after elaborate discussions with the GDO, I am confident that the Tyee Third Turbine Project is eligible for a \$5M Grant. The first stage is a letter of intent defining the project. The final application deadline is October 6.

Alaska Power Association Legislative (APA) Fly-In: The APA fly-in at Washington DC proved to be action packed with back-to-back meetings. The two most notable meetings (other than Alaskan Congressional) were with Jasmine Dimitriou, Deputy Chief of Staff to Secretary Jennifer Granholm of the Department of Energy, and with Christopher Nelson, Chairman to the U.S. Nuclear Regulatory Commission (NRC). The NRC meeting was surprisingly informative. Nuclear energy has had a bad reputation for decades; however, the tide is turning. With new micro-nuclear reactors and extremely high safety factors, nuclear energy is potentially staged to be a significant part of the clean energy movement and may play an important role in Alaska's energy portfolio.

Congressional Meetings: During both visits to Washington DC, I was able get meetings with the offices of Senators Dan Sullivan and Lisa Murkowski, and with the office of Mary Peltola. During my first visit in May (Waterpower Week w/ NHA), I met with staff and discussed SEAPA and advocated for the Tyee Third Turbine project. The meetings went very well, and the message was well received. The second set of congressional meetings in June was with all three Alaskan Congressional Delegates. The following is a brief overview of those meetings:

Representative Mary Peltola: Representative Peltola was familiar with the Roadless Rule and specifically spoke on it during our meeting. Discussion on SEAPA's cost to maintain transmission lines and subsequent costs to Southeast Alaska ratepayers was well received. Representative Peltola spoke specifically about bringing this topic up during open session. I believe she will play a role in our efforts to minimize the economic impact the Roadless Rule has on Southeast Alaska.

Senator Dan Sullivan: Senator Dan Sullivan had just returned from a trip overseas to Korea and Japan and was adamant about discussing the Alaska LNG Project. His

message was clear and concise. He discussed how the benefits to Alaska would be significant if the LNG Project was constructed. Although the LNG Project would not directly benefit Southeast Alaska, I believe that revenues from the Project could be applied (by percentage) to renewables in Southeast if Alaskan Legislators begin to support this effort. I intend to stay informed on this topic and ensure SEAPA has a place at the table during future discussions.

Senator Lisa Murkowski: Senator Lisa Murkowski was receptive to discussing the Railbelt Utilities natural gas supply issues. Hilcorp has informed the utilities it will not be renewing contracts for natural gas from Cook Inlet. Senator Murkowski was adamant that Alaskans should be focusing on resiliency and find other ways to solve this energy crisis. Renewables were one of the major topics discussed for resiliency, and in particular, hydropower.

### **SEAPA's 2023 OUTAGE:**

The Tyee maintenance outage was extremely successful. SEAPA staff, Tyee personnel, and SEAPA contractors all worked diligently and efficiently to make this year another great maintenance window. With hard work and good planning, the work was completed two days ahead of schedule. Petersburg Municipal Power and Light (PMPL) reported that the expediency of this year's outage saved approximately \$56K in fuel cost.

The Swan maintenance outage is currently underway and anticipated to finish ahead of schedule as well.

### **SEAPA CONTRACTS:**

There are no contract issues to date for 2023. With the termination date of June 15 for the Ketchikan Gateway Borough lease, the SEAPA HQ Project has been at the forefront of staff's time and efforts to facilitate a smooth transition to the new venue. The move to the new building took place on June 12<sup>th</sup> and staff has been busy balancing the move-in process while maintaining normal office functions.

I would like to recognize the following staff members for their extraordinary efforts on this transition:

Ed Schofield (Power System Specialist): Ed has performed at an extremely high capacity throughout the design and construction of the new office building. His particular attention to detail is commendable. Ed was faced with many challenges throughout the project from material delays to supply chain disruptions. His project management skills and construction knowledge on a facility of this magnitude were indispensable.

Marcy Graves (Admin Assistant): Marcy has been vital to the success of the move from the White Cliff building to the new HQ building. Her meticulous planning and coordination efforts made the transition a major success. Between Tyee and Swan outages, Board packets and the office move, Marcy has proven to be highly productive

and organized. Coordinating office furniture installation, managing the moving company and tying up loose ends at the White Cliff building are just a few items to mention.

### **ALASKA DEPARTMENT OF NATURAL RESOURCES (ADNR) – RECLAMATION FUND:**

History: The joint ADNR Reclamation Fund is a holdover issue from restructuring. An attempt was made at that time to cleanly separate the FDPPA project owners, including acknowledgement of the FDPPA's name change to SEAPA, release of joint liability, insurance requirements, and performance guarantees. This effort was through what was referred to as the *Second Amendment to Lease and Easement Documents for the Tyee Lake, Swan Lake, Terror Lake and Solomon Gulch Hydroelectric Projects* (Amendment #2). However, this amendment was never finalized by the parties and annual reclamation contributions have continued to be collected and held jointly.

Update: The ADNR completed its legal review and accepts the Second Amendment to Lease and Easement Documents for the Tyee Lake, Swan Lake, Terror Lake and Solomon Gulch Hydroelectric Projects, and the other parties to the agreement have accepted it. With Board approval of Resolution No. 2023-092, Divestiture III will be near completion.

### **BEST PRACTICES & PROCESS IMPROVEMENTS:**

In the March 8 ACEO report, I discussed strategic organizational changes to increase productivity and potential cost synergies by assigning the Power System Specialist to oversee SEAPA's extensive Capital Investment Program known as the Renewal, Replacement, Risk and Reserves (4R) plan. As discussed in the Power Systems Specialist's report in this Board Packet, three major RR projects have been modified, which will result in major cost savings (potentially more than \$1M) for the Agency.

With the Operations Manager's oversight, the Tyee and Swan Lake Foremen have proven to meet the stringent expectations that were set forth earlier this year. With more responsibility, the foremen have reduced workloads on SEAPA staff and have taken greater ownership in the plants. Their weekly reports have been detailed and will result in expedient and accurate end-of-year reports.

### **PERSONNEL RECRUITMENT:**

In May, an electrician at Swan Lake resigned for personal reasons. The position was posted in-house as required by the IBEW contract and subsequently filled by June 1 with a former SEAPA electrician that had previously worked at both Swan and Tyee Lake plants.

The Director of Engineering position has remained vacant. As mentioned in the March 8 ACEO report, and under new business in the April 25 Special Board Meeting, I discussed the need for the Agency to hire a Project Manager. The Project Manager would report directly to the Power Systems Specialist and be trained in regulatory (FERC) compliance to assist with succession planning and large capital project execution. This position would

require an engineering degree and be required to receive a professional engineering license in the State of Alaska.



## NEXT SEAPA 2023 BOARD MEETING DATES

Date(s)		Weekday(s)	Location or Format	Comments
June	22	(Thurs)	Electronic	Regular Board Meeting (9 a.m. - 2 p.m.)
September	28-29	(Thurs-Fri)	Petersburg	Regular Board Meeting September 28 (1 - 5 p.m.) September 29 (9 a.m. - 1 p.m.)
November	30	(Thurs)	Ketchikan	Regular Board Meeting (9 a.m. - 5 p.m.)

(See attached for additional information on 2023 meeting dates and events)

## 2023 Calendar

**Calendarpedia**  
Your source for calendars

January						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

March						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

April						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

May						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

June						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

July						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

August						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

September						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

October						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

December						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

### Federal Holidays 2023

Jan 1	New Year's Day	Feb 20	Presidents' Day	Sep 4	Labor Day	Nov 11	Veterans Day
Jan 2	New Year's Day (observed)	May 29	Memorial Day	Oct 9	Columbus Day	Nov 23	Thanksgiving Day
Jan 16	Martin Luther King Day	Jul 4	Independence Day	Nov 10	Veterans Day (observed)	Dec 25	Christmas Day

SEAPA Regular Board Meeting dates are highlighted in yellow.



# 2023 MEETING DATES / EVENTS

(Updated 06/05/2023)

## JANUARY

Date	Organization / Event	Location
2	<b>SEAPA Holiday (New Year's Day)</b>	N/A
3	PSG Assembly Mtg	PSG
5	KTN Council Mtg	KTN
10	WRG Assembly Mtg	WRG
17	PSG Assembly Mtg	PSG
19	KTN Council Mtg	KTN
24	WRG Assembly Mtg	WRG
26 (Th)	<b>SEAPA Annual Board Mtg 1-5PM</b>	<b>Electronic</b>
31	APA Manager's Forum/Director Training	Juneau
31	SE Conf Mid-Session Summit (Day 1)	Juneau

## FEBRUARY

Date	Organization / Event	Location
1-2	SE Conf Mid-Session Summit (Day 2) Transportation Workshop Feb 2nd	Juneau
1-2	APA State Legislative Conference	Juneau
2	KTN Council Mtg	KTN
6	PSG Assembly Mtg	PSG
7	WRG Assembly Mtg	WRG
16	KTN Council Mtg	KTN
20	<b>SEAPA Holiday (President's Day)</b>	N/A
21	PSG Assembly Mtg	PSG
21	WRG Assembly Mtg	WRG
22-24	NWHA Annual Conf	Portland

## MARCH

Date	Organization / Event	Location
1	<b>SEAPA Special Board Mtg 3:30-5PM</b>	Electronic
2	KTN City Council Mtg	KTN
6	PSG Assembly Mtg	PSG
8 (Wed)	<b>SEAPA Regular Board Mtg 1-5PM</b>	<b>WRG</b>
9 (Th)	<b>SEAPA Tyee/WRG Warehouse Tours</b>	<b>WRG</b>
10 (Fr)	<b>SEAPA Regular Board Mtg 9AM-12Noon</b>	<b>WRG</b>
14	WRG Assembly Mtg	WRG
16	KTN Council Mtg	KTN
20	PSG Assembly Mtg	PSG
28	WRG Assembly Mtg	WRG

## APRIL

Date	Organization / Event	Location
3	PSG Assembly Mtg	PSG
6	KTN Council Mtg	KTN
11	WRG Assembly Mtg	WRG
17	PSG Assembly Mtg	PSG
20	KTN Council Mtg	KTN
20-21	NWHA Strategic Mtg	Stevenson WA via PTLD
25	WRG Assembly Mtg	<b>WRG</b>

## MAY

Date	Organization / Event	Location
1	PSG Assembly Mtg	PSG
1-3	NWHA Technical Workshop	Spokane
4	KTN Council Mtg	KTN
8-10	NHA Water Power Week	Wash DC
9	WRG Assembly Mtg	WRG
15	PSG Assembly Mtg	PSG
18	KTN Council Mtg	KTN
23	WRG Assembly Mtg	WRG
29	<b>SEAPA Holiday (Memorial Day)</b>	<b>N/A</b>

## JUNE

Date	Organization / Event	Location
1-10	SEAPA Hydro Plants Shutdown	SWL-TYL
1	KTN Council Mtg	KTN
5	PSG Assembly Mtg	PSG
6-8	APA Federal Legislative Conf	Wash DC
13	WRG Assembly Mtg	WRG
15	KTN Council Mtg	KTN
19	PSG Assembly Mtg	PSG
22 (Th)	<b>SEAPA Regular Board Mtg 9AM-5PM</b>	<b>Electronic</b>
27	WRG Assembly Mtg	WRG

## JULY

Date	Organization / Event	Location
3	PSG Assembly Meeting	PSG
4	<b>SEAPA Holiday (Independence Day)</b>	<b>N/A</b>
6	KTN Council Mtg	KTN
10-13	AEGIS Policy Holders Conf	San Diego
17	PSG Assembly Mtg	PSG
20	KTN Council Mtg	KTN
25	WRG Assembly Mtg	WRG

## AUGUST

Date	Organization / Event	Location
3	KTN Council Mtg	KTN
7	PSG Assembly Mtg	PSG
17	KTN Council Mtg	KTN
21	PSG Assembly Mtg	PSG
22	WRG Assembly Mtg	WRG
22-25	APA Annual Meeting	Valdez

## 2023 MEETING DATES / EVENTS

### SEPTEMBER

Date	Organization / Event	Location
4	SEAPA Holiday (Labor Day)	N/A
5	PSG Assembly Mtg	PSG
7	KTN Council Mtg	KTN
12	WRG Assembly Mtg	WRG
18	PSG Assembly Mtg	PSG
19-21	Southeast Conference Annual Mtg	Sitka
21	KTN Council Mtg	KTN
26	WRG Assembly Mtg	WRG
28 (Th)	SEAPA Regular Board Mtg 1-5PM	PSG
29 (Fr)	SEAPA Regular Board Mtg 9AM-12Noon	PSG

### OCTOBER

Date	Organization / Event	Location
2	PSG Assembly Mtg	PSG
5	KTN Council Mtg	KTN
10	WRG Assembly Mtg	WRG
16	PSG Assembly Mtg	PSG
19	KTN Council Mtg	KTN
24	WRG Assembly Mtg	WRG

### NOVEMBER

Date	Organization / Event	Location
2	KTN Council Mtg	KTN
6	PSG Assembly Mtg	PSG
10	SEAPA Holiday (Veteran's Day)	N/A
14	WRG Assembly Mtg	WRG
16	KTN Council Mtg	KTN
20	PSG Assembly Mtg	PSG
23	SEAPA Holiday (Thanksgiving)	N/A
24	SEAPA Holiday (Day After)	N/A
28	WRG Assembly Mtg	WRG
30 (Th)	SEAPA Regular Board Mtg 9AM-5PM	KTN

### DECEMBER

Date	Organization / Event	Location
4	PSG Assembly Mtg	PSG
7	KTN Council Mtg	KTN
12	WRG Assembly Mtg	WRG
18	PSG Assembly Mtg	PSG
21	KTN Council Mtg	KTN
22	SEAPA Holiday (Christmas Eve)	N/A
25	SEAPA Holiday (Christmas Day)	N/A

**SEAPA Board Meetings noted on the above calendar are scheduled around the following:**

Petersburg Borough Assembly Meetings	1st & 3rd Monday every month
Ketchikan Gateway Borough Meetings	Same as Petersburg every month
City and Borough of Wrangell Meetings	2nd & 4th Tuesday every month
Ketchikan City Council Meetings	1st & 3rd Thursday every month