



SOUTHEAST ALASKA POWER AGENCY

June 26-27, 2024 Regular Board Meeting

AGENDA

Wednesday, June 26, 2024

12-1PM	***Lunch @ Nolan Center***
1PM	Meeting Starts
5PM	Meeting Recesses
6PM	***Dinner at Stikine Inn***

Thursday, June 27, 2024

8AM	Breakfast at Nolan Center
9AM	Meeting Resumes
12NOON	Meeting Adjourns ***Lunch at Nolan Center***

Meeting held at:

**Nolan Center
Wrangell, Alaska**



**For telephonic participation via Zoom dial:
1.888.475.4499
Meeting ID #820 6512 2899**

- 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 14, 2024 – Regular Meeting
 - B. April 26, 2024 - Special Meeting
- 5. Financial Reports**
- 6. Staff Reports**
 - A. Plant Operations Quarterly Report (*Hammer*)
 - B. Project Manager Report (*Hilson*)
 - C. Electric Controls Engineer (*Womack*)
- 7. CEO Report**
- 8. Unfinished Business**
 - A. Consideration of Resolution 2024-095 Re CEO Evaluation Forms
- 9. New Business**
 - A. Consideration of Tyee Station Service System & 15kV Generator Construction Contract
 - B. 2nd Quarter Operations Plan Update
 - C. Solar Update Presentation by Commonwealth Associates
 - D. Consideration of Resolution 2024-098 Regarding EPA Solar for All Grant Funding
 - E. Consideration of Revision to Policy Handbook Re CEO Surplus Authorizations
- 10. 2024 Meeting Dates**
- 11. Discuss Future Topics**
- 12. Director Comments**
- 13. Adjourn**

Southeast Alaska Power Agency

Regular Meeting Minutes

Location: Ketchikan, Alaska

Date: March 14, 2024

Time: 9:00 a.m. AKDT

Agenda Items

1) Call to Order

A. Roll Call.

Chairperson Sivertsen called the regular meeting to order at 9:00 a.m. AKDT on March 14, 2024. 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	Jeremy Bynum	IP	Swan Lake	Ketchikan
Judy Zenge	IP	Delilah Walsh	IP	Swan Lake	Ketchikan
Steve Prysunka	IP	Mason Villarma	IP	Tyee Lake	Wrangell
Bob Lynn	IP	Thomas Fine-Walsh	IP	Tyee Lake	Petersburg
Karl Hagerman	IP	Mark Jensen	IP	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)	Staff	Present Electronically (E) In Person (IP)	Counsel	Present Electronically (E) In Person (IP)
Robert Siedman, P.E., CEO	IP	Kay Key, Controller	IP		
Clay Hammer, Operations Mgr.	IP	Sharon Thompson, EA/CA	IP	Joel Paisner	IP
Mark Hilson, P.E., Proj. Mgr.	IP	Marcy Graves, Admin. Asst.	IP		

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 (Prysunka/Lynn) to approve the Agenda as presented. The motion was approved unanimously by polled vote.	✓ Action 24-1098
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3) Persons to be Heard: None

4) Consideration of Approval of Minutes

A. Minutes of Regular Meeting held on January 25, 2024 – Annual (Special) Meeting

> Motion	M/S (Lynn/Hagerman) to approve the minutes of SEAPA's annual (special) meeting held on January 25, 2024. The motion was approved unanimously by polled vote.	✓ Action 24-1099
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5) Financial Reports

> Motion	M/S (Lynn/Prysunka) to accept year-to-date financial statements through December 2023 and disbursements for November 2023 through February 2024 totaling \$3,507,977.08. Following the CEO's report on the Agency's current financial position and financial statements, and fielding questions and comments from directors, the motion was approved unanimously by polled vote.	✓ Action 24-1100
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6) Staff Reports

A. *Operations Manager Project Report (Hammer)*

Mr. Hammer announced that 130 acres of contract brush work along the Agency's transmission lines is anticipated this season, and that inspections and testing of reactors and circuit switchers will take place at the Wrangell Switchyard. He provided an update on the Wrangell Substation's Battery Project, and discussed DC ramp testing and generator inspections that will take place at Tyee during an annual maintenance shutdown in June.

B. *Plant Operations Quarterly Report (Hammer)*

Mr. Hammer reported that the plant operations quarterly report in the board packet provides an update of quarterly activities at the plants and after fielding questions, provided an update on safety training and discussed the activities behind the photographs provided in the report.

The meeting recessed at 10:30 a.m. and resumed at 10:40 a.m.

C. *Project Manager Report (Hilson)*

Mr. Hilson provided an update on FERC-related activities and several Swan Lake projects, including the Bunkhouse, a dam vibration analysis, partial discharge monitors, and progress of the design work for Swan Lake's governors/exciters and inlet valve control system. He announced that an emergency generator had been installed at SEAPA's headquarters, and that the 200HP Yamaha motors on Swan Lake's crew boat were being replaced along with an upgrade of the electronics on the vessel. He discussed the work performed to raise and level the ramp float at Swan Lake and provided an update on the Cleveland Peninsula Helipad Replacement Project. He closed with discussion on Wrangell's substation capacity upgrade design, and fielded questions from directors.

D. *Office Manager Report (Graves)*

Ms. Graves discussed projects that took place at SEAPA's headquarters and staff's efforts to mitigate paid storage space. She provided an update on the outfitting of Swan Lake's bunkhouse with furniture and kitchen supplies, and discussed maintenance activities that had taken place at SEAPA's headquarters. She closed with a discussion on her new duties as SEAPA's Office Manager.

7) CEO Report

Mr. Siedman provided a brief update on safety, and discussed several legislative-related activities including an executive order that would separate the AEA from AIDEA, funding opportunities, and incentive programs. He announced that SEAPA would be commenting on a U.S. Forest Service notice of intent regarding vegetation management in their national forests, and discussed the State's DNR Reclamation Fund.

The meeting recessed at 12:15 p.m. for lunch and resumed at 1:00 p.m.

Mr. Siedman wrapped up discussion on the reclamation fund. There was consensus that a resolution would be presented at a special board meeting in April to seek the board's consideration of approval granting the CEO authority to take further action to finalize a reclamation bond guaranty.

Mr. Siedman noted several contracts and requests for proposals were in the works for SEAPA projects, and provided an update on SEAPA's five-year strategic plan. He provided a recap of the Alaska Power Association's Legislative Fly-in

event in Juneau and reported that he applied for a board position on the AEA's board of directors in the event Senate Bill 243 becomes law. He announced that SEAPA is working on a cash policy, and closed with an update on personnel recruitment activities.

8) Old Business

A. Review/Discussion Re CEO Evaluation Forms

Mr. Siedman presented revised CEO Evaluation forms and a draft amendment of a resolution for the board's consideration of adoption at the next regular board meeting. He reviewed each paragraph of the revised forms and fielded director questions and comments. During discussions, directors arrived at a consensus that a discussion on the Agency's goals and objectives should be held during SEAPA's third quarter board meeting, and an in-person regular board meeting should be held prior to the final meeting of the year. The CEO announced he would present a resolution with the final CEO evaluation forms attached to the next regular board meeting for the Board's consideration.

B. Consideration of Amending Motion Re Controls System Engineer Position

Mr. Siedman provided an update on staff's recruitment efforts for a qualified candidate for the Controls System Engineer position and solicited the Board's consideration of amending its motion from the November 30, 2023 Board meeting to offer remote work options to a qualified candidate.

Motion	M/S (Prysunka/Zenge) to amend the motion previously adopted at the November 30, 2023 board meeting (Action Nos. 23-1086 & 1087) so that it would read: I authorize the Agency's CEO the flexibility to offer remote work options in the recruitment and hiring of a full-time Controls System Engineer to provide support for all SEAPA facilities within the salary range of \$130,000 to \$170,000 annually, and provide a signing bonus of up to \$25,000, based on the successful candidate's skills and experience. The motion was approved unanimously by polled vote.	✓ Action 24-1101
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The meeting recessed at 2:13 p.m. and resumed at 2:23 p.m.

9) New Business

A. Consideration of 2024 Swan-Tyee Intertie Brushing Contract

Motion	M/S (Hagerman/Lynn) to authorize staff to enter into a contract with Copper Ridge LLC for SEAPA's 2024 Swan-Tyee Intertie Transmission Line Brushing Contract for the firm-fixed value of \$542,175 and further authorize a 20% contingency of \$108,435 for danger tree removal for a total not-to-exceed amount of \$650,610. The motion was approved unanimously by polled vote.	✓ Action 24-1102
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B. Consideration of 2024 Swan-Bailey Brushing Contract

Motion	M/S (Hagerman/Lynn) to authorize staff to enter into a contract with Copper Ridge LLC for SEAPA's 2024 Swan-Bailey Transmission Line Brushing Contract for the firm-fixed value of \$246,776, plus a 20% contingency for danger tree removal of \$49,355 for a total not-to-exceed amount of \$296,131. The motion was approved unanimously by polled vote.	✓ Action 24-1103
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C. Consideration of Ketchikan Substation Design Contract

Motion	M/S (Prysunka/Lynn) to authorize staff to enter into a contract with SEL Engineering Services, Inc. for SEAPA's Ketchikan Substation Design Contract for the firm-fixed value of \$419,837, plus a 10% contingency of \$41,984 for unforeseen design modifications for a total not-to-exceed value of \$461,821. The motion was approved unanimously by polled vote.	✓ Action 24-1104
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D. *Consideration of Tyee Capacity License Amendment Contract*

Motion	M/S (Lynn/Prysunka) to authorize staff to enter into a contract with Kleinschmidt Associates, Inc. for SEAPA's Tyee License Capacity Amendment Contract for the firm-fixed value of \$272,468. The motion was approved unanimously by polled vote.	✓ Action 24-1105
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E. *Consideration of Surplus of 1984 Case 580 Backhoe*

Motion	M/S (Prysunka/Hagerman) that SEAPA's 1984 Case Model Extendahoe, Product ID #9056229, with Component / Attachments – Serial #5449088, which includes spare front and rear tires, and front and rear rims, be declared surplus equipment, and further move to authorize staff to sell it to the highest bidder. The motion was approved unanimously by polled vote.	✓ Action 24-1106
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F. *Consideration of Resolution Authorizing CEO to serve on AEA Board*

Motion	M/S (Lynn/Zenge) to adopt SEAPA Resolution No. 2024-096 authorizing in advance the appointment of SEAPA's CEO, Robert Siedman, to serve as SEAPA's representative on the Alaska Energy Authority's Board of Directors if he is appointed to serve in that capacity by the Governor of the State of Alaska, and further moved that if the CEO is appointed, he may serve in that capacity until the appointment is revised or revoked by the Alaska Energy Authority, the Governor, Legislature, or SEAPA's Board of Directors. The motion was approved unanimously by polled vote.	✓ Action 24-1107
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G. *Executive Session for Discussions Re Employee Performances*

Motion	M/S (Lynn/Prysunka) to recess into Executive Session to be conducted pursuant to SEAPA's Bylaws consistent with Alaska Statute 44.62.310 for discussions relating to employee performances, which discussions may involve subjects that tend to prejudice the reputation and character of a person. The motion was approved unanimously by polled vote.	✓ Action 24-1108
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The meeting recessed at 2:45 p.m. for the executive session, and resumed into regular session at 4:30 p.m.

H. *Reserved for any action following the Executive Session*

The Chair announced there was no action to be taken following the executive session.

I. *First Quarter Operations Plan Update*

Mr. Hammer provided an update on the lake levels at each of the plants noting that they are both in a very healthy condition in spite of Southeast Alaska's warmer-than-average winter due to El Nino weather patterns. He reviewed model predictions and advised that the seasonal outlook will be updated after snow surveys are completed in April.

10) 2024 Meeting Dates

There were no objections to the proposed meeting dates of April 12 for a special meeting, and June 26-27 for a regular meeting in Wrangell.

11) Topics for Future Discussion

The Chair solicited board comments on topics for future discussion.

- Heat Pumps. The Chair announced that heat pumps should be a future topic.
- Revision to Procurement Policy Re Surplus Property. Director Lynn requested discussion to consider revising SEAPA's Procurement Policy to increase the amount of surplus property the CEO is authorized to surplus without board approval.

Mr. Siedman requested the Chair's direction for a show of hands for each topic to be discussed to preserve staff's time being spent unnecessarily on requests not supported by a quorum. The Chair directed that specifics of what staff needs to investigate for each topic should also be provided by the board.

- Solar and Net Metering. The CEO announced a report on the topic has been prepared and will be presented at a future meeting.
- Whitman True-up. There was a general consensus that there is no reason at this time to bring the Whitman True-up topic before the board for discussion.
- Load Growth Study. The CEO reported a load growth study had been done in 2023. The Chair directed staff to include the topic in a future board meeting for further discussion.
- Other Alternative Energy Sources. Mr. Siedman reported that the Agency already conducted studies on tidal and geothermal, and that a wind study had been done in Wrangell, and one for Ketchikan is currently in progress. He noted that hydrogen is of interest and that incineration would only be studied at the board's direction.

12) Director Comments

Directors exchanged brief comments.

13) Adjourn

The Chair requested a motion to adjourn.

➤ Motion	M/S (Prysunka/Hagerman) to adjourn the meeting. The Chair announced the meeting adjourned after no objections were heard.	✓	Action 24-1109
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The meeting adjourned at 5:35 p.m.

Signed:

Attest:

Secretary/Treasurer

Chairperson

Southeast Alaska Power Agency Special Meeting Minutes

Location: Held Electronically¹

Date: April 26, 2024

Time: 11:00 a.m. AKDT

Agenda Items

1) Call to Order

A. Roll Call.

Chairperson Sivertsen called the special board meeting to order at 11:00 a.m. AKDT on April 26, 2024. He announced that the meeting was originally scheduled for April 25 but rescheduled to the 26th due to unforeseen circumstances. 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	Jeremy Bynum	E	Swan Lake	Ketchikan
Judy Zenge		Delilah Walsh	E	Swan Lake	Ketchikan
Steve Prysunka		Mason Villarma	E	Tyee Lake	Wrangell
Bob Lynn	E	Mark Jensen	E	Tyee Lake	Petersburg
Karl Hagerman	E	Thomas Fine-Walsh	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)	Staff/Counsel	Present Electronically (E) In Person (IP)
Robert Siedman, P.E., CEO	E	Marcy Hornecker, Ofc. Manager	
Clay Hammer, Operations Mgr.	E	Sharon Thompson, EA/CA	E
Mark Hilson, Projects Manager	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/Hagerman) to approve the Agenda as presented. The motion was approved unanimously by polled vote.	✓	Action 24-1110
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3) Persons to be Heard: None.

¹ The meeting was held electronically via Zoom.

4) New Business

A. Consideration of Tyee 3rd Turbine and Generator Design Contract

➤ Motion	M/S (Hagerman/Lynn) to authorize staff to enter into a contract with McMillen, Inc. for SEAPA's Tyee 3 rd Turbine & Generator Design Contract for the firm-fixed value of \$858,837, plus a 5% contingency of \$43,163 for unforeseen design modifications for a total not-to-exceed value of \$902,000. The motion was approved unanimously by polled vote.	✓	Action 24-1111
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B. Consideration of Resolution #2024-097 Authorizing CEO to Take Further Action to Finalize Reclamation Bond Guaranty

➤ Motion	M/S (Lynn/Hagerman) to approve Resolution #2024-097 authorizing SEAPA's CEO to take further action to finalize the reclamation bond guaranty. The motion was approved unanimously by polled vote.	✓	Action 24-1112
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5) Next Meeting Dates

There were no objections or requests to reschedule SEAPA's next regular board meeting to be held in Wrangell on June 26-27, 2024.

6) Director Comments

Directors exchanged various comments.

7) Adjourn

➤ Motion	M/S (Walsh/Lynn) to adjourn the meeting. After hearing no objections, the Chair declared the meeting adjourned.	✓	Action 24-1113
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The meeting adjourned at 11:31 a.m.

Signed:

Attest:

Secretary/Treasurer

Chairperson



SOUTHEAST ALASKA POWER AGENCY CEO FINANCIAL COVER MEMO

DATE: June 18, 2024

TO: SEAPA Board of Directors

FROM: Robert Siedman, P.E., Chief Executive Officer

SUBJECT: CEO Financial Cover Letter

SEAPA's financial position is stable with an excellent first and second quarter in revenues. Load growth continues to contribute to increased revenues and megawatt outputs. Additionally, Q1 and Q2 revenues were supplemented by increased sales to Ketchikan due to a legacy hydroelectric facility in Ketchikan being out of service. 2024 year-to-date sales were 18% above budget and 11.4% higher than FY23 year-to-date. 6.3% of year-over-year sales were directly related to load growth. Considering higher than expected revenues year-to-date in 2024, a rate increase in 2025 is not anticipated at this time.

SEAPA currently has a board-approved Investment Policy and Rate Stabilization Fund Policy. Staff is reviewing these policies and working to develop a Financial Management Plan for Board review. We are looking into what metric(s) to use for Operating Reserves (unrestricted working capital), potential investments for Reserve Funds (like the R&R fund, Rate Stabilization Fund, etc.), and setting up metrics for rebates. The Financial Management Plan would establish desired levels of liquidity vs. investment for operating, capital, and reserve funds and additionally incorporate when/how to consider rebates or rate increases.

REVENUE & EXPENSES:

Revenue through May 2024 was higher than forecasted. Total revenue from sales through May 2024 \$7,052,843 actual vs. \$6,347,288 budget. Operating Expense through May was \$2,560,799 actual vs. \$2,428,998 budget.

RENEWAL & REPLACEMENT PROJECTS:

The Dedicated R&R Fund balance as of May 31, 2024, was \$9,206,281. Year-to-date expenditures as of May 31, 2024, on Capital Projects was \$538,106.

RENEWABLE ENERGY CERTIFICATES (REC's):

SEAPA earned \$54,161 in net REC sales for 2024. 111,638 MWh are currently on the market and are anticipated to be sold in the fourth quarter of 2024.

GRANTS:

SEAPA has one grant, the FY13 DCCED, with an open balance of \$62,445 at the end of May 2024. The grant is currently set to expire June 30, 2025.



SOUTHEAST ALASKA POWER AGENCY CONTROLLER MEMO

Date: June 18, 2024
To: Robert Siedman

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

SUGGESTED MOTION

I move to accept year-to-date financial statements through May 2024 and disbursements for March, April and May 2024 totaling \$2,339,357.02.

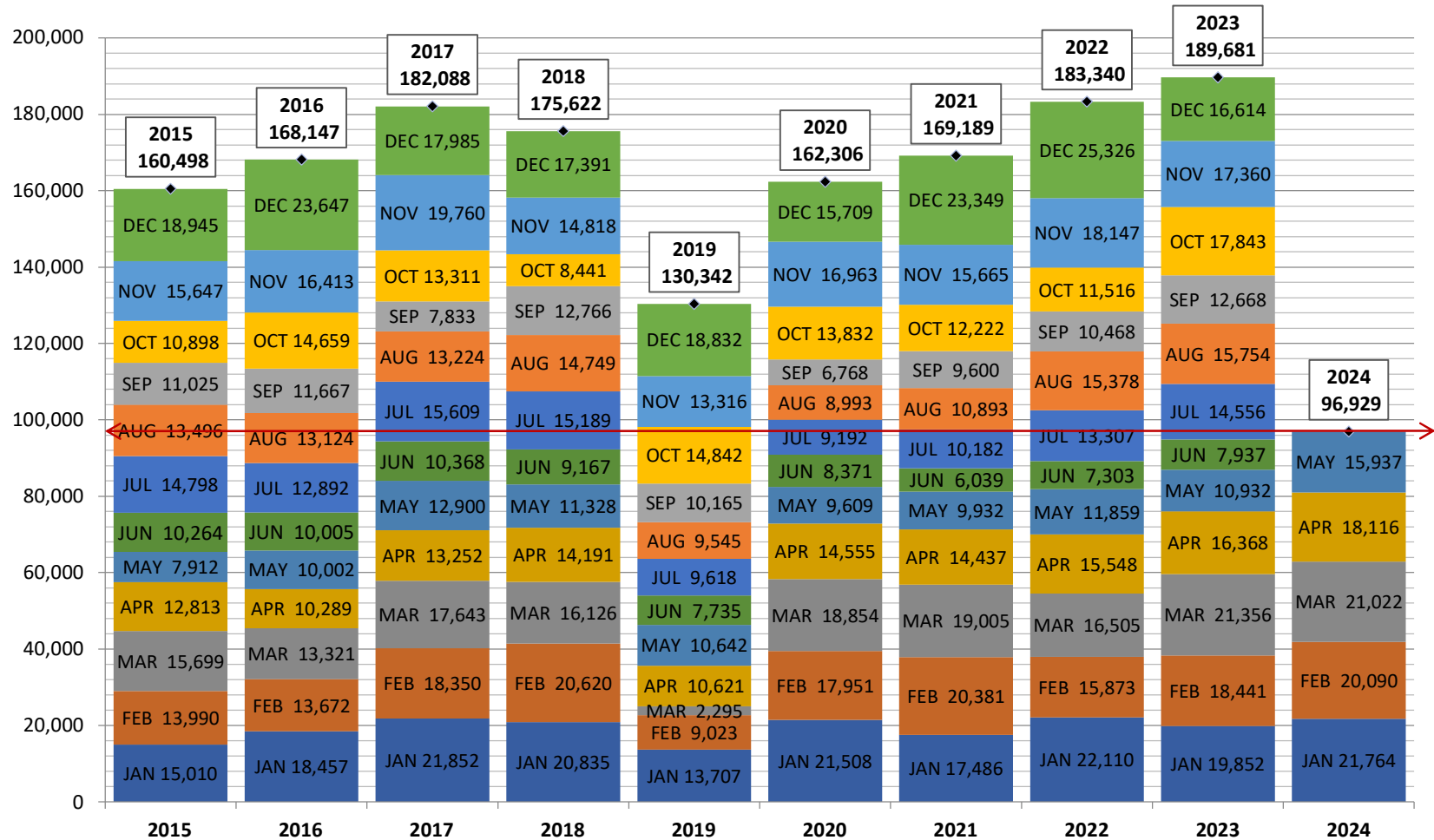
2024 Year-to-Date Financial Statements through May 2024

- **MWH-kWh Graphs**
- **Fund Allocation Graph**
- **Grant Summary**
- **Year-to-Date Financial Statements**
 - ✓ Financial Snapshot
 - ✓ 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
 - ✓ R&R Summary – Project expenditures and budget
- **Disbursements** (March – May 2024)

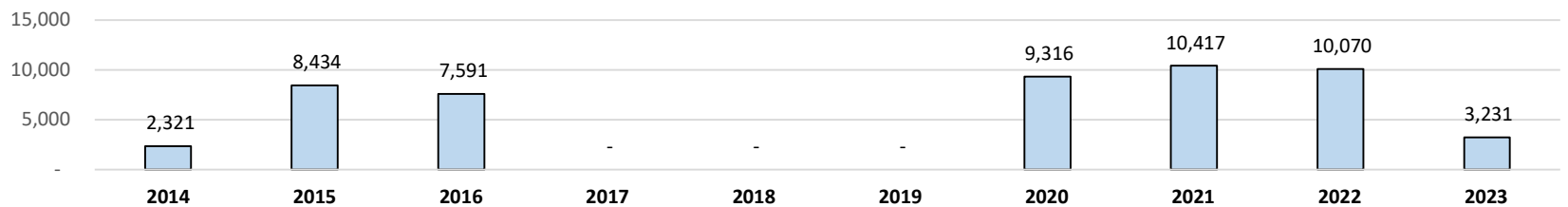
FY2024 Financial Highlights

- Revenues are 18% above budget, primarily due to increased sales to Ketchikan.
- Renewable Energy Credit sales netted revenue of \$54,161. 2023 RECs of 111,638 MWH are still available for sell.
- June 2024 – Final principal and interest payments were issued towards the 2019 Series Bonds (\$935,000) will be paid off in 2024. An arbitrage assessment was performed, comparing the overall Reserve rate of return to the bond yield, and determined that no IRS payment or filing was required (bond earnings did not exceed bond yield).
- June 2024 – The \$1.6M DNR Reclamation Fund was closed in June 2024. Half of this fund, which SEAPA had recorded as a liability, was refunded to Copper Valley Electric Association and Kodiak Electric Association. SEAPA retained the other half, which was deposited to the Revenue Fund.

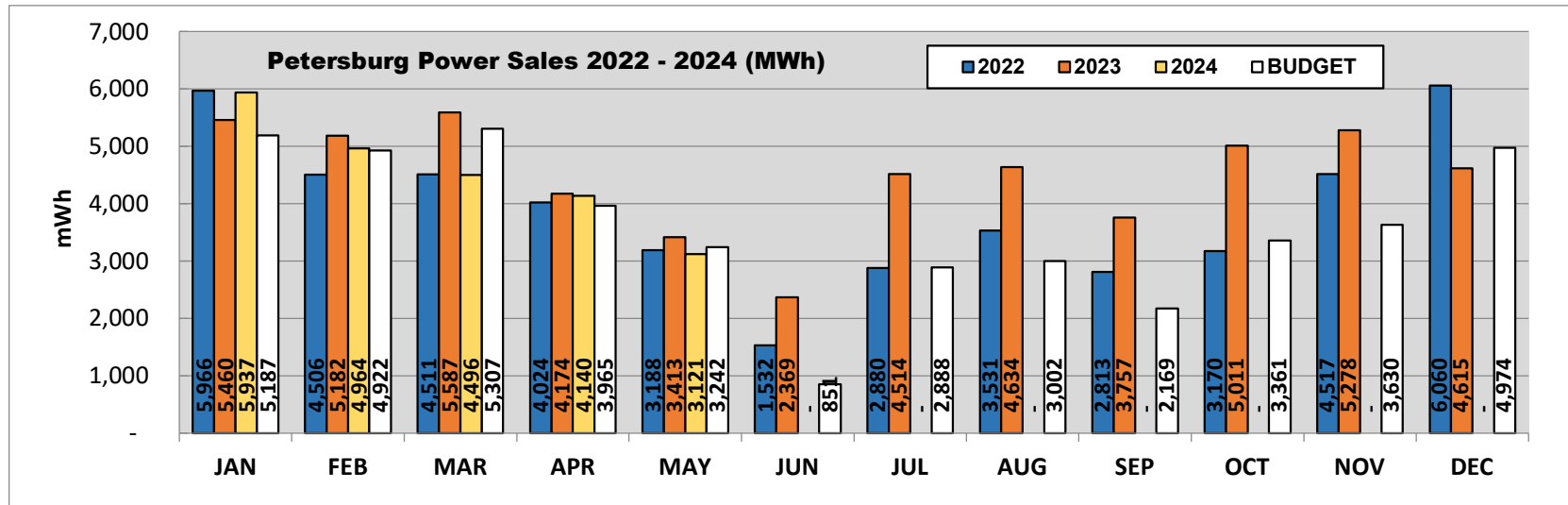
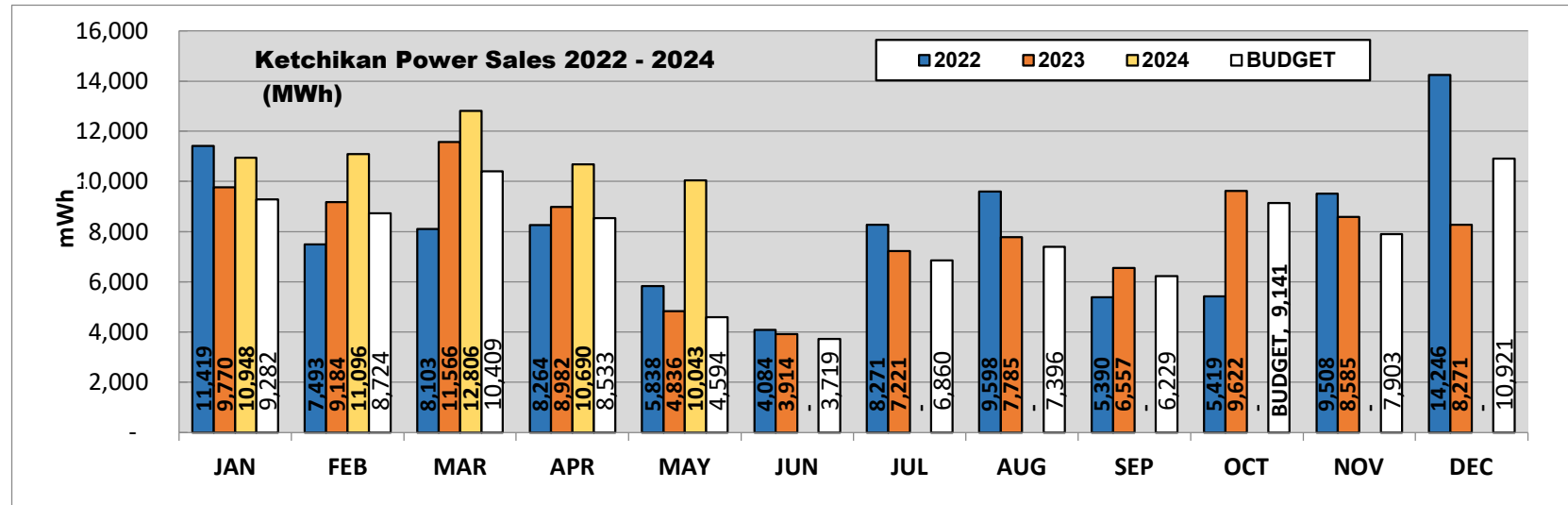
SOUTHEAST ALASKA POWER AGENCY MWh Firm Power Sales YOY Comparison



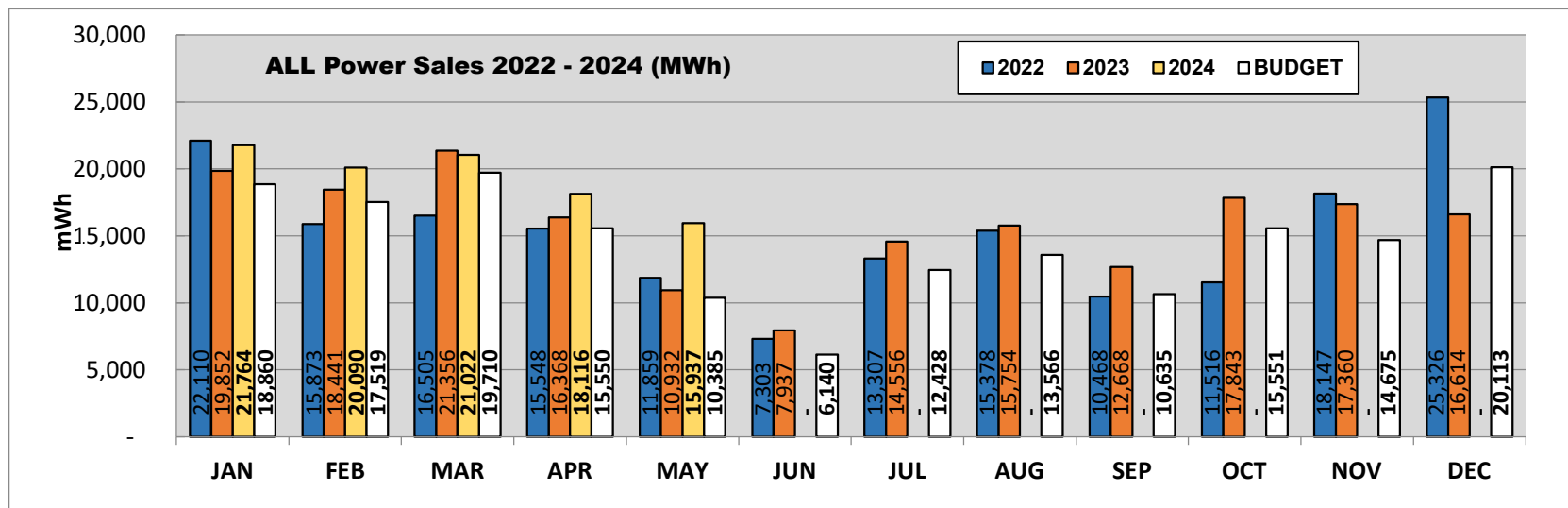
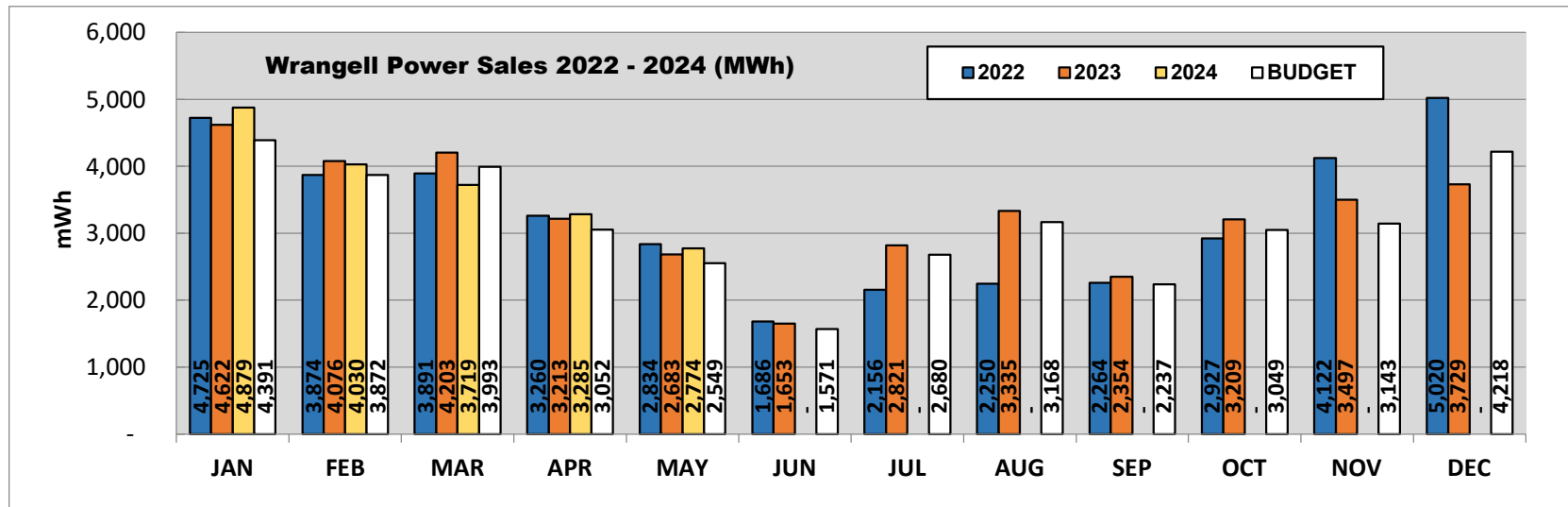
MWh Displaced Sales - Whitman True-up



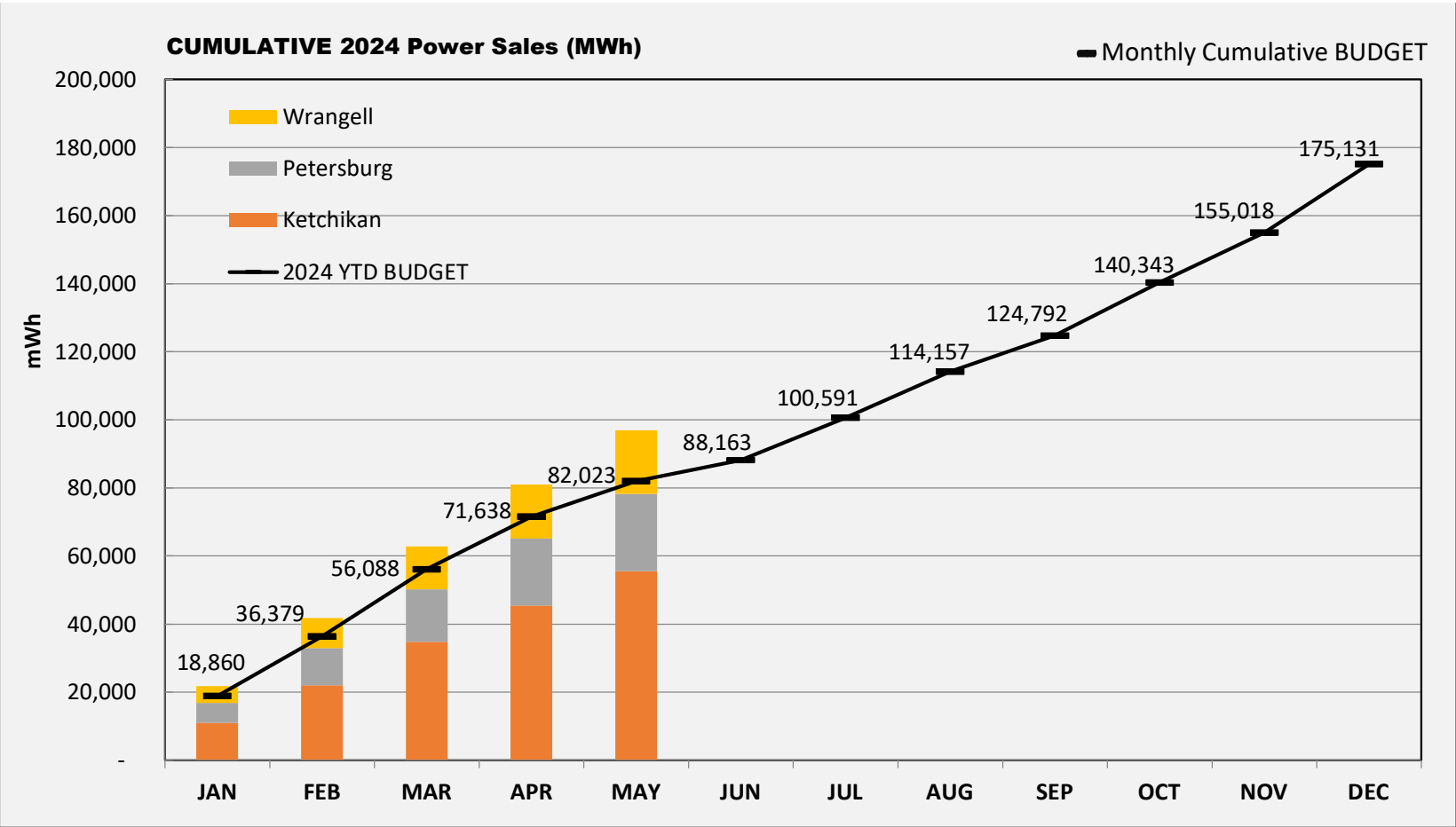
MAY 2024	2024 kWh HYDROPOWER SALES	CURRENT MONTH		YTD	
		Actual	Budget	Actual	Budget
	Ketchikan Power Purchases	10,042,616	4,593,987	55,583,444	41,542,390
	Petersburg Power Purchases	3,120,858	3,242,009	22,658,242	22,623,976
	Wrangell Power Purchases	2,773,870	2,549,088	18,687,590	17,857,019
	Total Power Purchases	15,937,344	10,385,084	96,929,276	82,023,385



MAY 2024	2024 kWh HYDROPOWER SALES	CURRENT MONTH		YTD	
		Actual	Budget	Actual	Budget
	Ketchikan Power Purchases	10,042,616	4,593,987	55,583,444	41,542,390
	Petersburg Power Purchases	3,120,858	3,242,009	22,658,242	22,623,976
	Wrangell Power Purchases	2,773,870	2,549,088	18,687,590	17,857,019
	Total Power Purchases	15,937,344	10,385,084	96,929,276	82,023,385



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	Ketchikan Power Purchases	10,042,616	4,593,987	55,583,444	41,542,390
	Petersburg Power Purchases	3,120,858	3,242,009	22,658,242	22,623,976
	Wrangell Power Purchases	2,773,870	2,549,088	18,687,590	17,857,019
	Total Power Purchases	15,937,344	10,385,084	96,929,276	82,023,385



MAY 2024**Operations, Capital and Self-Insured Funds**

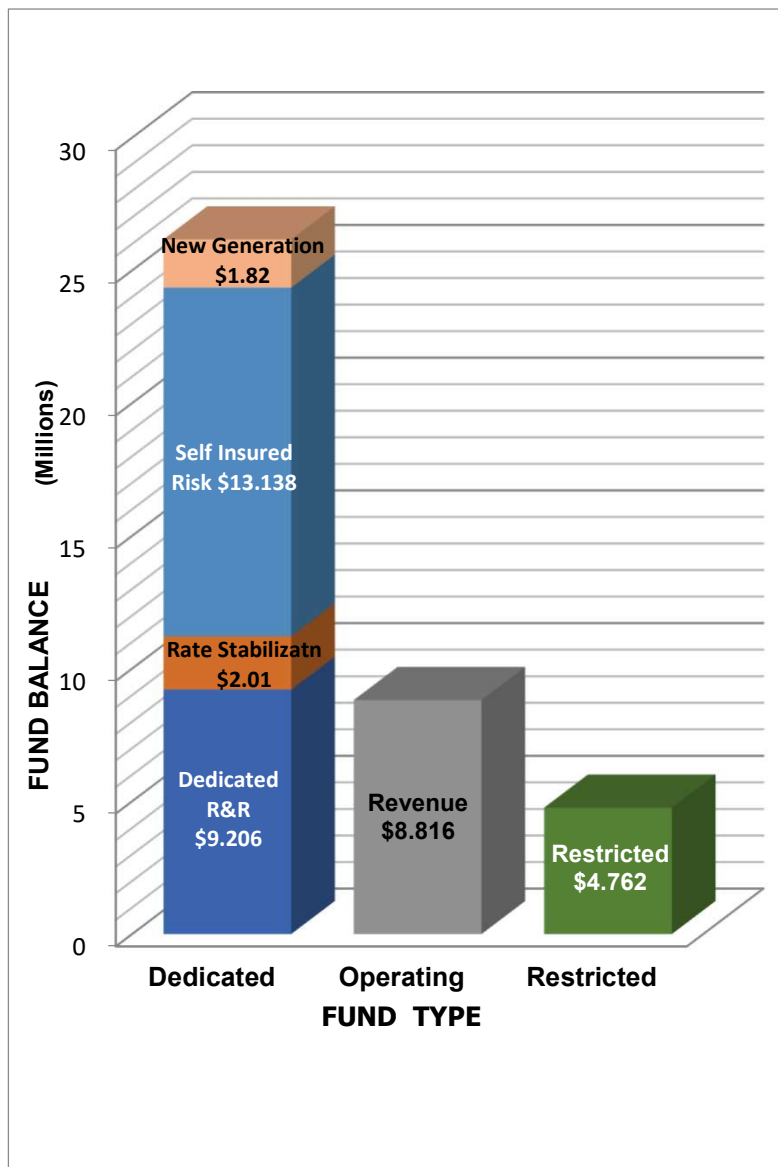
Revenue Fund	\$ 8,604,479 ¹
Checking	211,117
Dedicated R&R Projects Fund	9,206,281 ¹
New Generation Fund	1,817,619
Rate Stabilization Fund	2,006,647
Self Insured Risk Fund	13,137,530
Total Operations, Capital and Insurance Funds	34,983,673

Trustee (Bond) Funds

2015 Series Interest	\$ 252,700
2015 Series Reserve	597,943
2019 Series Interest	0 ²
2019 Series Principal	0 ²
2019 Series Reserve	0 ²
2021 Series Interest	635
2021 Series Principal	418
2021 Series Reserve	806,608
2022 Series Interest	401
2022 Series Principal	211
2022 Series Reserve	474,200
Total Trustee Funds	2,133,118

Other Restricted Funds

STI - USFS CD	\$ 22,013
DNR Reclamation Fund	1,605,122
Required R&R Fund	1,001,518
Total Other Restricted Funds	2,628,653
Total Agency Funds	\$ 39,745,444



¹ Q1 & Q2 of the budgeted \$800K quarterly payments have been transferred from the Revenue Fund to the Dedicated R&R Fund.

² The 2019 Series bond issuance matured on June 1. (Cash was submitted to Trustee in May in accordance with Indenture.)

Dedicated Funds

New Generation = Project feasibility funding (KTN substation, TYL Capacity License Amendment & Third Turbine Design)

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

SOUTHEAST ALASKA POWER AGENCY

GRANT SUMMARY
QUARTERLY: MAR 2024

AK DCCED GRANT 13-DC-553			
Grant Billing	Grant Budget	Billing thru 2024	Open Balance
1 - Hydro Storage	578,000	578,000	0
2 - G&T Site Evaluation	2,109,092	2,046,647	62,445
3 - Stability / Interconnec	0	0	0
4 - Load Balance Model	9,181	9,181	0
5 - Project Mgmt	255,712	255,712	0
6 - Business Analysis / PS	48,015	48,015	0
Total FY13 AK DCCED	3,000,000	2,937,555	62,445

FY24 QUARTERLY BILLING				
Mar-24	Jun-24	Sep-24	Dec-24	FY24
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

\$18K has been spent YTD and will be billed in June 2024.

Grant is extended to 2025, but is expected to be expended by the end of this year.



MAY 2024 YTD FINANCIAL SNAPSHOT

OPERATING REVENUE

kWh SALES	JAN-MAY Actual	JAN-MAY Budget	JAN-MAY Prior Yr
Ketchikan	4,082,452	\$3,032,593	\$3,236,643
Petersburg	1,627,783	1,651,551	1,738,474
Wrangell	1,342,608	1,303,562	1,372,171
Total Firm Sales	\$7,052,843	\$5,987,706	\$6,347,288

Nonoperating Revenue			
2024 Renewable Energy Certificates - Net Income	\$54,161	

OPERATING EXPENSES

	JAN-MAY Actual	JAN-MAY Budget	JAN-MAY Prior Yr
Hydro Facilities	\$1,011,990	\$1,173,670	\$972,123
Transmission	217,363	128,450	137,793
G&A	1,331,446	1,432,795	1,319,082
Total Ops Exp	\$2,560,799	\$2,734,915	\$2,428,998

R&R EXPENDITURES

JAN-MAY Expenditures	2024 Budget		*Capitalized
\$538,106	\$6,405,350		\$140,457

* Projects completed through March 2024: RR24390 AV System, RR24393 Mini Excavator, RR24395 Property Sign KTN HQ

FIRM MWH TREND

Year-to-Date MWH SALES			
Year	MWH	MWH	Thousands
May-24	96,929	May-24	96,929
May-23	86,949	May-23	86,949
May-22	81,895	May-22	81,895
May-21	81,240	May-21	81,240
May-20	82,477	May-20	82,477

STATEMENT OF FINANCIAL POSITION

as of May 31, 2024

	Year To Date 05/31/24	Prior Year To Date 05/31/23	Southeast Alaska Power Agency	
			% Change	Change in Value
Assets				
Current Assets				
Agency Funds				
Operating & Reserve Funds				
1110-001 - Revenue Fund	8,604,479	8,089,670		
1110-002 - Commercial Checking	211,117	1,000		
1110-003 - Dedicated R&R Fund	9,206,281	5,951,958		
1110-004 - New Generation Fund	1,817,619	1,884,938		
1110-101 - Rate Stabilization Fund	2,006,647	2,005,239		
1110-102 - Self Insured Risk Fund	13,137,530	12,700,878		(increased \$400K YOY)
Total Operating & Reserve Funds	34,983,673	30,633,682	114%	\$ 4,349,991
Restricted Trustee Funds				
1120-004 - 2015 Series Bond Interest Fund	252,700	244,258		
1120-006 - 2015 Series Bond Reserve Fund	597,943	569,147		
1120-009 - 2019 Series Bond Interest Fund	-	20	1	2019 Series matured May 2024
1120-010 - 2019 Series Bond Principal Fund	-	1,574	1	
1120-011 - 2019 Series Bond Reserve Fund	-	215,063	1	
1120-012 - 2021 Series Bond Interest Fund	635	633		
1120-013 - 2021 Series Bond Principal Fund	418	302		
1120-014 - 2021 Series Bond Reserve Fund	806,608	780,548		
1120-017 - 2022 Series Bond Interest Fund	401	250		
1120-018 - 2022 Series Bond Principal Fund	211	137		
1120-019 - 2022 Series Bond Reserve Fund	474,200	456,240		
1120-022 - 2022 Series Capitalized Interest Fund	-	143,324	2	Excess Reserve paid bondholder interest in 2023
Total Restricted Trustee Funds	2,133,118	2,411,496	88%	\$ (278,378)
Restricted Other Funds				
1130-001 - USFS CD - STI	22,013	21,652		
1130-002 - DNR Reclamation Fund	1,605,122	1,529,432	3	DNR Fund closed Jun 2024
1130-003 - Required R&R Fund	1,001,518	1,000,816		
1130-005 - 2022 Construction Fund	-	2,424,681	4	2022 Bond Issuance proceeds for SEAPA HQ
Total Restricted Other Funds	2,628,653	4,976,580	53%	\$ (2,347,927)
Total Agency Funds	39,745,444	38,021,758	105%	\$ 1,723,686
Accounts Receivable				
1100-001 - Accounts Receivable	2,287,286	1,685,226		
1100-002 - Grants Receivable	-	-		
1100-003 - Other Misc Receivable	1,020	5,800		
Total Accounts Receivable	2,288,306	1,691,025	135%	
Other Current Assets				
Accrued Interest Receivable				
1200-102 - Accrued Interest Receivable	137,815	89,222		
Total Accrued Interest Receivable	137,815	89,222	154%	
Prepaid Fees				
1200-201 - Prepaid FERC	25,061	24,543		
1200-202 - Prepaid Insurance	339,647	365,970		
1200-204 - Prepaid USFS Land Use Fees	67,785	65,606		
1200-206 - Prepaid Admin Group Ben	11,542	326		
1200-207 - Prepaid Admin Retirement	11,687	43,442		
Total Prepaid Fees	455,722	499,886	91%	
Inventory Assets				
1200-300 - Inventory Spares-Stores	274,707	433,037	5	Circuit switchers removed fr inventory-placed in ser
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	(356,790)	(298,198)		
Total Inventory Assets	2,016,262	2,233,184		
Total Other Current Assets	2,609,799	2,822,293		
Total Current Assets	44,643,548	42,535,076	105%	\$ 2,108,472

STATEMENT OF FINANCIAL POSITION

as of May 31, 2024

	Year To Date 05/31/24	Prior Year To Date 05/31/23	Southeast Alaska Power Agency	
			% Change	Change in Value
Capital Assets				
1300-100 - Swan Lake Capital Assets	36,286,084	36,257,936		
1300-200 - Tyee Lake Capital Assets	44,468,432	45,564,681		
1300-300 - Swan-Tyee Intertie Capital Assets	115,329,753	115,329,753		
1300-400 - Ketchikan Capital Assets	6,630,782	1,411,793		
Total Capital Assets	202,715,051	198,564,164		
R&R WIP Capital Projects				
1320-100 - WIP Swan Lake	1,684,717	175,505		
1320-200 - WIP Tyee Lake	376,871	173,337		
1320-300 - WIP Swan-Tyee Intertie	-	-		
1320-400 - WIP Ketchikan	281	5,543,128		
Total R&R WIP Capital Projects	2,061,870	5,891,970		
Accumulated Depreciation	(70,736,659)	(67,771,954)		
Total Capital Assets	134,040,262	136,684,180	98%	\$ (2,643,919)
Deferred Assets				
1830-006 - New Generation Integration	12,738	12,520		
1830-007 - 2019 Bond Gain on 2009 Refund	-	22,700		
1830-009 - Solar Feasibility	65,214	-		
1830-010 - Feasibility Ketchikan Substation	429	-		
1830-011 - Feasibility TYL Capacity License Amendmn	2,327	-		
1830-012 - Feasibility TYL Third Turbine Design Phas	2,129	-		
Total Deferred Assets	82,838	35,220	235%	\$ 47,618
Total Assets	178,766,648	179,254,476	100%	\$ (487,829)
Liabilities and Net Position				
Current Liabilities				
Accounts Payable				
2100-001 - Accounts Payable General	102,626	333,253		
Total Accounts Payable	102,626	333,253	31%	\$ (230,627)
Other Current Liabilities				
2100-301 - Other Current Liabilities	89,502	53,117		
2100-304 - Reserve Interest Payable	233,565	248,354		
2100-340 - Wages Payable	168,034	88,462		
2100-341 - PTO Payable	152,794	164,365		
2100-350 - Other Payroll Liabilities	22,255	51,896		
Total Other Current Liabilities	666,150	606,193	110%	
Total Current Liabilities	768,776	939,446	82%	\$ (170,671)
Long Term Liabilities				
2200-001 - PERS Unfunded Liability WRG	452,792	562,603		
2200-002 - DNR Fund CVEA KEA Liability	802,561	764,716		
2200-202 - Series 2015 Bonds	10,295,000	10,295,000		
2200-203 - Series 2019 Bonds	-	935,000		
2200-204 - Series 2021 Bonds	10,800,000	11,070,000		
2200-205 - Series 2022 Bonds	5,805,000	5,900,000		
2200-302 - 2015 Bond Issuance Premium	495,525	550,583		
2200-303 - 2019 Bond Issuance Premium	-	79,773		
2200-304 - 2021 Bond Issuance Premium	2,562,853	2,687,364		
2200-305 - 2022 Bond Issuance Discount	(49,931)	(51,678)		
Total Long Term Liabilities	31,163,800	32,793,361	95%	\$ (1,629,561)
Total Liabilities	31,932,576	33,732,807	95%	\$ (1,800,232)
Net Position				
3100-001 - Net Investment Capital Assets	104,614,884	104,609,724		
3100-002 - Restricted for Debt Service	2,594,125	2,593,000		
3100-003 - Restricted by External Agreement	1,594,601	5,588,819		
3100-004 - Unrestricted	35,845,280	30,980,107		
Total Net Position	144,648,889	143,771,651	101%	\$ 877,238
Net Income	2,185,183	1,750,018	-25%	\$ 435,165
Total Net Position	146,834,072	145,521,669	101%	\$ 1,312,403
Total Liabilities and Net Position	178,766,648	179,254,476	100%	\$ (487,829)

STATEMENT OF ACTIVITIES - Budget Comparison YTD
Year To Date as of May 31, 2024

	YTD FY24	YTD BUDGET	VARIANCE % of Budget	YTD FY23	ANNUAL Budget	YOY Comparison
OPERATING REVENUE						
OPERATING REVENUE						
400 - Hydro Facility Revenues	7,052,843	5,987,706	7%	6,347,288	13,463,491	
Total Operating Revenue	7,052,843	5,987,706	7%	6,347,288	13,463,491	
Net Operating Revenue	7,052,843	5,987,706	7%	6,347,288	13,463,491	111%
OPERATING EXPENSE						
HYDRO FACILITY O&M						
535 - Operations Supervision	8,012	6,520	23%	4,410	10,000	
537 - Hydraulic Expense	5,655	7,250	-22%	9,795	14,500	
538 - Electric Expenses	15,051	27,875	-46%	8,258	90,600	
539 - Operations Misc Expense	102,027	146,100	-30%	94,953	338,500	
540 - Rents	79,945	80,475	-1%	83,677	192,200	
541 - Hydro Power Station Maintenance	23,711	30,800	-23%	11,547	106,600	
543 - Dams Reservoirs Waterways	38,259	61,375	-38%	10,569	104,500	
544 - Electric Plant Wages-Benefits	710,939	749,000	-5%	734,949	1,753,250	
545 - Nonproduction Plant Maintenance	19,503	53,425	-63%	10,567	92,200	
561 - Control System Maintenance	8,890	10,850	-18%	3,400	17,000	
Total Hydro Facility Expense	1,011,990	1,173,670	-4%	972,123	2,719,350	104%
TRANSMISSION O&M						
562 - Substation Expense	12,086	16,725	-28%	14,551	105,250	
564 - XMSN Submarine Cable Expense	1,032	800	29%	61	2,000	
571 - XMSN Overhead Lines Expense	204,245	110,925	84%	123,180	2,076,500	
Total Transmission Expense	217,363	128,450	0%	137,793	2,183,750	158%
GENERAL & ADMIN EXPENSE						
920 - Admin Wages-Benefits	650,292	700,050	-7%	590,666	1,823,000	
921 - Office Expenses	87,468	86,150	2%	72,712	220,900	
923 - Professional Services	107,148	152,200	-30%	135,102	298,400	
924 - Insurance	339,375	339,650	0%	365,970	816,100	
928 - Regulatory Commission Expense	56,169	32,650	72%	34,959	99,950	
930 - General Expense	81,298	112,675	-28%	79,068	194,800	
931 - Admin Rent	9,695	9,420	3%	40,604	22,100	
Total G&A Expense	1,331,446	1,432,795	-16%	1,319,082	3,475,250	101%
Total Operating Expense	2,560,799	2,734,915	-8%	2,428,998	8,378,350	105%
NET OPERATING REVENUE/(EXPENSE)	4,492,044	3,252,791	34%	3,918,289	5,085,141	115%
Nonoperating Income						
941 - Grant Income	-			4,824		
942 - Interest Income Misc	297,719			200,995		
944 - Gain/(Loss) Investments	(128,775)			51,984		
946 - Misc Nonoperating Income	90,219			344,093		
Total Nonoperating Income	259,163			601,896		
Nonoperating Expense						
951 - Interest Expense	3,749			15,490		
952 - Bond Interest Expense	442,371			530,063		
953 - Depreciation-Amortization Expense	2,081,538			2,154,658		
954 - Grant Expense	18,619			9,198		
955 - Misc Nonoperating Expense	19,747			60,759		
Total Nonoperating Expense	2,566,024			2,770,167		
NET NONOPERATING INCOME/(EXPENSE)	(2,306,861)			(2,168,271)		
Change in Net Position	2,185,183			1,750,018		125%

Southeast Alaska Power Agency

Statement of Activities - Detailed May 31, 2024

	YTD FY24 05/31/24	YTD BUDGET 05/31/24	YTD FY23 05/31/23	ANNUAL BUDGET	REMAINDER OF ANNUAL BUDGET	
OPERATING REVENUE						
400 - Hydro Facility Revenues						
4000-401 Hydropower Sales Ketchikan	4,082,452	3,032,593	3,236,643	6,840,879	2,758,427	
4000-402 Hydropower Sales Petersburg	1,627,783	1,651,551	1,738,474	3,175,394	1,547,611	
4000-403 Hydropower Sales Wrangell	1,342,608	1,303,562	1,372,171	2,768,318	1,425,710	
4000-421 Displaced Power Ketchikan	-	-	-	678,900	678,900	
TOTAL OPERATING REVENUE	7,052,843	5,987,706	6,347,288	13,463,491	6,410,648	48%
OPERATING EXPENSES						
535 - Operations Supervision						
0390 Software	3,142	4,000	2,856	4,000	858	
0610 Office Equipment	4,196	1,720	307	4,000	(196)	
0730 Office Supplies	674	800	1,246	2,000	1,326	
Total 535 - Operations Supervision	8,012	6,520	4,410	10,000	1,988	20%
537 - Hydraulic Expense						
0330 Helicopters	3,781	6,000	7,239	12,000	8,219	
0740 Operating Supplies	19	250	-	500	482	
0800 Materials-Minor Equip	1,855	1,000	2,464	2,000	145	
0850 Tools	-	-	92	-	-	
Total 537 - Hydraulic Expense	5,655	7,250	9,795	14,500	8,845	61%
538 - Electric Expenses						
0310 Contractor	4,237	10,000	1,745	58,600	54,363	
0740 Operating Supplies	247	2,650	5,218	6,000	5,753	
0800 Materials-Minor Equip	10,567	14,000	1,198	23,000	12,433	
0850 Tools	-	1,225	97	3,000	3,000	
Total 538 - Electric Expenses	15,051	27,875	8,258	90,600	75,549	83%
539 - Operations Misc Expense						
0300 Communication Services	18,409	19,750	16,708	46,000	27,371	
0310 Contractor	2,801	2,000	1,750	20,800	17,999	
0320 Flights	29,962	33,500	27,556	83,000	53,038	
0330 Helicopters	-	2,000	-	4,000	4,000	
0360 Lodging	-	1,250	-	3,500	3,500	
0373 Rent-Other	569	725	625	3,300	2,731	
0401 Training-Pro-Tech	7,007	10,000	159	10,000	2,993	
0402 Training-Safety	705	6,000	3,128	6,000	5,295	
0410 Transport-Other	-	11,000	2,614	25,000	25,000	
0420 Utilities	622	1,050	455	2,400	1,778	
0600 Phones, Radios, Video	742	1,375	267	2,500	1,758	
0710 Food, Meals	384	2,000	1,742	4,500	4,116	
0740 Operating Supplies	220	750	642	2,000	1,780	
0750 Safety	3,202	6,800	2,697	12,000	8,798	
0800 Materials-Minor Equip	-	-	618	-	-	
0810 Rolling Stock Maint	13,455	16,500	6,522	32,000	18,545	
0811 Marine Vessel Maint	3,173	1,950	1,765	4,500	1,327	
0820 Fuels and Oils	6,046	13,800	19,690	40,000	33,954	
0830 Fuels and Oils - Marine	12,904	13,500	7,591	32,000	19,096	
0850 Tools	1,825	2,150	423	5,000	3,175	
Total 539 - Operations Misc Expense	102,027	146,100	94,953	338,500	236,253	70%

Southeast Alaska Power Agency

Statement of Activities - Detailed

May 31, 2024

	YTD FY24 05/31/24	YTD BUDGET 05/31/24	YTD FY23 05/31/23	ANNUAL BUDGET	REMAINDER OF ANNUAL BUDGET	
540 - Rents						
0030 FERC Land Use	31,327	31,800	36,814	75,750	44,423	
0050 USFS Land Use	48,618	48,675	46,862	116,450	67,832	
Total 540 - Rents	79,945	80,475	83,677	192,200	112,255	58%
541 - Hydro Power Station Maintenance						
0310 Contractor	-	-	-	45,000	45,000	
0740 Operating Supplies	10,815	6,850	7,821	16,000	5,185	
0800 Materials-Minor Equip	3,083	19,500	2,962	35,000	31,917	
0850 Tools	9,813	4,450	764	10,600	787	
Total 541 - Hydro Power Station Maintenance	23,711	30,800	11,547	106,600	82,889	78%
543 - Dams Reservoirs Waterways						
0310 Contractor	33,500	54,500	-	89,500	56,000	
0330 Helicopters	-	2,000	-	3,500	3,500	
0740 Operating Supplies	313	875	120	2,000	1,687	
0800 Materials-Minor Equip	1,360	2,100	10,160	5,000	3,640	
0850 Tools	3,086	1,900	288	4,500	1,414	
Total 543 - Dams Reservoirs Waterways	38,259	61,375	10,569	104,500	66,241	63%
544 - Electric Plant Wages-Benefits						
0110 Wages / PTO	472,790	472,800	453,985	1,135,000	709,432	
0120 OT	41,018	86,000	81,569	162,000	80,494	
0140 Taxes	43,010	44,250	44,180	104,000	54,451	
0150 H&W	87,669	88,000	85,998	214,000	117,426	
0160 Retirement	71,715	71,700	73,568	171,000	89,787	
0170 Capx-Grants	(5,262)	(13,750)	(4,351)	(32,750)	(27,488)	
Total 544 - Electric Plant Wages-Benefits	710,939	749,000	734,949	1,753,250	1,024,103	58%
545 - Nonproduction Plant Maintenance						
0310 Contractor	-	1,300	998	2,500	2,500	
0373 Rent-Other	-	-	3,379	-	-	
0410 Transport-Other	-	6,000	-	12,000	12,000	
0740 Operating Supplies	10,220	3,800	2,085	9,000	(1,220)	
0750 Safety	-	-	12	-	-	
0800 Materials-Minor Equip	3,375	12,750	3,303	33,000	29,625	
0810 Rolling Stock Maint	-	-	178	-	-	
0840 Furnishings	3,519	28,075	-	31,700	28,181	
0850 Tools	2,389	1,500	610	4,000	1,611	
Total 545 - Nonproduction Plant Maintenance	19,503	53,425	10,567	92,200	72,697	79%
561 - Control System Maintenance						
0310 Contractor	2,673	4,350	-	10,000	7,327	
0800 Materials-Minor Equip	6,217	6,500	3,400	7,000	783	
Total 561 - Control System Maintenance	8,890	10,850	3,400	17,000	8,110	48%

Southeast Alaska Power Agency

Statement of Activities - Detailed

May 31, 2024

	YTD FY24 05/31/24	YTD BUDGET 05/31/24	YTD FY23 05/31/23	ANNUAL BUDGET	REMAINDER OF ANNUAL BUDGET	
562 - Substation Expense						
0310 Contractor	-	-	-	75,000	75,000	
0320 Flights	2,700	3,125	2,300	7,500	4,800	
0360 Lodging	-	125	-	500	500	
0373 Rent-Other	-	600	300	1,200	1,200	
0420 Utilities	6,953	6,600	6,829	13,000	6,047	
0710 Food, Meals	27	50	-	200	174	
0740 Operating Supplies	43	650	91	1,500	1,457	
0800 Materials-Minor Equip	2,249	5,500	5,031	6,100	3,851	
0850 Tools	114	75	-	250	136	
Total 562 - Substation Expense	12,086	16,725	14,551	105,250	93,164	89%
564 - XMSN Submarine Cable Expense						
0740 Operating Supplies	602	175	61	500	(102)	
0750 Safety	280	-	-	-	(280)	
0800 Materials-Minor Equip	150	625	-	1,500	1,350	
Total 564 - XMSN Submarine Cable Expense	1,032	800	61	2,000	968	48%
571 - XMSN Overhead Lines Expense						
0110 Wages / PTO	51,012	55,500	48,763	142,000	85,878	
0120 OT	91	1,000	222	3,000	(581)	
0140 Taxes	4,420	4,750	4,238	12,000	6,639	
0150 H&W	9,741	10,000	9,555	24,000	13,270	
0160 Retirement	7,574	7,875	7,416	19,000	10,492	
0300 Communication Services	696	650	696	1,600	879	
0310 Contractor	-	-	857	474,500	474,500	
0320 Flights	-	4,000	4,290	10,000	10,000	
0330 Helicopters	25,534	10,000	39,626	70,000	44,466	
0360 Lodging	-	1,500	-	4,500	4,500	
0373 Rent-Other	3,379	3,400	-	7,000	3,311	
0380 ROW Clearing	92,000	-	-	1,272,000	1,180,000	
0401 Training-Pro-Tech	-	150	-	300	300	
0402 Training-Safety	78	-	-	-	(78)	
0410 Transport-Other	4	2,000	48	7,500	7,496	
0420 Utilities	397	-	840	-	(397)	
0600 Phones, Radios, Video	567	-	-	-	(567)	
0710 Food, Meals	3,151	2,250	2,163	7,000	3,849	
0740 Operating Supplies	1,566	3,750	1,686	6,000	4,434	
0750 Safety	2,088	1,000	701	2,500	412	
0800 Materials-Minor Equip	93	1,250	510	10,000	9,907	
0810 Rolling Stock Maint	-	-	6	-	-	
0811 Marine Vessel Maint	-	-	1,215	-	-	
0820 Fuels and Oils	1,812	750	352	2,500	688	
0850 Tools	42	1,100	-	1,100	1,058	
Total 571 - XMSN Overhead Lines Expense	204,245	110,925	123,180	2,076,500	1,860,454	90%

Southeast Alaska Power Agency

Statement of Activities - Detailed

May 31, 2024

	YTD FY24 05/31/24	YTD BUDGET 05/31/24	YTD FY23 05/31/23	ANNUAL BUDGET	REMAINDER OF ANNUAL BUDGET	
920 - Admin Wages-Benefits						
0110 Wages / PTO	381,536	404,000	365,398	1,074,000	705,356	
0120 OT	-	-	373	-	-	
0140 Taxes	33,126	32,200	31,772	82,000	45,162	
0150 H&W	107,647	134,600	97,090	332,000	211,923	
0160 Retirement	127,984	129,250	96,084	335,000	194,037	
0170 Capx-Grants	-	-	(50)	-	-	
Total 920 - Admin Wages-Benefits	650,292	700,050	590,666	1,823,000	1,156,479	63%
921 - Office Expenses						
0240 Travel Expense (Admin)	16	-	-	-	(16)	
0300 Communication Services	11,941	11,600	11,443	28,000	15,934	
0310 Contractor	22,888	33,000	23,208	80,000	57,112	
0350 Licenses-Permits	48	125	54	200	152	
0390 Software	10,182	6,500	5,533	44,000	32,870	
0420 Utilities	20,759	15,600	14,188	37,000	16,241	
0600 Phones, Radios, Video	-	-	313	-	-	
0610 Office Equipment	11,185	7,000	525	11,000	(185)	
0710 Food, Meals	647	825	1,199	2,000	1,353	
0730 Office Supplies	3,238	800	10,625	2,000	(1,238)	
0740 Operating Supplies	601	-	-	-	(601)	
0750 Safety	570	-	-	-	(570)	
0800 Materials-Minor Equip	2,700	2,300	-	2,300	(400)	
0810 Rolling Stock Maint	611	4,000	1,341	6,000	5,389	
0820 Fuels and Oils	1,377	900	1,174	2,200	823	
0840 Furnishings	23	1,000	3,110	3,000	2,977	
0850 Tools	683	2,500	-	3,200	2,517	
Total 921 - Office Expenses	87,468	86,150	72,712	220,900	132,359	60%
923 - Professional Services						
0910 Audit-Accounting	-	40,400	-	45,400	45,400	
0920 Banking-Trustee-Investment	24,848	27,200	24,507	50,000	25,152	
0930 Legal	18,218	39,600	53,695	95,000	76,782	
0940 Legislative	16,000	20,000	20,000	48,000	32,000	
0950 Other Professional Services	48,082	25,000	36,900	60,000	11,918	
Total 923 - Professional Services	107,148	152,200	135,102	298,400	191,252	64%
924 - Insurance						
0960 Insurance	339,375	339,650	365,970	816,100	476,725	
Total 924 - Insurance	339,375	339,650	365,970	816,100	476,725	58%
928 - Regulatory Commission Expense						
0010 Other Regulatory	27,000	-	-	21,000	(6,000)	
0020 FERC Admin	25,438	25,000	25,625	61,050	35,613	
0040 FERC Other	3,581	6,200	9,184	14,400	10,819	
0060 AK Agency	150	450	150	500	350	
0310 Contractor	-	1,000	-	3,000	3,000	
Total 928 - Regulatory Commission Expense	56,169	32,650	34,959	99,950	43,781	44%
930 - General Expense						
0200 Advertising-Public Relations	3,872	3,125	3,408	7,500	3,628	
0210 Association Dues	41,618	41,300	41,291	43,000	1,382	
0220 Board Meeting Expense	8,319	7,100	12,387	20,000	11,681	
0230 Professional Development	16,227	24,500	14,953	40,000	23,773	
0240 Travel Expense (Admin)	7,425	13,000	3,900	32,000	24,575	
0250 Non-Travel Incidental	1,007	500	427	2,000	993	
0260 Recruitment	2,568	23,000	2,437	50,000	47,432	
0390 Software	-	-	255	-	-	
0750 Safety	262	150	10	300	39	
Total 930 - General Expense	81,298	112,675	79,068	194,800	113,502	58%
931 - Admin Rent						
0371 Rent-Office Space	1,670	1,670	32,729	3,200	1,530	
0372 Rent-Apartment	8,025	7,750	7,875	18,900	9,250	
Total 931 - Admin Rent	9,695	9,420	40,604	22,100	10,780	
TOTAL OPERATING EXPENSE	2,560,799	2,734,915	2,428,998	8,378,350	5,768,394	69%
NET OPERATING REVENUE/(EXPENSE)	4,492,044	3,252,791	3,918,289	4,406,241	(36,846)	

Southeast Alaska Power Agency

Statement of Activities - Detailed

May 31, 2024

	YTD FY24 05/31/24	YTD BUDGET 05/31/24	YTD FY23 05/31/23	ANNUAL BUDGET	REMAINDER OF ANNUAL BUDGET
Nonoperating Income					
941 - Grant Income					
5410 Grant Income	-	-	4,824		
Total 941 - Grant Income	-	-	4,824		
942 - Interest Income Misc					
5010 Interest Earned Misc	84,002	-	50,323		
5020 Interest DNR Liability	(15,954)	-	11,703		
5030 Interest Investment Income	228,625	-	138,970		
5040 Other Misc Income	1,046	-	-		
Total 942 - Interest Income Misc	297,719	-	200,995		
944 - Gain/(Loss) Investments					
5200 Realized Gain/(Loss) on Invest	(40,091)	-	(143,568)		
5210 Unrealized Gain/(Loss) Investmt	(88,684)	-	195,552		
Total 944 - Gain/(Loss) Investments	(128,775)	-	51,984		
946 - Misc Nonoperating Income					
5040 Other Misc Income	-	-	565		
5043 Cash Back Credit Card	1,949	-	-		
5044 Rent Electric Property	10,334	-	10,334		
5045 Renewable Energy Cert Income	73,869	-	333,194		
5420 Gain/(Loss) Property Dispositi	4,066	-	-		
Total 946 - Misc Nonoperating Income	90,219	-	344,093		
TOTAL NONOPERATING INCOME	259,163	-	601,896		
Nonoperating Expense					
951 - Interest Expense					
6020 Interest Expense Investments	3,749	-	15,490		
Total 951 - Interest Expense	3,749	-	15,490		
952 - Bond Interest Expense					
6120 Bond Interest Expense 2015 Series	180,264	-	220,264		
6130 Bond Interest Expense 2019 Series	(4,681)	-	14,245		
6131 Bond Interest Expense 2021 Series	156,910	-	183,696		
6132 Bond Interest Expense 2022 Series	109,878	-	111,858		
Total 952 - Bond Interest Expense	442,371	-	530,063		
953 - Depreciation-Amortization Expense					
6300 Depreciation Expense	2,054,048	-	2,125,283		
6310 Inventory Amortization	27,490	-	29,375		
Total 953 - Depreciation-Amortization Expense	2,081,538	-	2,154,658		
954 - Grant Expense					
6520 Grant Contractual	14,922	-	5,152		
6570 Grant Other Expense	-	-	400		
6580 Grant Travel	3,697	-	3,646		
Total 954 - Grant Expense	18,619	-	9,198		
955 - Misc Nonoperating Expense					
6600 Other Misc Expense	39	-	3		
6601 Renewable Energy Cert Expense	19,708	-	60,756		
Total 955 - Misc Nonoperating Expense	19,747	-	60,759		
TOTAL NONOPERATING EXPENSE	2,566,024	-	2,770,167		
NET NONOPERATING INCOME/(EXPENSE)	(2,306,861)	-	(2,168,271)		
Change in Net Position	2,185,183		1,750,018		

Southeast Alaska Power Agency
R&R SUMMARY - Capital Expenditures
as of **May 31, 2024**

	2024 EXPENDITURES	2024 BUDGET	PRIOR YRS EXPENDITURES	TOTAL EXPENDITURES	BUDGET through 2024
RR19307 - Helipads Cleveland	29	477,922	48,596	48,625	644,000
RR20343 - Partial Discharge Monitors SWL	-	50,197	89,803	89,803	140,000
RR21350 - Bunkhouse SWL	184,007	200,123	1,269,058	1,453,065	1,509,000
RR22364 - 15kV Switchgear TYL	4,722	1,190,637	34,467	39,189	1,210,000
RR22367 - EDG Governors-Exciters SWL	-	120,000	-	-	120,000
RR22370 - Inlet Valve Ctrl System SWL	292	98,887	23,113	23,405	122,000
RR22374 - Station Service Switchgear TYL	22,717	2,436,943	138,471	161,188	2,515,000
¹ RR23384 - FERC Relicensing SWL	-	674,000	26,530	26,530	700,343
¹ RR23385 - FERC Relicensing TYL	-	674,000	26,522	26,522	700,335
RR23386 - Incinerator XFMR Panel-Controls SWL	9,300	28,341	7,659	16,959	36,000
² RR24390 - AV System KTN HQ	59,910	60,000	-	59,910	60,000
RR24391 - Basket Strainer TYL	76,630	96,000	-	76,630	96,000
RR24392 - Battery Bank & Inverter WRG	24,715	58,000	-	24,715	58,000
² RR24393 - Mini Excavator SWL	66,000	78,000	-	66,000	78,000
RR24394 - Outboards-Electronics Crew Boat SWL	51,019	56,000	-	51,019	56,000
² RR24395 - Property Sign KTN HQ	14,829	16,300	-	14,829	16,300
RR24396 - Ramp Float SWL	11,580	21,000	-	11,580	21,000
RR24397 - Road Work SWL	12,356	69,000	-	12,356	69,000
Total All RR Projects	538,106	6,405,350	1,664,220	2,202,326	8,150,978

¹ RR23384-85 (Overall budget for FERC Relicensing projects is \$3.017MM each)

² Projects are complete.

SOUTHEAST ALASKA POWER AGENCY

DISBURSEMENTS REPORT**MARCH - MAY 2024**

\$2,339,357.02		
1,957,488.41	334,405.02	47,463.59

VENDOR	Comment	REVENUE FUND	R&R FUND	NEW GEN.
A&P		1,138.07	-	-
AK DNR 550 1410		150.00	-	-
Alaska Commercial Divers Inc		-	11,580.00	-
Alaska Dispatch News		167.60	102.18	278.26
Alaska Marine Lines		139.60	137.14	-
Alaska Permanent Capital Inc		9,940.44	-	-
Alaska Pest Management Inc		425.00	-	-
Alaska Power Association		850.00	-	-
Alltek Network Solutions Inc		-	613.75	-
Amazon com		4,517.65	1,135.70	-
Angermans Inc		419.85	-	-
Anixter Power Solutions LLC		1,043.67	-	-
Arbitrage Group		2,500.00	-	-
Arrowhead LP Gas KTN		20.12	-	-
Arrowhead LP Gas WRG		100.65	-	-
Ascent Law Partners LLP		16,669.51	-	237.00
Basler Electric Company		2,673.00	-	-
Bay Company	RR24394 Outboards-Electronics SWL	5,079.29	51,019.06	-
Beck Electric Supply		855.51	-	-
Buness Bros Inc		790.00	-	-
Bureau Veritas North America		253.15	-	-
Cambria Properties LLC		6,500.00	-	-
Channel Electric Inc		418.92	-	-
Chase credit cards - APR		11,618.82	209.01	-
Chase credit cards - FEB		20,803.53	59.73	-
Chase credit cards - MAR		12,795.05	-	-
City Market Inc		38.76	-	-
Commercial Industrial Supply	RR24391 Basket Strainers TYL	-	75,190.45	-
Commonwealth Associates Inc	Solar feasibility	-	-	45,083.00
Computershare 1450		5,000.00	-	-
Computershare 2015 Interest	Bond debt service	159,429.00	-	-
Computershare 2019 Interest	Bond debt service	11,319.37	-	-
Computershare 2019 Principal	Bond debt service	699,306.39	-	-
Computershare 2021 Interest	Bond debt service	206,547.00	-	-
Computershare 2022 Interest	Bond debt service	72,162.94	-	-
Construction Machinery Industrial LLC		1,355.92	-	-
Copper Ridge LLC	SWL right-of-way clearing	92,000.00	-	-
Copper River Fleece		709.34	-	-
Daily Journal of Commerce		-	110.20	107.30
Dawson Construction LLC	RR21350 Bunkhouse SWL	-	98,243.52	-
Dell		2,373.16	-	-
Doug Hanson & Associates Inc		-	6,859.00	-
Electric Power Systems Inc		-	23,612.85	-
Employee Reimbursement		417.87	-	-
Esteem Wireless Modems		1,855.36	-	-
Exponential Power Inc		-	9,311.21	-

VENDOR	Comment	REVENUE FUND	R&R FUND	NEW GEN.
Extreme Access Inc		33,500.00	-	-
Fastenal Company		2,543.21	748.30	-
Federal Energy Regulatory Commissior Annual Land Use SWL-TYL		75,183.68	-	-
FedEx		249.12	-	-
First City Electric Inc		3,133.40	111.00	-
G2 Risk Consulting		1,575.00	-	-
Grainger		10,692.58	-	-
HDR Alaska Inc		3,581.22	-	-
Helicopter Air Alaska LLC		1,008.70	-	-
Hoots Welding & Fabrication LLC		183.20	-	-
Intandem LLC		3,900.00	-	-
Jaco Analytical Lab Inc		1,826.55	-	-
Johnsons Building Supply		1,889.77	-	-
Kelley Create Co		1,543.70	-	-
Kemppel Huffman and Ellis PC		1,260.00	-	-
Ketchikan City of 334		104.00	-	-
Ketchikan City Port & Harbor		568.92	-	-
Ketchikan Daily News		266.02	-	-
Ketchikan Mechanical Inc		-	528.80	-
Ketchikan Public Utilities 2417		12,378.91	-	-
Kleinschmidt Associates		-	-	1,461.31
Landing Hotel		2,171.38	-	-
LNM Services		384.75	-	-
Madison Lumber & Hardware Inc		1,932.98	-	-
Magnum Enterprises		1,990.00	-	-
Marsh USA Inc		27,000.00	-	-
McMaster Carr Supply Company		643.36	-	-
McMillen Inc		14,921.50	-	-
Mersen Canada Dn Ltd		8,068.96	-	-
Mersen USA PTT Corp		2,497.78	-	-
Misty Fjords Air & Outfitting LLC		2,550.00	-	-
Mitchell Instrument Co		166.85	-	-
North Coast Electric Company		1,610.21	-	-
NRECA Group Ins	Admin group benefits	94,652.86	-	-
NRECA Group Ins Admin	Admin group benefits	6,876.62	-	-
NRECA RSP Admin	Admin group benefits	2,797.52	-	-
NRECA RSP Trust Contrib	Admin group benefits	90,697.36	-	-
Oregonian Media Group		-	594.88	248.32
Ottesens Ace Hardware		3,108.77	-	-
Pacific Pride of Alaska LLC		99.99	-	-
Pacific Printing LLC		37.50	-	-
Panhandle Fire Protection LLC		513.00	-	-
Pape Machinery Inc		1,719.71	-	-
Petersburg Medical Center		275.00	-	-
Petro Marine Services KTN		2,901.73	-	-
Petro Marine Services WRG		12,591.53	-	-
Pilot Publishing Inc		252.16	-	-
Platt Electric Supply		828.78	7,801.11	-
Pool Engineering Inc		600.00	6,466.25	-
Raindrop Janitorial Services LLC		3,400.00	-	-

VENDOR	Comment	REVENUE FUND	R&R FUND	NEW GEN.
Ray Matiashowski		12,000.00	-	-
Samson Tug & Barge		1,459.45	2,080.73	-
Satellite & Sound Inc		660.00	-	-
Schmolck Mechanical KTN		91.68	-	-
Schnabel Engineering LLC		19,988.50	-	-
SE Business Machines		4,729.10	-	-
Sentry Hardware & Marine		454.53	-	-
Service Auto Parts		2,687.26	-	-
Sign Pro		-	6,879.11	-
Sockeye Business Solutions Inc		3,000.00	-	-
Sound Decisions LLC		-	29,911.85	-
Sound Publishing Inc		-	97.76	48.40
Southeast Auto & Marine Parts Inc		580.19	-	-
Southeast Diesel & Electric		562.06	-	-
Sunrise Aviation Inc		19,612.50	-	-
Svendsen Marine LLC		434.41	-	-
Taquan Air		5,760.00	720.00	-
Taylor and Sons		486.45	-	-
Temsco Helicopters Inc		30,651.51	-	-
TexRus LLC		12,580.95	-	-
TKs MiniMart LLC		57.09	-	-
TMMI LLC		3,755.00	-	-
Tongass Indoor Storage		835.20	-	-
Tongass Trading Company Inc		139.96	-	-
Two Way Direct Inc		1,076.70	-	-
Tyler Industrial Supply		6,839.11	-	-
Ward Creek Industrial		149.98	-	-
Warehouse Lighting		-	281.43	-
WesSpur Tree Equipment Inc		873.84	-	-
Westside Service		42.70	-	-
White Rock Holding LLC		2,337.40	-	-
Womack Kristopher		37.71	-	-
Wrangell Chamber of Commerce		260.00	-	-
Wrangell City & Borough		23,538.90	-	-
Wrangell IGA Inc		1,610.91	-	-
Wrangell Sentinel		232.50	-	-



SOUTHEAST ALASKA POWER AGENCY

Date: June 17, 2024
To: Robert Siedman, CEO
From: Clay Hammer, Operations Manager
Re: Quarterly Report for June 26-27, 2024 Board Meeting

Plant Operations Quarterly Report

This report is to provide the Board with the results of the monthly inspections that take place at SEAPA's Swan and Tyee Hydroelectric Plants each quarter. Each detailed inspection is documented on site-specific inspection forms, take one day to perform, and provide an updated baseline of the overall health of each plant. This second quarter is typically busy with single unit and full plant outages scheduled for major maintenance. Results of the inspections for the second quarter are as follows:

Swan Lake Plant

Swan inspections are performed with plant foreman, Andy Cowan, or 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, and closed with an inspection of the Dam and related ancillary equipment.

Findings

All weekly and monthly Work Orders (WOs) are up to date and complete. All outstanding WO's have been completed; those pending are part of a multi-year schedule that will be completed in FY24. There were no forced outages and one unscheduled outage at the Swan Plant this quarter.

The following is a list of assets with highlights of repairs scheduled or completed:

Generators

- Disproportional brush wear between lead and lag units: swapped positions in schedule to balance wear
- Repair work has been scheduled for minor oil seepage in S-2 Brush compartment

Station Service and Substation

- Good condition; no significant maintenance concerns noted
- Confined Space signage for sump needs replacement

Grounds/Camp/Dock

- End of dock finger needs whaler replaced and additional floatation
- Door seal Emergency Shelter needs repair

Dam/Reservoir/Gate

- Downstream abutments needed brush cleared (completed by contractor)
- Sandbags for vibration sensors need replacement

Notable Maintenance and Repairs Completed

- Pressure-washed spillway, flashboards, and spill gate at dam
- Prepped facility for on-site FERC Inspection
- Installed new electrical outlets in mechanic shop for new plasma cutter
- Cleaned access road ditches with mini excavator
- Cleared wood debris at lake
- Cleared new lay down yard for line hardware and moved hardware to that site
- Replaced bathroom faucet control room level
- Serviced all rolling and crawling equipment
- Performed annual full plant maintenance outage work

Tyee Lake Plant

Tyee inspections are 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 the substation, then closed with the grounds, dock, penstock tunnel, and airstrip. The plant was clean, orderly, and no safety concerns were noted.

Findings

All weekly and monthly Work Orders (WOs) are up to date. A review of all outstanding WOs indicates that those remaining are multi-year and will be scheduled in FY24. There were no forced outages and only one unscheduled outage resulting from a line disturbance during single unit outage maintenance.

The following is a list of assets and a highlight of repairs scheduled or completed:

Generators

- Cooling water strainers leaking; scheduled for replacement in July
- Very slight water leakage around Unit T-1 D-4 deflector linkage: repaired
- Very slight water leakage around Unit T-2 D-2 deflector linkage: repaired
- Brush compartments cleaned and brushes replaced on all units

Station Service/Substation

- DISC switch T-30 "B" phase hot spot at switch pivot point (serviced by EPC Line crew)

- CS-T20 circuit switch required phase adjustment and timing (completed by EPC and EPS)

Grounds/Dock/Penstock Tunnel/Airstrip

- Aluminum walking tread at the head of the dock ramp needs to be changed to fiberglass decking as it's slippery when wet: completed
- Interior crew quarters camp housing due for paint: completed

Notable Maintenance and Repairs Completed

- Replaced walking tread at the head of the dock ramp with non-skid fiberglass decking
- Marine terminals serviced; lines were meggered and phases rotated
- Tyee Lake gate house site serviced; all PMs completed
- Tyee airstrip graded and compacted with roller
- FS Admin Cabins De-Winterized and prepped for habitation
- Installed motion sensing light switches for switchyard and substation outbuildings
- Grade, clean ditches and remove beaver dams along service roads
- Oil samples taken on all transformers, reactors and generators
- Full Plant Maintenance outage completed

Substations and Switchyards

A review was also performed of SEAPA assets in Ketchikan's Bailey Substation, the Wrangell Switchyard and Substation, and the Petersburg Substation. Items inspected include, but are not limited to, the following:

- Yard and vegetation conditions
- SF-6 and nitrogen gas levels in transformers and switches
- Oil levels, temperatures in transformers and other oil-filled equipment
- Switch positions to verify whether they were fully engaged or open
- Condition of insulators, conductor connections, and line hardware
- Related comms buildings - checked for active annunciator alarms and relay flags, overall cleanliness, and building condition

This year reactor and circuit switcher testing was performed at the Wrangell Switchyard, and circuit breaker testing was performed at the Bailey Substation. This testing was performed by an outside contractor. The only concern noted was an elevated level of dissolved gasses in Wrangell Substation's tap changer compartment that showed up in oil sample testing. That compartment was resampled at the end of the outage and results are pending. All other testing indicates these assets to be in excellent condition.

Safety

There were no lost time injuries this quarter and no reported close calls.

Safety Training:

The Crews continue to participate in the online safety training program developed and hosted by HSI Training Solutions. The program has proven successful with additional training modules added as needed to round out the curriculum. Training this past quarter has included:

- ✓ **Emergency Action Plan Training*
- ✓ **Electrical Grounding*
- ✓ *Substation Safety*
- ✓ *Forklift Training*
- ✓ *Lock out-Tag Out training*
- ✓ *Hearing Protection*
- ✓ *PPE Training*
- ✓ *Hand, Foot and Face Protection*



PHOTOS



Energy Isolation: Tyee Transformer Leads removed for Yard Maintenance



Swan Lake Lay-down Yard Relocated and Reorganized



Swan Crew assisting with Swan Snow Survey



SEAPA crew preparing Swan Gate Stem for picking Penstock Gate



FERC Inspectors and SEAPA Staff at Swan Diversion Tunnel Entrance



Unscheduled Test of Tyee Emergency Lighting System during April 25th Outage



Tyee Single Unit outage Work: Brush Change and Winding Megger Testing



Tyee Gatehouse work: Clearing Brush and Penstock Exercising Gate



Operation 'Move the Outhouse': Operation successful!



USGS photo of Tyee Lake Gatehouse Landing Pad and Lake

End of Report

Date: June 17, 2024

To: Robert Siedman, P.E., CEO

From: Mark Hilson, P.E., Project Manager

Subject: SEAPA Board Report

Federal Energy Regulatory Commission (FERC) License-Related Activities

Swan Lake Part 12D Inspection and Report

The 8th Part 12D Inspection was successfully completed on May 14, 2024. The Part 12D inspection provides SEAPA and FERC with a third-party engineer's (a.k.a. Independent Consultant, "IC") assessment of our operational performance and instructional knowledge following the Periodic Inspection process as defined in 18 CFR §12.34. Similarly, FERC verifies the IC's inspection and conducts an inspection of their own. The Part 12D inspections are quite involved only occurring every five years and included representatives from FERC, Schnabel Engineering, and SEAPA staff.



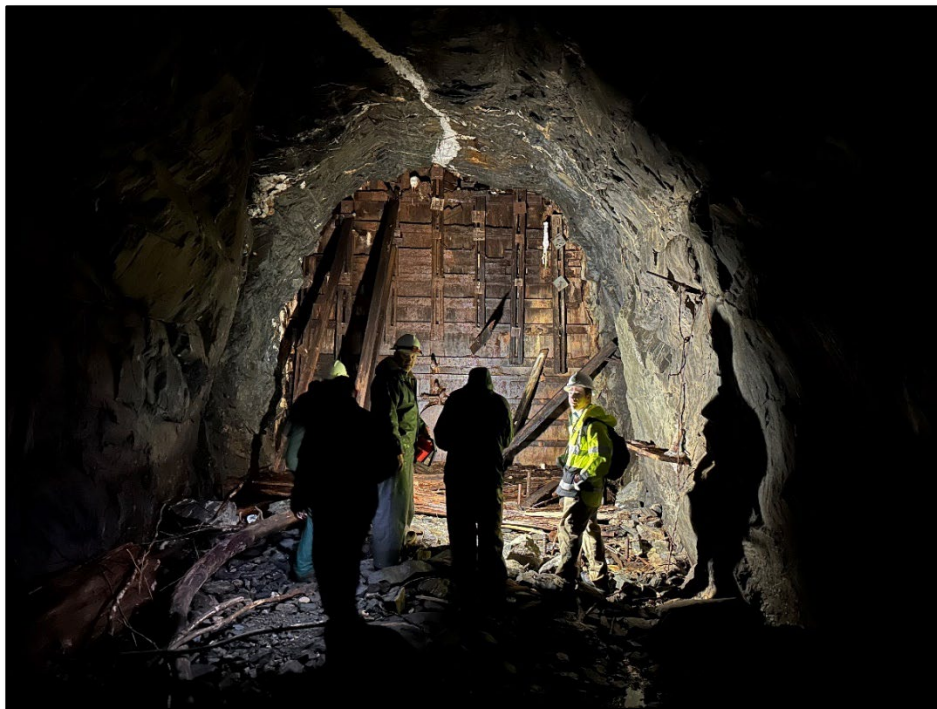
IC and FERC Inspect Dam



Cleared Abutment (Left)



Emergency Power Operating Fixed Wheel Gate



Diversion Tunnel Inspection at Tunnel plug

The inspection concluded that there were no conditions that would require immediate remedial action to protect the safety of the project. FERC did not find any items that would require follow-up action. Given advancements in drone technology and incorporation of those advancements into the practice of geology, Schnabel will be requiring additional drone survey of the abutments. This drone survey is an attempt to identify or rule out the presence of any fracture planes that can influence the long-term performance of the dam.

Next:

- FERC will issue a Dam Safety Inspection Report that could identify any items requiring follow-up action that came up as a result of FERC writing the Report.
- Schnabel Engineering will issue a Consultant's Safety Inspection Report (CSIR) for the Part 12D Inspection by December 31, 2024.
- FERC will perform a detailed review of the CSIR (2025 timeframe) and issue their comments in writing.

Swan Lake Emergency Action Plan (EAP)

Since Swan Lake is considered a "High Hazard Dam" by FERC, we are not only required to have an EAP, but also to regularly review, revise, and distribute the revised plan.

UPDATE:

- **FERC requires an annual EAP status report. The annual status report was filed and accepted by FERC with no further response from SEAPA required.**

Swan Lake Sudden Failure Assessment (SFA)

FERC has a new initiative that requires owners of High Hazard Dams to provide a report (SFA) that analyzes the time it takes to evacuate downstream people to safety should the dam collapse catastrophically. I completed SEAPA's SFA which FERC acknowledged and reviewed and had no comments. The SFA will be included in future EAP submissions and summarized in future EAP Status reports.

Swan Lake Dam Safety Surveillance and Monitoring Plan (DSSMR)

The report was finished on time by HDR, and SEAPA staff submitted it in advance of the March 31st deadline. FERC has reviewed and acknowledged the report including the conclusion that there are no developing dam safety issues and that the dam is safe for continued operation. FERC has begun a new initiative of requiring any available underlying instrumentation data so that they may perform their own analysis. This data was provided to FERC.

Swan Lake Supporting Technical Information Document (STID)

The STID has 11 sections and is intended to include all historical project information to date. And while this was last updated in 2019, new FERC guidelines provide very specific requirements including new

organizational requirements for the STID. Schnabel Engineering is under contract to update the STID, however the effort will require project management review and support. It is due at the end of this year, 2024.

Chief Dam Safety Engineer

- Attended Bureau of Reclamation Technical Services Center Safety Evaluation of Existing Dams Seminar (SEEDS) in Denver Colorado
- Inspected Swan Lake Dam June 12, 2024, and participated in annual Swan Lake Shutdown.



View From End of Log Boom Trail June 12, 2024

Project Related Activities

Swan Lake Bunkhouse Replacement

The new two-story, 2400 square-foot modular bunkhouse has been installed on site and the building was commissioned in December. The deck construction is complete, and the project will be closed out this year. The project was substantially complete on May 1, 2024. Interior furnishings are nearly complete,

and the bunkhouse has been used several times, most recently during our outage for both SEAPA staff and outside contractors.

Swan Lake Dam Vibration Analysis

The Swan Lake partial year dam vibration analysis report from Response Dynamics is complete. This project analyzed data from 6 previously installed extremely sensitive vibration sensors; 4 on the dam, one at the base of the dam above the power tunnel, and one in the gate house. Some interesting findings:

- Vibration from a Richter Scale Magnitude 1.7 Earthquake 41 KM WNW of Valdez, Alaska was recorded.
- The largest vibration recorded is believed to be associated with a small landslide that occurred relatively close to the dam.
- As expected, spillway discharging causes maximum vibration levels recorded and approximate the threshold of human perception, 100 micron/sec. (Recorded at elevation 343.8).
- High water levels combined with high power conduit flows (peak generation) generates larger vibration amplitudes (amplitude is how far or fast).
- High water levels decrease vibration frequency (times per second) because there is more mass when considering the water behind the dam.
- Starting up a unit causes a transient vibration which confirms what has been observed over the years.

Next:

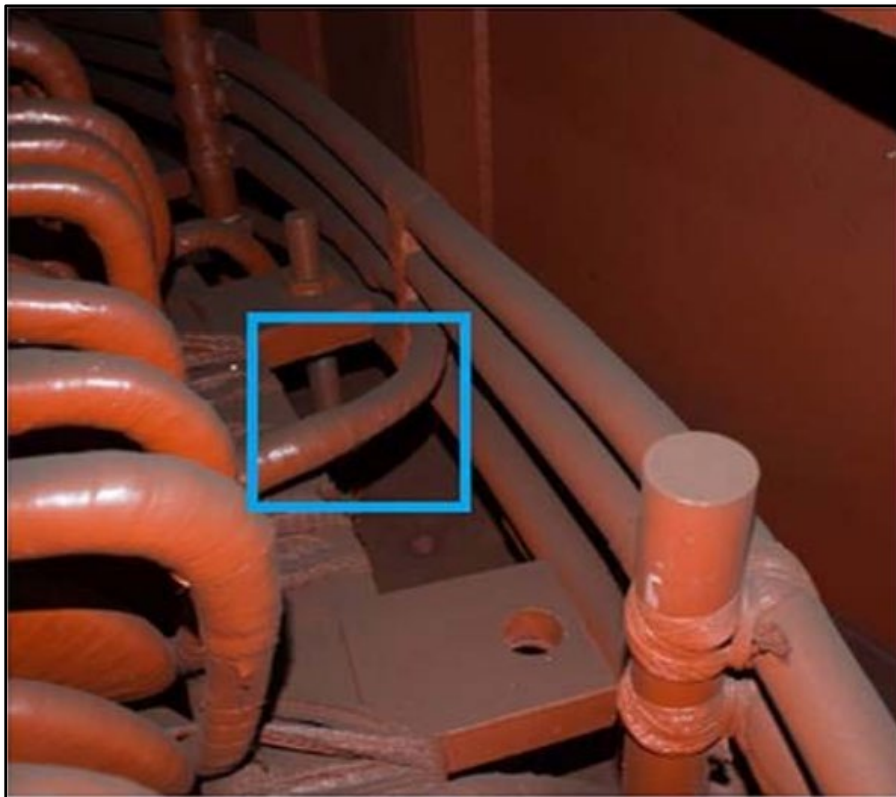
- IC review of the analysis
- Staff will engage Response Dynamics to analyze the existing data from the remainder of the year so that we have one full year of analysis.
- Decision on whether to continue collecting vibration data versus hibernating data collection.

Partial Discharge Monitors (PDM)– SWL

This project will be a collaborative effort with in-house personnel connecting the sensor equipment to the coil and IRIS Power inspecting the results of that work and commissioning their monitoring equipment. IRIS Power is scheduled to arrive on site July 22, 2024. Staff will finish the installation prior to arrival during single unit outages.



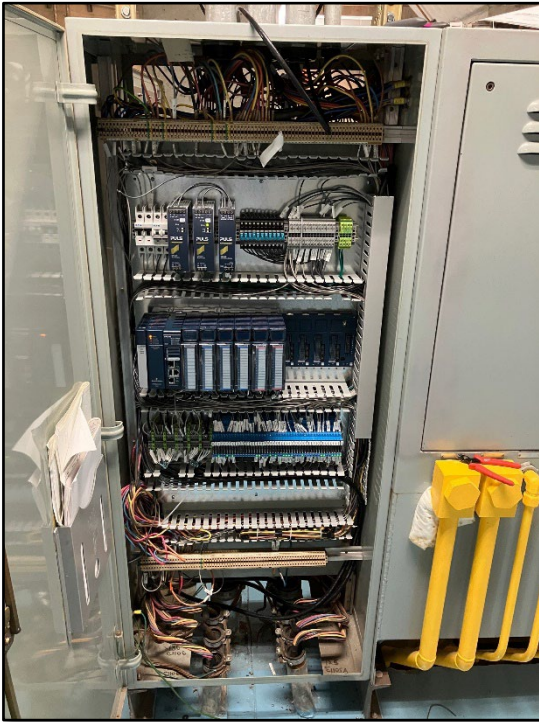
Unit 2 with PDM External Equipment installed



One Sensor Connection Location Inside Unit

EDG Governors-Exciters and Inlet Valve Control System

The design and fabrication of the Inlet Valve Control System has been completed. At the time of writing this report Basler was onsite working to wrap up the installation. SEAPA personnel assisted by removing existing wire runs and repulling new wire from the control cabinet to the inlet valves and pulling backup DC power cable. The work will be done and commissioned with the restart of the plant immediately after the shutdown. Work on the EDG Governors-Exciters is now expected for August.



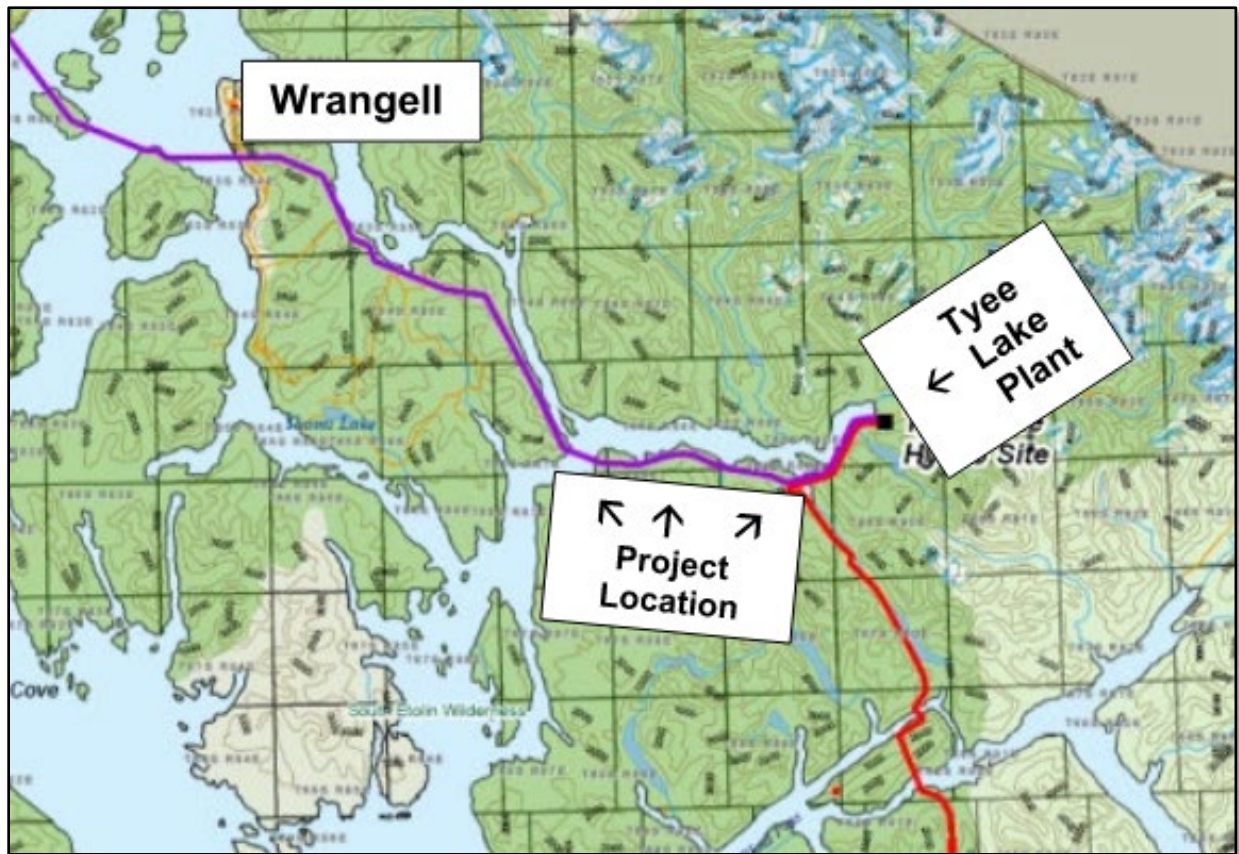
New Cabinet Controls



New Position Indicators Installed

Cleveland Peninsula Helipad Replacement

This program shifted from replacing all existing pads to trying to find alternative landing sites thereby minimizing the number of pads, the cost for replacement, and reducing long-term liability. A helicopter inspection attempting to land at all pads was completed on June 6, 2024 resulting in 8 pads identified as needing removal, and 7 pads needing reconstruction. If completed, all “D” and “F” rated pads (from Tongass Engineering’s 2021 assessment) will either be removed or replaced. I am cautiously optimistic that this scope may be executed for the 2024 remaining budgeted amount of approximately \$477,000. However, to maximize our chances of doing so, we intend to contract directly with Temsco for slinging existing pads out, after demolishing pads with the brushing crew. An added benefit of this approach is simplification of the project which should attract bidders. If the Forest Service concurs, we hope to demo pads this July/August, then issue a contract in 2024 for installation in 2025. Design drawings have been updated in-house. It is important to note that even after this project, helipad removal/replacement projects will continue for some time as the existing wood pads (an incomplete count shows 44 wood pads remaining) are now reaching the end of their service life.



Project location Map



Landing on 10' x 10' Pad



Failed 14' x 14' Pad – Not Landed on

Ketchikan Substation

The management of this project has been transitioned to Kris Womack, P.E., but I'm happy to support Mr. Womack and the project as needed.

Tyee 3rd Turbine FERC Capacity License Amendment:

Kleinschmidt is now under contract and the project is on schedule for a Final Amendment Application (FAA) at the end of 2024. Progress includes:

- Contract Kickoff Meeting
- Document transfer to Kleinschmidt
- Documenting why the 3rd Turbine project is needed now
- Early engagement with FERC
- Confirmation that a FERC License Amendment is required

Risks:

- Despite presenting a compelling need for a 3rd Turbine License Amendment now, FERC may decide to not entertain this approach. (FERC would provide basis for this determination).
- Agency concerns push us into a three-step process instead of an expedited approach (delaying FAA)
- Environmental Studies (delaying FAA)

Next:

- Continue early engagement of FERC
- Begin Early engagement of agencies
- Continue with application exhibits and document preparation
- Joint Agency/Public Meeting in September or October

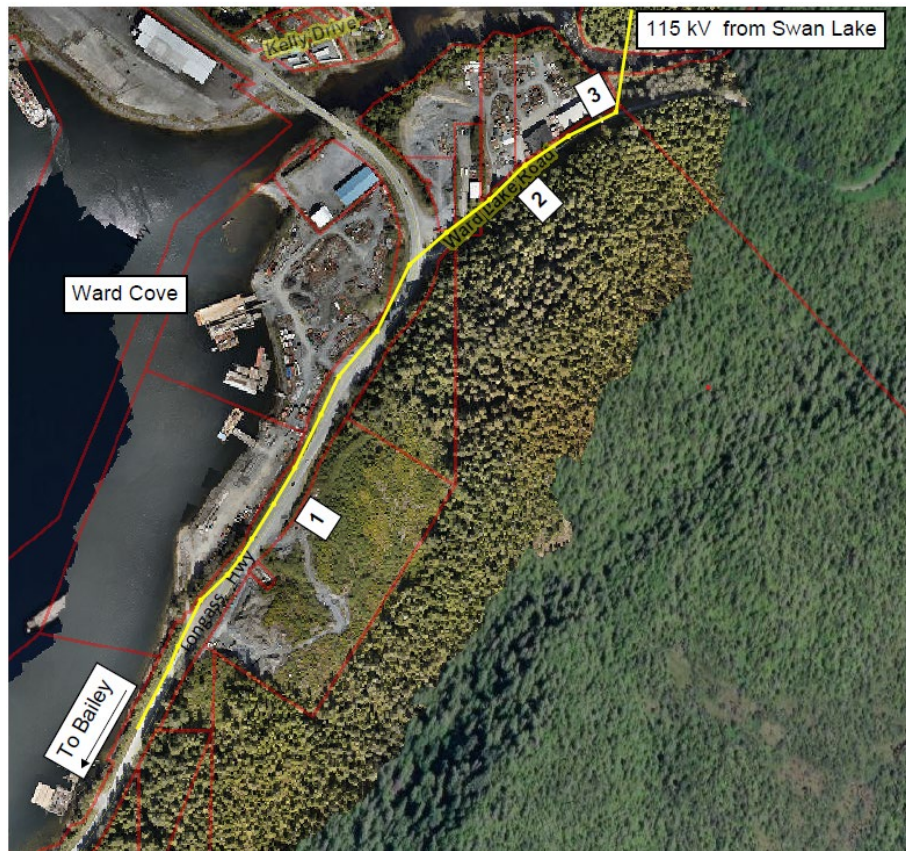
End of Report

Date: June 17, 2024
To: Robert Siedman, CEO
From: Kris Womack, Electrical Controls Engineer
Re: Projects Report for June 26-27, 2024 Board Meeting

Ketchikan Substation Design

SEAPA's five-year Strategic Plan identified the need for a Third Turbine at its Tye Hydroelectric Project to meet the horsepower demands of Ketchikan, Petersburg, and Wrangell, Alaska. Additional horsepower will require delivery capacity (a substation) in Ketchikan. The intent of this project is develop a shovel-ready design with a construction cost estimate for a substation in Ketchikan that is sized and designed to service load growth needs in Ketchikan.

The scope of work is for the design of a new remotely-controlled 115/34.5 kV substation located adjacent to SEAPA's 115 kV line from SEAPA's Swan Lake Hydroelectric Facility. Three location options have been preliminarily identified as shown below:



The new station will be served from an existing 115 kV transmission line owned by SEAPA. The design of two short transmission lines to bring power to (115kV) and from (34.5kVA) the substation via overhead lines are included in the scope of work.

At the March 14, 2024 board meeting, the board awarded the contract to SEL Engineering Services, Inc. A kick-off meeting was held on May 15th. SEL has submitted two rounds of Requests for Information and SEAPA has responded accordingly. Bi-weekly coordination meetings are set up to ensure SEL receives information, and progress is tracked. A site visit was conducted by SEL on June 17th. They are currently on track to deliver the design later this year.

Tyee Third Turbine Design

SEAPA's five-year Strategic Plan identified the need for a Third Turbine at its Tyee Hydroelectric Facility to meet the horsepower demands of Ketchikan, Petersburg, and Wrangell. This design contract will result in a shovel-ready design to include maximum horsepower criteria and construction cost estimates for the Tyee Third Turbine. SEAPA is in the process of seeking an amendment of its FERC license to add a third turbine. Design will additionally determine what capacity will be requested from FERC.

At its April 26, 2024 special meeting, the board awarded the contract to McMillen, Inc. A kick-off meeting was held with McMillen on May 28th and a subsequent site visit was conducted on June 3rd through June 6th. Eight individuals from McMillen attended the site visit. They gathered pertinent information for design considerations and performed 3D modeling of the entire powerhouse and switchyard.



SOUTHEAST ALASKA POWER AGENCY CEO REPORT

DATE: June 18, 2024

TO: SEAPA Board of Directors

FROM: Robert Siedman, P.E., Chief Executive Officer

SUBJECT: CEO Report

SAFETY:

No work-related lost-time incidents have occurred since my last CEO report. In November 2023, SEAPA's Safety Training contractor (TSS) provided notice that it would not seek renewal of SEAPA's Safety Training Contract for 2024 due to other commitments. TSS was SEAPA's Safety Support Services and Training contractor at Swan Lake for four years and Tyee Lake's for many more.

For 2024, SEAPA transitioned to the Health and Safety Institute (HSI) in January and staff developed individual training programs (journeys) for employees. After six months of the 2024 safety journey, the HSI program has proven to be very successful, meeting all OSHA requirements. Certificates of completion and testing metrics have helped management understand and track progress to maintain Safety at SEAPA as a high priority.

GOVERNMENTAL AFFAIRS & EXTERNAL INDUSTRY ACTIVITIES:

Alaska's legislative session for 2024 ended on May 16. This year's session was filled with late nights and excellent debates. Education, energy, the PFD and a long-term fiscal plan were top priorities for this year's legislative session.

SB 196 – An Act relating to drug and alcohol testing by employers:

As a Board Member of the Alaska Power Association (APA), I became aware of an effort to include "oral fluid" as a method for drug testing. With the legalization of recreational marijuana and the medical industry's use of prescriptions such as Cannabidiol (CBD) and Tetrahydrocannabinol (THC), policy's regarding testing for THC was becoming increasingly challenging for Alaskan employers. As a result, many employers were opting out of testing for THC all together.

Technological advances in oral fluid testing have increased efficacy and the reliability of test results to a very high level in recent years. With the development of oral fluid testing, employers may now test an employee to determine whether they are "under the influence", reducing false (or faint) positive test result percentages. SB-196 (passed) will allow SEAPA to adopt oral fluid testing as part of its Drug and Alcohol policy. Staff is currently working on a policy with plans to present to the Board in late 2024.

SB 243 – An Act relating to AEA Board of Directors:

SEAPA was very involved with the language in SB 243. This bill was absorbed into HB 307 (discussion to follow).

SB 217 – An Act relating to Integrated Transmission Systems:

SEAPA was very involved with the language in SB 217. This bill was absorbed into HB 307 (discussion to follow).

SB 257 – An Act relating to Electric Utility Regulation:

SEAPA was very involved with the language in SB 257. This bill was absorbed into HB 307 (discussion to follow).

HB307 – An Act relating to Utility Regulation, RCA, AEA, Energy Loan:

HB-307 became the conduit for all the energy bills that came before it. This bill was considered by many legislators as the “energy package”. The final “package” did not come together until the final days of this year’s legislative session, so special attention to this year’s session was extremely important.

As discussed in my last CEO report, Senators Lisa Murkowski and Dan Sullivan, and Representative Mary Peltola secured \$206.5M from the U.S. Department of Energy (DOE) Grid Deployment Office (GDO) for projects that increase Alaska Railbelt electrical grid redundancy and resiliency. The Grid Resilience and Innovation Partnership (GRIP) grant requires matching funds of \$206.5M (discussion to follow under SB-187) however legislation was also necessary to define ownership criteria, maintenance, wholesale power agreements, taxation and to develop an electric reliability organization for the management of a future transmission network in the Railbelt.

Given the urgency for energy legislation this session, many other bills were introduced and with careful consideration by our legislators, language from those bills was absorbed into HB-307 as well. After several amendment requests to our District Senator and Representative, collaboration with CEOs around the State for amendment requests to their District’s Senators and Representatives and hard work from SEAPA’s lobbyist, SEAPA was able to:

- i. Prevent unintentional taxation of the Agency from now and into the future;
- ii. Prevent redefinition of the Agency as an Independent Power Producer (IPP) by Statute;
- iii. Exempt interconnected bulk-electric systems under 3,000,000 MWh from becoming an Electric Reliability Organization regulated by the RCA; and
- iv. Add a seat to the AEA Board of Directors that allows SEAPA or one of its Member Utilities to be a member.

I have attached a copy of HB-307 and highlighted the specific areas that SEAPA contributed to. It was especially important to stay engaged this legislative session because new laws can often enact consequences to entities such as SEAPA, even if that was not the “intent”.

SB 187 – An Act making appropriations, including capital and supplemental:

There were many long conversations, presentations and testimonials surrounding the \$206.5M Grid Resilience and Innovation Partnership (GRIP) grant. Midway through the session, AEA negotiated a payment schedule with the GDO office and presented it to legislators. As a result, the required matching funds for the grant only amounted to \$6.9M this year. In the coming years, the remainder of the \$206.5M match will be requested.

Legislators allocated the \$6.9M this year, however discussions have already started regarding a fiscal energy package for the remainder of the match requirements. This will likely be a priority topic for next year's legislative session. As I stated in my last CEO report, I anticipate serious talks to continue regarding a General Obligation (GO) bond.

A GO Bond must be authorized by law and ratified by the voters. It will be a long shot that a GO Bond specific only to the Railbelt electrical grid will be ratified by the voters, let alone pass legislation. It is therefore likely that a proposed GO Bond will encompass a geographically diverse number of projects across the State. The challenge for legislators next year will be how to limit the impact on the state's debt load. A "Christmas Tree" approach could rapidly surpass a billion-dollar debt service. I anticipate future discussions in Juneau will focus on limiting the bond to energy projects with specific scopes, such as "resiliency". This would put SEAPA in a good position to receive additional funding for the Tyee Third Turbine and Ketchikan/Wrangell substations.

The Renewable Energy Fund (REF) was only allocated \$14M this year, out of a \$32M request from AEA. SEAPA applied for \$4M and was recommended for award by AEA. Unfortunately, the SEAGR project did not make the cut in this year's budget.

After a meeting with Curtis Thayer (Executive Director for AEA) in Washington DC this Spring, I have an understanding that the projects that did not make the cut this year will move up on the list for next year. If this is the case, the probability of a \$4M award next year is very high for the Southeast Alaska Grid Resiliency (SEAGR) project.

DOE Section 247 – *The Maintaining and Enhancing Hydroelectricity Incentives Program*

SEAPA applied for a \$5M grant for the SEAGR project through the DOE Section 247 grant application process. This grant is the largest of the Grid Deployment Office (GDO) grant programs authorized through the Bipartisan Infrastructure Law (BIL), with over \$500M in funding. SEAPA submitted its letter of intent on June 20, 2023, and submitted a final application on October 6. The program is likely oversubscribed, which will invoke a process that will force the GDO to rank applications and award applicants based on points. Although it was not a requirement, SEAPA submitted a "self-ranking evaluation" that demonstrates the SEAGR project scores the highest possible points based on the evaluation criteria provided in the grant application documents.

I met with Erin Whitney, the Director of the Arctic Energy Office in Washington DC this Spring. With all the federal grant programs, and high number of applications, she stated that applications are still in review and that we will likely not receive selection announcements until later this Summer.

USDA Forest Service – Notice of Intent on Vegetation Management in National Forests

The U.S. Forest Service published a Notice of Intent (NOI) that would eliminate logging and appeared to severely curtail vegetation management activities in all national forests and then subsequently requested comments on a new Tongass Plan Revision study that would categorize SEAPA's reservoirs as "Scenic Rivers".

SEAPA prepared a comprehensive comment letter to the NOI and additionally requested exclusion from the Tongass Plan Revision study. Comments were submitted to the USDA. After meeting with Senators Murkowski and Sullivan in Washington DC this Spring, I raised concern regarding these issues. Both our Senators were very receptive and indicated that if SEAPA's comments are not received/implemented, they would be willing to assist the Agency (and Southeast Alaskans) on these issues.

At the time of this report, we have not received an update whether our concerns were addressed by the Forest Service and/or language was changed to exempt SEAPA. I have attached both letters to the Forest Service and to our Congressional members. We will continue to follow this very closely as the Forest Service progresses with these two efforts.

AK Department of Natural Resources (DNR) – Reclamation Fund Update

I am very pleased and excited to announce that a Performance Guaranty between SEAPA and DNR has been accepted/signed and the Reclamation Fund has been officially terminated. Fifty percent (50%) of the funds were disbursed to Kodiak Electric Association (KEA) and Copper Valley Electric Association (CVEA) with the balance retained in SEAPA's account. I will further elaborate in the CEO Financial Cover Memo.

After 15 years, this effort has finally crossed the finish line!

SEAPA CONTRACTS and RFP's:

Staff has been working diligently on contracts and requests for proposals (RFPs). We are currently having one of the most productive years on record between feasibility projects (Tyee Third Turbine, Ketchikan Substation, etc.), brushing contracts and RR projects. The following table is an overview of our progress.

PROJECT	Publish Date	Bid Due Date	Board Mtg Date	Comments or Status
Tyee License Capacity Amendment	12/13/2023	02/16/2024	03/14/2024	Complete – Contract award to Kleinschmidt Associates
Ketchikan Substation Design	01/19/2024	03/01/2024	03/14/2024	Complete – Contract award to SEL Engineering Services
2024 Swan-Tyee Intertie Brushing	01/24/2024	02/28/2024	03/14/2024	Complete – Contract award to Copper Ridge LLC
2024 Swan-Bailey Brushing	01/24/2024	02/28/2024	03/14/2024	Complete – Contract award to Copper Ridge LLC
TYEE 3 rd Turbine & Generator Design	02/23/2024	04/01/2024	04/25/2024	Complete – Contract award to McMillen, Inc.
TEX R US Contract (IT Services)	Review contract; redraft & negotiate new terms; if unable to negotiate new terms, consider soliciting bids			Complete – Effective 04/01/2024 new contract negotiated with no increase to rates and fees; effective to 12/31/2025 with auto renewal for successive one-yr terms
Tyee Station Service Switchgear Construction	03/01/2024	06/07/2024	Regular Mtg 06/26-27/2024	One bid received from Electric Power Constructors to be considered for award at 06/26-27/2024 Regular Meeting
SWAN LAKE RELICENSING CONSULTANT	TBD	TBD	Special Bd Mtg or Regular Mtg 06/26-27/2024	Draft in process
TYEE LAKE RELICENSING CONSULTANT	TBD	TBD	Special Bd Mtg or Regular Mtg 06/26-27/2024	Pending
Helipads Cleveland Peninsula	TBD	TBD	Special Bd Mtg or Regular Mtg 6/26-27/2024	Site visit to Cleveland conducted 6/6/2024; if USFS approves demo of 7 pads; contract issued in 2024 for installation in 2024
2024-2025 Insurance Broker Services	05/31/2024	08/08/2024	08/28-29/2024	Bids pending
2025-2028 Annual Transmission Line Maintenance Services	08/30/2024	09/30/2024	October 2024	3-yr Contract with 1-yr renewal option
Swan Lake Air Carrier Services (Taquan)	TBD	TBD	Review in 3 rd Qtr 2024	Contract w/Taquan exp. 12/31/2024
Tyee Air Carrier Services (Sunrise Aviation)	10/01/2024	N/A	N/A	11/01-open for Sunrise to advise of intent to in-crease rates or maintain; renegotiate contract terms

5-YEAR STRATEGIC PLAN UPDATE:

During the September 28-29, 2023, Board Meeting in Petersburg, SEAPA's Board of Directors held a workshop to finalize the 2024-2028, 5-year strategic plan. Execution of the plan is underway. The following is an update on progress:

Phase 1: SEAGR – Southeast Alaska Grid Resiliency Project (Tyee Third Turbine)

The License Amendment Contract for the SEAGR project (FERC Capacity Amendment) was awarded to Kleinschmidt and is currently underway. A detailed update is in the Project Manager's report.

The Design Contract for the SEAGR project was awarded to McMillen. A detailed update is in the Electrical Controls Engineer report.

I continue to diligently pursue funding the construction phase of the SEAGR project. State and Federal funding is anticipated. As the design phase continues, timelines for

construction, cost estimates and permitting requirements will become clearer and assist with our efforts for grants.

Phase 2: SEADR – Southeast Alaska Delivery Resiliency Project

The Ketchikan Substation Design RFP was awarded to Schweitzer Engineering. A detailed update is in the Electrical Controls Engineer report.

Phase 3: SEACR – Southeast Alaska Capacity Resiliency Project

As outlined in the 5-Year Strategic Plan, the SEACR project is a new hydroelectric facility. Although the need for additional hydroelectricity is likely more than 10-years away, as forecasted in the 2023 Load Forecast, I continue to pay special attention to opportunities, industry trends and potential alternative technologies. A Solar farm may be prudent to explore if funded by federal pass-through money from AEA. The results of SEAPA's solar feasibility study will be discussed in a presentation from SEAPA's expert consultant later under New Business in the Agenda.

BEST PRACTICES & PROCESS IMPROVEMENTS:

I attended the Alaska Power Association (APA) Legislative Fly-In in Washington DC. The event was very productive with multiple meetings pertaining to Energy with the Department of Energy (DOE) and Alaskan Congressional leaders.

With billions of dollars still appropriated to the DOE for energy projects and upgrades, I was able to identify a few more programs that have potential for partial funding of the SEAGR and SEADR projects. As the next round of applications approach later this year, SEAPA continues to monitor and research opportunities for federal funding.

As mentioned in my update on SB-196, SEAPA is in the early stages of developing a comprehensive Drug and Alcohol (testing) policy. Alaska Statute (AS 23.10.600) has provisions for "safe harbor" that protects employers from litigation regarding drug and alcohol testing. An employer must have established a drug and alcohol testing policy for protection under this Statute.

In my last CEO report, I mentioned the need for a Financial Management Plan. Since that report, staff has met with our Investment Management firm and auditor and is currently reviewing plans from similar organizations throughout the State. I intend on having a high-level outline for the October Board Meeting. A Workshop will be held during that meeting to develop guidelines for this plan.

PERSONNEL RECRUITMENT:

I am pleased to announce that SEAPA is currently 100% fully staffed! I would like to welcome Kris Womack, SEAPA's Electrical Controls Engineer, and Tim Ross, our Engineering Intern to the team!

Attachments:

- A. House Bill 307
- B. Letter to Murkowski, Re USFS
- C. Comment Letter to USFS, Land Management & Old Growth
- D. Comment Letter to USFS, Re USDA Scenic Rivers Study

Attachment A to CEO Report

House Bill 307



LAWS OF ALASKA

2024

Source

SCS CSHB 307(FIN)

Chapter No.

AN ACT

Relating to the Regulatory Commission of Alaska; relating to regulation of public utilities and pipeline carriers; relating to approval of wholesale power agreements; relating to electric reliability organizations; relating to loans for renewable energy resources projects from the power project fund; relating to the taxation of new electricity generation and storage facilities; relating to the Alaska Energy Authority; relating to the Railbelt Transmission Organization; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1

AN ACT

1 Relating to the Regulatory Commission of Alaska; relating to regulation of public utilities and
2 pipeline carriers; relating to approval of wholesale power agreements; relating to electric
3 reliability organizations; relating to loans for renewable energy resources projects from the
4 power project fund; relating to the taxation of new electricity generation and storage facilities;
5 relating to the Alaska Energy Authority; relating to the Railbelt Transmission Organization;
6 and providing for an effective date.

7 _____
8 * **Section 1.** The uncoded law of the State of Alaska is amended by adding a new section
9 to read:

10 LEGISLATIVE INTENT. It is the intent of the legislature that ownership of state-
11 funded new or upgraded backbone transmission assets in the Railbelt be decided when the
12 financing for the new or upgraded transmission assets is approved by the state.

13 * **Sec. 2.** AS 39.25.110(11) is amended to read:

14 (11) the officers and employees of the following boards, commissions,
15 and authorities:

- 1 (A) [REPEALED]
2 (B) Alaska Permanent Fund Corporation;
3 (C) Alaska Industrial Development and Export Authority;
4 (D) Alaska Commercial Fisheries Entry Commission;
5 (E) Alaska Commission on Postsecondary Education;
6 (F) Alaska Aerospace Corporation;
7 (G) [REPEALED]
8 (H) Alaska Gasline Development Corporation and subsidiaries
9 of the Alaska Gasline Development Corporation;
10 **(I) Alaska Energy Authority;**

11 * **Sec. 3.** AS 42.04.020(a) is amended to read:

12 (a) The commission consists of five commissioners appointed by the governor
13 and confirmed by the legislature in joint session. To qualify for appointment as a
14 commissioner, a person must

15 **(1) be a member in good standing of the Alaska Bar Association with**
16 **at least five years of actual experience in the practice of law;**

17 **(2) be a professional engineer registered under AS 08.48;** or

18 **(3) have a degree from an accredited college or university with a major**
19 **in [ENGINEERING,] finance, economics, accounting, business administration, or**
20 **public administration and at least five years of actual experience in the field**
21 **associated with the degree** [ACTUAL EXPERIENCE FOR A PERIOD OF FIVE
22 YEARS IN THE PRACTICE OF LAW OR IN THE FIELD OF ENGINEERING,
23 FINANCE, ECONOMICS, ACCOUNTING, BUSINESS ADMINISTRATION, OR
24 PUBLIC ADMINISTRATION IS EQUIVALENT TO A DEGREE].

25 * **Sec. 4.** AS 42.04.020(f) is amended to read:

26 (f) Members of the commission are in the exempt service and are entitled to a
27 monthly salary equal to a step in **Range 29** [RANGE 27] of the salary schedule in
28 AS 39.27.011(a) for Juneau, Alaska. The chair of the commission is entitled to a
29 monthly salary equal to a step in **Range 29** [RANGE 27] of the salary schedule in
30 AS 39.27.011(a) for Juneau, Alaska.

31 * **Sec. 5.** AS 42.05.141(b) is amended to read:

(b) The commission shall perform the duties assigned to it under AS 42.45.100 - 42.45.190 **and AS 44.83.700 - 44.83.720.**

* **Sec. 6.** AS 42.05.141 is amended by adding a new subsection to read:

(g) Nothing in this chapter limits the authority of the commission under this section or AS 42.05.151 necessary to implement provisions that remain applicable under AS 42.05.321(b) or 42.05.711.

* **Sec. 7.** AS 42.05.254(a) is amended to read:

(a) A regulated public utility or a certificated utility that provides telecommunications services operating in the state shall pay to the commission an annual regulatory cost charge in an amount not to exceed the maximum percentage of adjusted gross revenue that applies to the utility sector of which the utility is a part. The regulatory cost charges that the commission expects to collect from all regulated utilities and certificated utilities providing telecommunications services may not exceed the sum of the following percentages of the total adjusted gross revenue of all regulated public utilities and certificated utilities providing telecommunications services derived from operations in the state: (1) not more than **.98** [.7] percent to fund the operations of the commission, and (2) not more than **.22** [.17] percent to fund operations of the public advocacy function under AS 42.04.070(c) and AS 44.23.020(e) within the Department of Law. An exempt utility that does not provide telecommunications services shall pay the actual cost of services provided to it by the commission.

* **Sec. 8.** AS 42.05.381 is amended by adding a new subsection to read:

(p) A determination of whether an electric utility's rate is just and reasonable may consider whether the purpose of the rate is to increase diversity of supply, promote load growth, or enhance energy reliability or energy security.

* **Sec. 9.** AS 42.05.431(b) is amended to read:

(b) A wholesale power agreement between public utilities, **or between a public utility and an independent power producer,** is subject to advance approval of the commission. **A rate set in accordance with a wholesale power agreement must disclose a state or local tax exemption provided to a utility or independent power producer.** After a wholesale power agreement is in effect, the commission

1 may not invalidate any purchase or sale obligation under the agreement. However, if
2 the commission finds that rates set in accordance with the agreement **violate this**
3 **subsection or** are not just and reasonable, the commission may order the parties to
4 negotiate an amendment to the agreement and if the parties fail to agree, to use the
5 dispute resolution procedures contained in the contract. **In this subsection,**
6 **"independent power producer" means a legal entity, other than a public utility**
7 **or a joint action agency established under AS 42.45.310, that owns or operates a**
8 **facility for the generation of electricity.**

9 * **Sec. 10.** AS 42.05.711(b) is amended to read:

10 (b) Except as otherwise provided in this subsection, [AND IN] (o) of this
11 section, **and AS 44.83.700(d),** public utilities owned and operated by a political
12 subdivision of the state, or electric operating entities established as the instrumentality
13 of two or more public utilities owned and operated by political subdivisions of the
14 state, are exempt from this chapter, other than AS 42.05.221 - 42.05.281 and
15 42.05.385. However,

16 (1) the governing body of a political subdivision may elect to be
17 subject to this chapter; and

18 (2) a utility or electric operating entity that is owned and operated by a
19 political subdivision and that directly competes with another utility or electric
20 operating entity is subject to this chapter and any other utility or electric operating
21 entity owned and operated by the political subdivision is also subject to this chapter;
22 this paragraph does not apply to a utility or electric operating entity owned and
23 operated by a political subdivision that competes with a telecommunications utility.

24 * **Sec. 11.** AS 42.05.760(a) is amended to read:

25 (a) An electric utility must participate in an electric reliability organization if
26 the utility operates in an interconnected electric energy transmission network served
27 by an electric reliability organization certificated by the commission. The commission
28 may not require an electric reliability organization for an interconnected bulk-electric
29 system if

30 **(1)** all of the load-serving entities operating in the interconnected bulk-
31 electric system are exempt under AS 42.05.711(b); **or**

1 (2) the sum of annual electric energy sales made by load-serving
2 entities operating in the interconnected bulk-electric system is less than 3,000,000
3 megawatt-hours.

4 * Sec. 12. AS 42.05.762 is amended to read:

5 Sec. 42.05.762. Duties of an electric reliability organization. An electric
6 reliability organization shall

7 (1) develop reliability standards that provide for an adequate level of
8 reliability of an interconnected electric energy transmission network;

9 (2) develop integrated resource plans under AS 42.05.780(a);

10 (3) establish rules to

11 (A) ensure that the directors of the electric reliability
12 organization and the electric reliability organization act independently from
13 users, owners, and operators of the interconnected electric energy transmission
14 network;

15 (B) equitably allocate reasonable dues, fees, and other charges
16 among all load-serving entities connected to the interconnected electric energy
17 transmission network for all activities under AS 42.05.760 - 42.05.790;

18 (C) provide fair and impartial procedures for the enforcement
19 of reliability standards;

20 (D) provide for reasonable notice and opportunity for public
21 comment, due process, openness, and balancing of interests in exercising its
22 duties; [AND]

23 (4) be governed by a board that

24 (A) includes as nonvoting members the chair of the
25 commission or the chair's designee and the attorney general or the attorney
26 general's designee; and

27 (B) is formed as

28 (i) an independent board;

29 (ii) a balanced stakeholder board; or

30 (iii) a combination independent and balanced
31 stakeholder board; and

1 (5) prioritize the reliability, stability, and cost to consumers of the
2 interconnected bulk-electric system served by the electric reliability organization.

3 * **Sec. 13.** AS 42.05.770 is amended to read:

4 **Sec. 42.05.770. Regulations.** The commission shall adopt regulations
5 governing electric reliability organizations, reliability standards, and modifications to
6 reliability standards consistent with this section. Regulations under AS 42.05.760 -
7 42.05.790 must

8 (1) require that an electric reliability organization's tariff include

9 [(A) STANDARDS FOR] nondiscriminatory standards for
10 [OPEN ACCESS TRANSMISSION AND] interconnection;

11 [(B) STANDARDS FOR TRANSMISSION SYSTEM COST
12 RECOVERY;]

13 (2) provide a process to identify and resolve conflicts between a
14 reliability standard and a function, rule, tariff, rate schedule, or agreement that has
15 been accepted, approved, adopted, or ordered by the commission;

16 (3) allow an electric reliability organization to recover its costs through
17 surcharges added to the rate for each participating load-serving entity.

18 * **Sec. 14.** AS 42.06.286(a) is amended to read:

19 (a) A pipeline carrier operating in the state shall pay to the commission an
20 annual regulatory cost charge in an amount not to exceed the sum of the following
21 percentages of gross revenue derived from operations in the state: (1) not more than
22 .98 [.7] percent to fund the operations of the commission, and (2) not more than .22
23 [.17] percent to fund operations of the public advocacy function under
24 AS 42.04.070(c) and AS 44.23.020(e) within the Department of Law. A regulatory
25 cost charge may not be assessed on pipeline carrier operations unless the operations
26 are within the jurisdiction of the commission.

27 * **Sec. 15.** AS 42.45.010 is amended by adding new subsections to read:

28 (m) A loan for a renewable energy resources project in which the cumulative
29 state monetary involvement, through loans, grants, and bonds, is at least \$5,000,000
30 may not be granted for a term that exceeds 50 years and may, notwithstanding (f)(2) of
31 this section, be granted at an interest rate that is the lesser of

1 (1) three percent lower than the rate determined under (f)(2)(A) of this
2 section, but not less than one percent; or

3 (2) a rate equivalent to the rate determined under (f)(2)(B) of this
4 section.

5 (n) In (m) of this section, "renewable energy resources" has the meaning given
6 in AS 42.45.045(l).

7 * **Sec. 16.** AS 43.98 is amended by adding a new section to read:

8 **Article 2A. Taxation of New Electricity Generation and Storage Facilities.**

9 **Sec. 43.98.100. Taxation of new electricity generation and storage**
10 **facilities.** (a) An electricity generation facility or electricity storage facility that is
11 constructed and placed into service on or after July 1, 2024, is not subject to state and
12 local ad valorem, income, and excise taxes if the electricity generation facility is

13 (1) operated by a public utility or joint action agency established under
14 AS 42.45.310; or

15 (2) operated by an entity other than a public utility and provides power
16 only to a public utility.

17 (b) In this section, "public utility" has the meaning given in AS 42.05.990.

18 * **Sec. 17.** AS 44.83.030 is amended to read:

19 **Sec. 44.83.030. Membership of the authority.** The members of the board of
20 directors of the authority [ALASKA ENERGY AUTHORITY] are

21 (1) the commissioner of revenue;

22 (2) the commissioner of commerce, community, and economic
23 development; and

24 (3) six public members appointed by the governor as follows:

25 (A) one member with expertise or experience in managing
26 or operating an electric utility that is not connected to an interconnected
27 electric energy transmission network as defined in AS 42.05.790;

28 (B) one member with expertise or experience in developing
29 energy projects in rural communities;

30 (C) one member with expertise or experience in managing
31 or operating an electric utility connected to an interconnected electric

1 energy transmission network as defined in AS 42.05.790;

2 (D) one member with expertise or experience in managing a
3 municipally owned utility located off the interconnected road system or
4 joint action agency established under AS 42.45.310 located off the
5 interconnected road system;

6 (E) one member with financial expertise in large power
7 generation project development; and

8 (F) one member with expertise or experience in finance,
9 energy policy, energy technology, engineering, law, or economics [THE
10 MEMBERS OF THE ALASKA INDUSTRIAL DEVELOPMENT AND
11 EXPORT AUTHORITY].

12 * **Sec. 18.** AS 44.83.030 is amended by adding new subsections to read:

13 (b) If the commissioner described in (a)(1) or (a)(2) of this section is unable to
14 attend a meeting of the authority, the commissioner may, by an instrument in writing
15 filed with the authority, designate a deputy or director to act in the commissioner's
16 place as a member of the board at the meeting. For all purposes of this chapter, the
17 designee is a member of the board at the meeting.

18 (c) Public board members described in (a)(3) of this section serve for three-
19 year terms.

20 (d) If a vacancy occurs in the membership of the board, the governor shall
21 immediately appoint a member for the unexpired portion of the term.

22 * **Sec. 19.** AS 44.83.040(a) is amended to read:

23 (a) The board of directors of the authority shall elect a chair and vice-chair
24 every two years from among its members [OF THE ALASKA INDUSTRIAL
25 DEVELOPMENT AND EXPORT AUTHORITY SHALL SERVE AS OFFICERS
26 OF THE ALASKA ENERGY AUTHORITY]. The powers of the authority
27 [ALASKA ENERGY AUTHORITY] are vested in the board of directors, and five
28 board members [FOUR DIRECTORS OF THE AUTHORITY] constitute a quorum.
29 Action may be taken and motions and resolutions adopted by the authority
30 [ALASKA ENERGY AUTHORITY] at a meeting by the affirmative vote of at least
31 five board members [A MAJORITY OF THE DIRECTORS]. The members of the

1 **board of** directors of the **authority** [ALASKA ENERGY AUTHORITY] serve
2 without compensation, but they shall receive the same travel pay and per diem as
3 provided by law for board members under AS 39.20.180.

4 * **Sec. 20.** AS 44.83.040 is amended by adding a new subsection to read:

5 (e) The authority may, as the authority considers advisable, appoint persons as
6 officers, including an executive director, and employ professional advisors, counsel,
7 technical experts, agents, and other employees. The executive director and employees
8 of the authority are in the exempt service under AS 39.25.

9 * **Sec. 21.** AS 44.83.080 is amended to read:

10 **Sec. 44.83.080. Powers of the authority.** In furtherance of its corporate
11 purposes, the authority has the following powers in addition to its other powers:

- 12 (1) to sue and be sued;
- 13 (2) to have a seal and alter it at pleasure;
- 14 (3) to make and alter bylaws for its organization and internal
15 management;
- 16 (4) to adopt regulations governing the exercise of its corporate powers;
- 17 (5) to improve, equip, operate, and maintain power projects and bulk
18 fuel, waste energy, energy conservation, energy efficiency, and alternative energy
19 facilities and equipment;
- 20 (6) to issue bonds to carry out any of its corporate purposes and
21 powers, including the establishment or increase of reserves to secure or to pay the
22 bonds or interest on them, and the payment of all other costs or expenses of the
23 authority incident to and necessary or convenient to carry out its corporate purposes
24 and powers;
- 25 (7) to sell, lease as lessor or lessee, exchange, donate, convey, or
26 encumber in any manner by mortgage or by creation of any other security interest, real
27 or personal property owned by it, or in which it has an interest, when, in the judgment
28 of the authority, the action is in furtherance of its corporate purposes;
- 29 (8) to accept gifts, grants, or loans from, and enter into contracts or
30 other transactions regarding them, with any person;
- 31 (9) to deposit or invest its funds, subject to agreements with

1 bondholders;

2 (10) to enter into contracts with the United States or any person and,
3 subject to the laws of the United States and subject to concurrence of the legislature,
4 with a foreign country or its agencies, for the construction, financing, operation, and
5 maintenance of all or any part of a power project or bulk fuel, waste energy, energy
6 conservation, energy efficiency, or alternative energy facilities or equipment, either
7 inside or outside the state, and for the sale or transmission of power from a project or
8 any right to the capacity of it or for the security of any bonds of the authority issued or
9 to be issued for the project;

10 (11) to enter into contracts with any person and with the United States
11 and, subject to the laws of the United States and subject to the concurrence of the
12 legislature, with a foreign country or its agencies for the purchase, sale, exchange,
13 transmission, or use of power from a project, or any right to the capacity of it;

14 (12) to apply to the appropriate agencies of the state, the United States,
15 and a foreign country and any other proper agency for the permits, licenses, or
16 approvals as may be necessary, to acquire, construct, maintain, and operate power
17 projects in accordance with the licenses or permits, and to obtain, hold, and use the
18 licenses and permits in the same manner as any other person or operating unit;

19 (13) to enter into contracts or agreements with respect to the exercise
20 of any of its powers, and do all things necessary or convenient to carry out its
21 corporate purposes and exercise the powers granted in this chapter;

22 (14) to recommend to the legislature

23 (A) the pledge of the credit of the state to guarantee repayment
24 of all or any portion of revenue bonds issued to assist in construction of power
25 projects;

26 (B) an appropriation from the general fund

27 (i) for debt service on bonds or other project purposes;

28 or

29 (ii) to reduce the amount of debt financing for the
30 project;

31 (15) to carry out the powers and duties assigned to it under AS 42.45

1 **and AS 44.83.700 - 44.83.720;**

2 (16) to make grants or loans to any person and enter into contracts or
3 other transactions regarding the grants or loans;

4 (17) to promote energy conservation, energy efficiency, and alternative
5 energy through training and public education;

6 (18) to acquire a Susitna River power project, whether by construction,
7 purchase, gift, or lease, including the acquisition of property rights and interests by
8 eminent domain under AS 09;

9 (19) to perform feasibility studies and engineering and design with
10 respect to power projects;

11 **(20) to acquire battery and other energy storage systems, whether**
12 **by direct ownership, purchase, grant, gift, or lease.**

13 * **Sec. 22.** AS 44.83.090(b) is amended to read:

14 (b) The authority is not subject to the jurisdiction of the Regulatory
15 Commission of Alaska, **except as provided in AS 44.83.700(d).** Nothing in this
16 chapter, **except as provided in AS 44.83.700 - 44.83.720,** grants the authority
17 jurisdiction over the services or rates of a public utility or diminishes or otherwise
18 alters the jurisdiction of the Regulatory Commission of Alaska with respect to a public
19 utility, including any right the commission may have to review and approve or
20 disapprove contracts for the purchase of electricity by a public utility other than
21 wholesale agreements and contracts described in AS 42.05.431(c)(1).

22 * **Sec. 23.** AS 44.83 is amended by adding new sections to read:

23 **Article 5A. Railbelt Transmission Organization.**

24 **Sec. 44.83.700. Railbelt Transmission Organization.** (a) The Railbelt
25 Transmission Organization is created for the purpose of establishing an open access
26 transmission tariff that

27 (1) provides for recovery of transmission costs and related ancillary
28 services; and

29 (2) replaces wholesale charges assessed by unit by each utility in the
30 Railbelt with a new mechanism that fairly recovers and equitably allocates the costs of
31 operating the backbone transmission system.

1 (b) For administrative purposes, the transmission organization is a division of
2 the Alaska Energy Authority.

3 (c) To assist in administering the open access transmission tariff, the
4 governance structure for the transmission organization must be made up of a
5 representative from the authority, a representative from each Railbelt utility, and, as an
6 ex officio nonvoting representative, the chief executive officer of the applicable
7 electric reliability organization or the chief executive officer's designee.

8 (d) Notwithstanding AS 42.05.711(b) and AS 44.83.090(b), the transmission
9 organization is subject to the jurisdiction of the commission for the purposes of
10 AS 44.83.700 - 44.83.720. The commission shall require the transmission organization
11 to apply for a certificate under AS 42.05.221 and file tariffs to achieve the purposes of
12 AS 44.83.700 - 44.83.720.

13 **Sec. 44.83.710. Revenue mechanism.** (a) The transmission organization shall
14 hold and administer a commission-approved nondiscriminatory open access
15 transmission tariff for the backbone transmission system.

16 (b) The transmission organization shall file with the commission a
17 nondiscriminatory open access transmission tariff consistent with Federal Energy
18 Regulatory Commission standards to remove impediments to competition in the
19 wholesale bulk power marketplace in the state. If the transmission organization does
20 not file a nondiscriminatory open access transmission tariff with the commission on or
21 before July 1, 2025, the commission shall, after notice and opportunity for public
22 comment, establish a nondiscriminatory open access transmission tariff consistent
23 with this section.

24 (c) The nondiscriminatory open access transmission tariff must, as approved
25 by the commission,

26 (1) pool backbone transmission system costs and allocate those costs
27 through certificated load-serving entities on a coincident peak or load ratio share basis,
28 or a combination of both; and

29 (2) account for

30 (A) required backbone transmission system ancillary services;

31 (B) backbone transmission system congestion;

1 (C) disruptions to the backbone transmission system that result
2 in the isolation of one geographical area of the backbone transmission system
3 from another for more than 24 hours; and

4 (D) costs to own and operate the backbone transmission
5 system, as established by the commission or by contract, including
6 transmission costs associated with the Bradley Lake hydroelectric project.

7 (d) A Railbelt utility shall pass the commission-approved transmission costs
8 directly and transparently to the utility's customers.

9 **Sec. 44.83.720. Definitions.** In AS 44.83.700 - 44.83.720,

10 (1) "backbone transmission system" means the transmission assets in
11 the Railbelt that facilitate the transmission of electrical power under the standards
12 established by the Federal Energy Regulatory Commission;

13 (2) "commission" means the Regulatory Commission of Alaska;

14 (3) "Railbelt" means the geographic region from the Kenai Peninsula
15 to Interior Alaska that is connected to a common electric transmission backbone;

16 (4) "Railbelt utility" means a public electric utility certificated to
17 operate in the Railbelt that operates backbone transmission system assets;

18 (5) "transmission organization" means the Railbelt Transmission
19 Organization established by AS 44.83.700.

20 * **Sec. 24.** The uncoded law of the State of Alaska is amended by adding a new section to
21 read:

22 TRANSITION: REGULATORY COMMISSION OF ALASKA MEMBERS. An
23 individual who is a member of the Regulatory Commission of Alaska on the day before the
24 effective date of sec. 3 of this Act continues to serve on the Regulatory Commission of Alaska
25 until the member's term expires and a successor is appointed and qualified. The governor shall
26 make appointments for vacancies that occur on or after the effective date of sec. 3 of this Act
27 in accordance with AS 42.04.020(a), as amended by sec. 3 of this Act.

28 * **Sec. 25.** The uncoded law of the State of Alaska is amended by adding a new section to
29 read:

30 TRANSITION: ALASKA ENERGY AUTHORITY BOARD MEMBERS.
31 Notwithstanding AS 44.83.030(c), added by sec. 18 of this Act, the governor shall appoint

1 two public members of the initial Alaska Energy Authority board of directors to one-year
2 terms, two public members to two-year terms, and two public members to three-year terms.

3 * **Sec. 26.** The uncodified law of the State of Alaska is amended by adding a new section to
4 read:

5 TRANSITION: RAILBELT TRANSMISSION ORGANIZATION. To facilitate the
6 development and management of the Railbelt backbone transmission system open access
7 transmission tariff, the Alaska Energy Authority and the Railbelt utilities, as defined in
8 AS 44.83.720, added by sec. 23 of this Act, shall form the Railbelt Transmission Organization
9 under AS 44.83.700, added by sec. 23 of this Act, on or before January 1, 2025, modeled after
10 the governance structure of the Bradley Lake Hydroelectric Project, as outlined in the Bradley
11 Lake Power Sales Agreement, including the creation, duties, and methods of the Bradley Lake
12 Project Management Committee, with any adjustments the parties to the agreement determine
13 are necessary. On or before January 1, 2025, the Railbelt Transmission Organization shall
14 apply to the Regulatory Commission of Alaska for a certificate under AS 42.05.221 to
15 achieve the purposes of AS 44.83.700 - 44.83.720, added by sec. 23 of this Act.

16 * **Sec. 27.** Section 8 of this Act takes effect immediately under AS 01.10.070(c).

17 * **Sec. 28.** Except as provided in sec. 27 of this Act, this Act takes effect July 1, 2024.

Attachment B to CEO Report
Letter to Murkowski Re USFS Issues

SOUTHEAST ALASKA POWER AGENCY

55 Don Finney Lane
Ketchikan, Alaska 99901



Phone: 907.228.2281
Fax: 907.225.2287
www.seapahydro.org

June 12, 2024

Delivery Via Email to: Chere.Klein@murkowski.senate.gov

The Honorable Senator Lisa Murkowski
522 Hart Senate Office Building
Washington, DC 20510-0202

Aaron Thiele, Legislative Assistant for Energy
522 Hart Senate Office Building
Washington, DC 20510-0202

Re: USDA Forest Service Land Management Plan Direction for Old Growth
Forest Conditions Across the National Forest System
Tongass Plan Revision: Wild and Scenic Rivers

Dear Senator Murkowski, and Legislative Assistant Thiele:

It was nice seeing both of you last week at the Alaska Power Association's Federal Legislative Conference. I appreciate the time you spent with me discussing the Southeast Alaska Power Agency's concerns regarding the Forest Service's direction for old growth forest conditions in Alaska, the Tongass Plan's conservation initiatives and the review of the Tongass rivers and streams to determine whether SEAPA hydroelectric projects are eligible for designation in the National Wild and Scenic Rivers System. As mentioned during our discussion, I am attaching the comments submitted by SEAPA in its letters to the Forest Service on both topics.

On behalf of the Southeast Alaska Power Agency, please accept our thanks and appreciation for your tenacity, time, and attention in pursuing the best interests of Southeast Alaskans in these important issues.

At this tenure, we have not received drafts from the Forest Service on either of these initiatives and therefore I do not have an update on whether our comments/concerns were incorporated. I will follow up with your administration staff when we have more information.

Thanks again for your support!

Sincerely,

A handwritten signature in blue ink, appearing to read 'R. Siedman', with a long horizontal line extending to the right.

Robert Siedman, P.E., CEO
Southeast Alaska Power Agency
P 907.228.2281 | rsiedman@seapahydro.org

Attachments:

- 2024 0201 SEAPA Comments Re Land Management Plan Direction Re Old Growth Forest Conditions
- 2024 0503 SEAPA Comments Re USDA Scenic Rivers Study

Attachment C to CEO Report

SEAPA Comment Letter to USFS Re Land Management and Old Growth

SOUTHEAST ALASKA POWER AGENCY

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February 2, 2024

Director, Ecosystem Management Coordination
201 14th Street SW
Mailstop 1108
Washington, D.C. 20250-1124

Re: USDA Forest Service | Notice of Intent to Prepare EIS [3411-15-P]
Land Management Plan Direction for Old-Growth Forest Conditions Across the
National Forest System

Southeast Alaska Power Agency (SEAPA)
Comprehensive Comments on the Preliminary Proposed Action

Dear Director:

The Southeast Alaska Power Agency (SEAPA) is a Joint Action Agency of the State of Alaska, a public corporation formed and existing under Alaska Statutes §§ 42.45.300-.320. SEAPA owns two hydroelectric projects in Southeast Alaska providing economical, renewable, non-carbon-based electric power to three member public utilities in Ketchikan, Wrangell, and Petersburg, Alaska.

There are 34 communities located in SE Alaska. Expensive and carbon-emitting diesel generators are still the primary power source for 14 of them and hydro is the primary power source for the remaining 20. Any cost impact due to implemented measures that increase the operational costs of hydrogeneration and transmission facilities could further escalate the cost of power, placing an additional burden on consumers, and causing our small communities to bear a disproportionate share of the burden.

SEAPA's transmission lines are entirely within the temperate rainforest and are not at risk of wildfires. A determination that inventoried mature and old-growth forests in the Tongass National Forest (TNF) in SE Alaska are threatened by wildfires is not warranted.

SEAPA has a vital interest in the proposed amendment to all land management plans for units of the National Forest System. It is our understanding that the intent of this amendment is to include consistent direction to conserve and steward existing and recruit future old-growth forest conditions and to monitor their condition across planning areas of the National Forest System.

We acknowledge the Department's commitment to conserving and stewarding old-growth forest conditions. However, as the owner and operator of hydrogeneration and overhead transmission facilities within the TNF, SEAPA believes it is crucial to highlight the unique challenges posed by the preliminary proposed action.

Our specific concerns and recommendations are as follows:

1. **Request for Exclusion of Hydrogeneration and Transmission Land Management Activities:** The preliminary proposed action, as outlined in the NOI, enumerates standards for management actions within old-growth forest conditions. Given the mutually exclusive nature of vegetation management for old-growth forest conditions and the operation of hydrogeneration and transmission facilities, SEAPA respectfully requests the exclusion of land management activities associated with these facilities from the proposed action.
2. **Challenges for Transmission Lines and Right-of-Ways:** Unique challenges for transmission lines within the TNF include geographical difficulty and the high cost associated with line clearing. The expense of helicopter operations due to the lack of roads exacerbates the challenges. Considering these obstacles, SEAPA proposes that existing and future right-of-ways for transmission lines and hydro should be exempt from the proposed land management activities.
3. **Complementary Relationship and Carbon Displacement:** SEAPA emphasizes the complimentary relationship between hydrogeneration and transmission facilities and the proposed action. The hydrogeneration facilities play a crucial role in reducing carbon discharges from existing diesel generators, contributing to a reduction in carbon storage demand. SEAPA urges the consideration of this relationship to prevent unintended consequences that may hinder the progress towards clean, green energy in the TNF.
4. **Impact on Power Costs in Alaska:** It is crucial to consider the existing economic landscape in Alaska. The cost of power in our state is already significantly higher than in the lower 48. Implementing additional measures that increase the operational costs of hydrogeneration and transmission facilities could further escalate the cost of power.
5. **Local Forest Service Management and Forest Health:** Removing management decisions from local Forest Service offices, where staff are intimately familiar with Alaska's unique conditions and forest health, and centralizing these decisions in Washington DC, could lead to a disconnect between decision-makers and the realities of Alaska's diverse ecosystems. Local expertise is crucial in ensuring effective and context-specific land management.
6. **The Carbon Sequestration Potential of Younger Forests:** Recent findings, as highlighted by the World Resources Institute [source: <https://www.wri.org/insights/young-forests-capture-carbon-quicker-previously-thought>], suggest that younger forests have a greater capacity to capture carbon than previously thought. This information underscores the importance of considering the carbon sequestration potential of younger forests in the context of land management decisions.
7. **Concerns Regarding the Approach on "Future Old-Growth Forest Conditions":** The inclusion of the term "future old-growth forest" in the NOI raises concerns as it seems to apply to all forests, everywhere, potentially placing all forests in a category regulated by this land management plan. Such broad applicability may overlook the unique characteristics and needs of different forest ecosystems. In April 2011, a USDA Forest Service Issue paper written by Barbara Stanley, Regional Energy Coordinator for the Alaska Region, stated:

Forest Service policy is to encourage hydropower production where it is compatible with National Forest System (NFS) purposes and to ensure that the planning, construction, and operation of hydropower projects protect and effectively utilize NFS lands and resources. The Alaska Region actively participates in the Federal Energy Regulatory Commission (FERC) licensing process and cooperates with other federal agencies, state, local government, and other organizations in responding to proposed projects and in preparing license clauses and conditions. The Alaska Region tries

to balance the many, and sometimes competing, internal and external resource management issues while being mindful of our responsibilities to foster the economic well being of the many people, industries, and communities that are dependent on these hydropower projects. Many of the smaller communities in the Alaska Region are dependent upon diesel-generated electricity and are now actively pursuing hydroelectric projects.

Inclusion of the term "future old-growth forest" in the NOI may contradict the Forest Service's policy to encourage hydropower production to displace communities dependent on diesel-generated electricity.

8. **Challenges and Recommendations for a Productive Approach:** Recognizing potential challenges in shaping the preliminary proposed action, SEAPA proposes a focused approach to address concerns related to hydrogeneration and transmission facilities. While acknowledging the exemption for "public health and safety," SEAPA believes a more nuanced consideration is necessary to avoid unnecessary work and uncertainties.

We appreciate the opportunity to provide these comments during the scoping period. It is our intent that SEAPA's insights contribute to the development of a balanced and effective land management plan that ensures the preservation of old-growth forest conditions while accommodating the unique needs and challenges of hydrogeneration and transmission facilities.


Thank you for your consideration.

Sincerely,



Robert Siedman, P.E., CEO
Southeast Alaska Power Agency

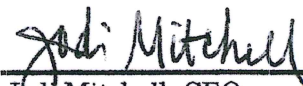
The undersigned support the Southeast Alaska Power Agency's comprehensive comments in this letter regarding the USDA's Notice of Intent to prepare an Environmental Impact Statement for Land Management Plan Direction for Old-Growth Forest Conditions across the National Forest System:



Michael Rovito
Deputy Director
Alaska Power Agency
mrovito@alaskapower.org



Alec Mesdag, CEO
Alaska Electric Light & Power
alecmesdag@aelp.com



Jodi Mitchell, CEO
Inside Passage Electric Cooperative
jmitchell@insidepassageelectric.org

Attachment D to CEO Report

*SEAPA Comment Letter to USFS Re
USDA Scenic Rivers Study*

SOUTHEAST ALASKA POWER AGENCY

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May 3, 2024

Erin Mathews
Plan Revision Coordinator

Re: USDA Forest Service | Tongass Plan Revision: Wild and Scenic Rivers

Southeast Alaska Power Agency (SEAPA)
Comprehensive Comments on the Tongass Plan Revision

Dear Erin:

Thank you for providing further clarification regarding the ongoing Wild and Scenic Rivers Eligibility Study and for the opportunity to engage in this critical conservation initiative. The Southeast Alaska Power Agency (SEAPA) appreciates your efforts to ensure transparency and accuracy throughout the study process.

Upon reviewing the provided materials, including the Eligibility Study Process Report and Draft Inventory of Waters Maps, SEAPA wishes to address certain aspects regarding Tyee Creek and Falls Creek eligibility for inclusion in the study.

Tyee Creek and Falls Creek are not “free flowing” as characterized in Section 16(b) of the Wild and Scenic Rivers (WSR) act and thus do not meet the criteria for consideration as Wild and Scenic Rivers. Furthermore, Tyee Creek and Falls Creek traverse only a small portion of federal lands, with most of their courses located within State of Alaska lands, managed by the Alaska Department of Natural Resources.

Additionally, Tyee Creek flows into Tyee Lake and Falls Creek flows into Swan Lake. Both Tyee Lake and Swan Lake have been impoundment reservoirs that provide storage to hydroelectric generation facilities and renewable energy to Southeast Alaska since 1984.

Given these factors, we respectfully request that Tyee Creek and Falls Creek be excluded from the Wild and Scenic Rivers Eligibility Study.

SEAPA recognizes the importance of preserving the ecological integrity of our waterways while also acknowledging the critical role that Tyee Lake and Swan Lake play in providing clean and renewable energy to the communities of Southeast Alaska. As such, we remain committed to collaborating with the Tongass National Forest and other stakeholders to develop holistic

management strategies that balance conservation efforts with the sustainable utilization of our natural resources.

Thank you for considering our request for exemption and for your dedication to the conservation of our environment. We look forward to your feedback and continued collaboration as we work towards safeguarding the ecological health and vitality of the Tongass National Forest.

Please do not hesitate to contact us if you require any further information or if there are additional opportunities for engagement in the Wild and Scenic Rivers Eligibility Study process.

Sincerely,

A handwritten signature in blue ink, appearing to be 'RS', with a stylized, overlapping design.

Robert Siedman, P.E., CEO
Southeast Alaska Power Agency



SOUTHEAST ALASKA POWER AGENCY

Date: June 18, 2024

To: SEAPA Board of Directors

From: Robert Siedman, P.E., CEO

Subject: Consideration of Resolution #2024-095 Updating CEO Evaluation Forms

In 2021 SEAPA adopted Resolution #2021-083 authorizing an annual CEO evaluation process and forms. At its January 2024 annual meeting, staff presented updated CEO evaluation forms for the Board's review. Following discussion, staff was given direction for revisions to the forms and instructed to bring the revised forms before the Board for further discussion at the March 14, 2024 board meeting. Staff presented the board's requested revisions in blue font on the evaluation forms provided in the board packet at the March 14 meeting. Following discussion, staff was given direction to present the final forms with a resolution adopting them at the June 26-27 meeting in Wrangell. Resolution #2024-095 is attached with the updated CEO Evaluation Forms attached for the board's consideration.

Please consider the following suggested motion:

SUGGESTED MOTION

I move to adopt Resolution #2024-095 with revised CEO Evaluation process and forms attached, as presented to SEAPA's directors at the June 26-27, 2024 board meeting. This adopted Resolution #2024-095 replaces Resolution #2021-083, and the outdated CEO evaluation process and forms attached to it, in its entirety.

Attachments:

Resolution #2024-095 with the following attachments:

- *CEO Performance Final Compiled Feedback & Evaluation Forms*
- *CEO Performance Evaluation Individual Board Member Forms with General Schedule for CEO Evaluation Process attached*



RESOLUTION NO. 2024-095

SOUTHEAST ALASKA POWER AGENCY (“SEAPA”)

Resolution Updating Annual CEO Evaluation Process and Forms

WHEREAS, as part of the governance process for the Southeast Alaska Power Agency (SEAPA), the Board of Directors annually reviews the performance of its Chief Executive Officer; and,

WHEREAS, the Board of Directors adopted an Annual CEO Evaluation Process on December 10, 2021 under Resolution #2021-083; and,

WHEREAS, the Board of Directors has reviewed the CEO evaluation process and evaluation forms, and seeks to adopt the attached updated process and forms in place of the process and forms adopted under Resolution #2021-083.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of SEAPA hereby adopts the attached CEO Evaluation Process and Evaluation Forms in place of the process and forms adopted under Resolution #2021-083.

BE IT FURTHER RESOLVED that Resolution 2021-083 and the process and forms adopted under it are replaced by this Resolution 2024-095 in its entirety.

***This Resolution No. 2024-095** was duly passed and adopted by SEAPA’s Board of Directors on the ____ day of June 2024.*

SOUTHEAST ALASKA POWER AGENCY

By _____
Robert Sivertsen, Chairperson

ATTEST:

Secretary-Treasurer



SEAPA's Chief Executive Officer Performance Evaluation

Final Compiled Feedback and Evaluation

Year of Evaluation: _____ Board Chair Name: _____

CEO Name: _____

Prior to the end of each calendar year, the Board of Directors shall provide the CEO with a performance evaluation and allow the CEO an opportunity to discuss with the Board his or her performance, compensation, and goals for the coming year. The CEO shall set a time for this review at a meeting of the Board of Directors in the Fall of each year. As part of the annual review, the CEO and Board shall establish a time frame in which to complete the review and discuss compensation as per the terms of the Employee Agreement between the Southeast Alaska Power Agency and its Executive Officer.

CEO Performance Evaluation Process

1. Annual Review of Performance Evaluation Form. The Board or assigned Board committee will review the CEO performance evaluation form adopted under amended Resolution No. 2021-083 and make modifications to adopt the assessment questions and criteria to the organization's unique needs. Modifications made by the Board will be made after the yearly evaluation is completed and agreed upon by the Board of Directors and the CEO, prior to the first Regular Board Meeting of the following evaluation year.
2. CEO Self-Assessment. The Chair will initiate the CEO performance appraisal process by asking the CEO to complete a self-assessment prior to beginning the evaluation process every year (see schedule). The CEO self-assessment should include a summary of achievements relative to the performance criteria defined at the beginning of the year, and a self-appraisal of performance based on the CEO's key accountabilities in each of the areas that are rated by the Board.
3. Board Evaluation. The CEO self-assessment will be distributed to all Board Members by the Chair for consideration prior to the evaluation process. The Directors and alternates will develop separate evaluations, with consideration to the CEO self-assessment. A total of 10 evaluations will be sent to the Chair to compile a final evaluation and summary report.

4. Summary Report. The evaluations will be collected by the Chair, and responses compiled in a manner that reveals an overall Board performance rating in each area, the CEO's self-rating, and a summary of comments made by both Board members and the CEO.
5. Board Review. Board Members will meet in executive session to discuss what to emphasize in their feedback to the CEO and discuss the final CEO evaluation report. The Members should also review the CEO's proposed goals for the coming year, make any modifications necessary, and collaborate with the CEO to ensure mutual agreement and commitment.
6. Final Documentation. The Chair should incorporate modifications to the evaluation and prepare final documentation of the CEO evaluation for feedback.
7. Personal CEO Feedback. The Board Members will meet with the CEO in executive session to discuss evaluation results. This session should provide performance improvement feedback to the CEO, and stimulate a productive, two-way dialogue with the CEO that includes his or her responses to the compiled evaluation, and personal commitments to improvement.
8. Compensation. Discussion of potential salary increases and/or bonuses should not take place during the feedback meeting.

Board Chair Final Documentation and Feedback Process:

1. Evaluating Ratings. The Board Chair should orchestrate feedback on ratings from the Board Members. If a rating of "N/A", a "5" or a "2" or less is received by the Chair from an individual Board Member for any performance evaluation category, the Chair should reach out to the Board Member to determine the reason for the rating. If the reason is "insufficient information", the Chair should attempt to provide additional information or reach out to the CEO for feedback on the specific informational topic prior to compiling the final form.
2. Compiling Ratings. SEAPA's Chair should compile the ratings from each individual Board Member's evaluation form in the final compiled feedback and evaluation form provided herein. The final form will automatically sum and calculate an overall rating per category and summation for the final, overall rating. A rating of "N/A" will reduce a category's total possible rating (e.g. If Board Member #2 checks a rating of "N/A" in a category, the total possible rating in that category would be reduced from a 5 to a 4). The final rating is a sum of all categories (weighted) for a final rating out of 5.
3. Compiling Comments and Goals. The Chair should compile comments for each category that are reflective of the entire Board for discussion with the CEO. Prior to meeting with the CEO, the Chair should review the compiled final comments with the Board in executive session. Goals and objectives for the following evaluation year should be agreed to by the 5 Voting members in executive session and discussed with the CEO during the feedback session.

CEO Leadership Performance Evaluation

CEO Name: _____

Compile the CEO's performance for each area using the scale outlined below. Consider all criteria together when forming an impression about the CEO's performance. Add comments for feedback from the individual Board Member forms to provide a final rating and context to the rating, or what would be helpful to the CEO in improving his or her performance.

If the rating of the CEO's performance is 2 or below, please provide specific suggestions for needed performance improvement. Similarly, a rating of N/A or 5 should be followed by comments explaining why you believe you could not rate the CEO or why you believe he/she "Exceeds Expectations".

Leadership	Chair to compile from individual Board Members					
Board Member #1	1	2	3	4	5	N/A
Board Member #2	1	2	3	4	5	N/A
Board Member #3	1	2	3	4	5	N/A
Board Member #4	1	2	3	4	5	N/A
Board Member #5	1	2	3	4	5	N/A
Board Member #6	1	2	3	4	5	N/A
Board Member #7	1	2	3	4	5	N/A
Board Member #8	1	2	3	4	5	N/A
Board Member #9	1	2	3	4	5	N/A
Board Member #10	1	2	3	4	5	N/A
<ul style="list-style-type: none"> • Demonstrates a clear vision in correctly anticipating trends, and priorities affecting the Agency's prosperity and operation. • Accurately communicates his or her concept, vision, mission, strategies, goals, and direction for the Agency to stakeholders. • Motivates and encourages high employee morale and loyalty to the organization and facilitates team building and cohesiveness among the employees to achieve the Agency's mission. • Demonstrates initiation, setting high working standards and pursues goals with a high level of personal drive. 	Board Compiled Comments:					

Overall Evaluation		/	
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CEO Financial Performance Evaluation

CEO Name: _____

Compile the CEO's performance for each area using the scale outlined below. Consider all criteria together when forming an impression about the CEO's performance. Add comments for feedback from the individual Board Member forms to provide a final rating and context to the rating, or what would be helpful to the CEO in improving his or her performance.

If the rating of the CEO's performance is 2 or below, please provide specific suggestions for needed performance improvement. Similarly, a rating of N/A or 5 should be followed by comments explaining why you believe you could not rate the CEO or why you believe he/she "Exceeds Expectations".

Financial	Chair to compile from individual Board Members					
Board Member #1	1	2	3	4	5	N/A
Board Member #2	1	2	3	4	5	N/A
Board Member #3	1	2	3	4	5	N/A
Board Member #4	1	2	3	4	5	N/A
Board Member #5	1	2	3	4	5	N/A
Board Member #6	1	2	3	4	5	N/A
Board Member #7	1	2	3	4	5	N/A
Board Member #8	1	2	3	4	5	N/A
Board Member #9	1	2	3	4	5	N/A
Board Member #10	1	2	3	4	5	N/A
<ul style="list-style-type: none"> Financial results in the past year met or exceeded financial goals for the organization. Continuously explores opportunities to strengthen the organization's financial position and organizational growth and development. Engages the board in robust dialogue about financial reports and plans, providing sufficient and clear information about progress and results achieved. Ensures an unmodified opinion for the annual audit with little-to-no significant deficiencies or material weaknesses. Forecasts the future Wholesale Power Rate (WPR) in a timely manner and prepares information for the Board in advance of SEAPA's annual budget meeting. 	Board Compiled Comments:					

Overall Evaluation		/	
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CEO Board Relations Performance Evaluation

CEO Name: _____

Compile the CEO's performance for each area using the scale outlined below. Consider all criteria together when forming an impression about the CEO's performance. Add comments for feedback from the individual Board Member forms to provide a final rating and context to the rating, or what would be helpful to the CEO in improving his or her performance.

If the rating of the CEO's performance is 2 or below, please provide specific suggestions for needed performance improvement. Similarly, a rating of N/A or 5 should be followed by comments explaining why you believe you could not rate the CEO or why you believe he/she "Exceeds Expectations".

Board Relations	Chair to compile from individual Board Members					
Board Member #1	1	2	3	4	5	N/A
Board Member #2	1	2	3	4	5	N/A
Board Member #3	1	2	3	4	5	N/A
Board Member #4	1	2	3	4	5	N/A
Board Member #5	1	2	3	4	5	N/A
Board Member #6	1	2	3	4	5	N/A
Board Member #7	1	2	3	4	5	N/A
Board Member #8	1	2	3	4	5	N/A
Board Member #9	1	2	3	4	5	N/A
Board Member #10	1	2	3	4	5	N/A
<ul style="list-style-type: none"> Provides leadership continually involving the Board in developing share vision, strategies, goals, and direction for the organization. Demonstrates a sound knowledge of Board governance and procedures. Works with Board Members and Member Utilities to gain a broad understanding of their concerns, capital investment strategies, and financial characteristics. Demonstrates sensitivity to Member Communities' local issues and concerns and assist wherever possible to address their needs. Has been readily available to individual Board Members whenever necessary, as well as supports the Board in it is governance duties by providing necessary resources and information. 	Board Compiled Comments:					

Overall Evaluation		/	
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CEO External Relations Performance Evaluation CEO Name: _____

Compile the CEO's performance for each area using the scale outlined below. Consider all criteria together when forming an impression about the CEO's performance. Add comments for feedback from the individual Board Member forms to provide a final rating and context to the rating, or what would be helpful to the CEO in improving his or her performance.

If the rating of the CEO's performance is 2 or below, please provide specific suggestions for needed performance improvement. Similarly, a rating of N/A or 5 should be followed by comments explaining why you believe you could not rate the CEO or why you believe he/she "Exceeds Expectations".

External Relations	Chair to compile from individual Board Members					
Board Member #1	1	2	3	4	5	N/A
Board Member #2	1	2	3	4	5	N/A
Board Member #3	1	2	3	4	5	N/A
Board Member #4	1	2	3	4	5	N/A
Board Member #5	1	2	3	4	5	N/A
Board Member #6	1	2	3	4	5	N/A
Board Member #7	1	2	3	4	5	N/A
Board Member #8	1	2	3	4	5	N/A
Board Member #9	1	2	3	4	5	N/A
Board Member #10	1	2	3	4	5	N/A
<ul style="list-style-type: none"> • Gains respect and support of the communities on the conduct of the Southeast Alaska Power Agency. • Prepares and sends periodic communications to the member communities. • Keeps well informed on State and Federal Regulations and how they affect SEAPA. • Works effectively with public and private agencies 	Board Compiled Comments:					

Overall Evaluation		/	
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CEO Strategic Planning Performance Evaluation

CEO Name: _____

Compile the CEO's performance for each area using the scale outlined below. Consider all criteria together when forming an impression about the CEO's performance. Add comments for feedback from the individual Board Member forms to provide a final rating and context to the rating, or what would be helpful to the CEO in improving his or her performance.

In the event that you rate the CEO's performance 2 or below, please provide specific suggestions for needed performance improvement. Similarly, a rating of N/A or 5 should be followed by comments explaining why you believe you could not rate the CEO or why you believe he/she "Exceeds Expectations".

Strategic Planning	Chair to compile from individual Board Members					
Board Member #1	1	2	3	4	5	N/A
Board Member #2	1	2	3	4	5	N/A
Board Member #3	1	2	3	4	5	N/A
Board Member #4	1	2	3	4	5	N/A
Board Member #5	1	2	3	4	5	N/A
Board Member #6	1	2	3	4	5	N/A
Board Member #7	1	2	3	4	5	N/A
Board Member #8	1	2	3	4	5	N/A
Board Member #9	1	2	3	4	5	N/A
Board Member #10	1	2	3	4	5	N/A
<ul style="list-style-type: none"> • Maintains and updates the Renewal, Replacement, Risk and Reserve (4R) Plan. • Develops, communicates, and leads the implementation of a forward-looking strategic plan in a manner consistent with the organization's mission, vision, and values. • Engages internal and external stakeholders to develop strategies and plans to move the organization in the desired direction. • Develops and executes sound procedures and practices. 	Board Compiled Comments:					

Overall Evaluation		/	
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CEO Overall Performance Evaluation and Additional Comments

CEO Name: _____

Leadership	
Financial	
Board Relations	
External Relations	
Strategic Planning	

Overall Evaluation		/	5

Additional Comments:



SEAPA's Chief Executive Officer Performance Evaluation

Individual Board Member Form

Board Member Name: _____

CEO Name: _____

Prior to the end of each calendar year, the Board of Directors shall provide the CEO with a performance evaluation and allow the CEO an opportunity to discuss with the Board his or her performance, compensation, and goals for the coming year. The CEO shall set a time for this review at a meeting of the Board of Directors in the Fall of each year. As part of the annual review, the CEO and Board shall establish a time frame in which to complete the review and discuss compensation as per the terms of the Employee Agreement between the Southeast Alaska Power Agency and its Executive Officer.

CEO Performance Evaluation Process

1. Annual Review of Performance Evaluation Form. The Board or assigned Board committee will review the CEO performance evaluation form adopted under amended Resolution No. 2021-083 and make modifications to adopt the assessment questions and criteria to the organization's unique needs. Modifications made by the Board will be made after the yearly evaluation is completed and agreed upon by the Board of Directors and the CEO, prior to the first Regular Board Meeting of the following evaluation year.
2. CEO Self-Assessment. The Chair will initiate the CEO performance appraisal process by asking the CEO to complete a self-assessment prior to beginning the evaluation process every year (see schedule). The CEO self-assessment should include a summary of achievements relative to the performance criteria defined at the beginning of the year, and a self-appraisal of performance based on the CEO's key accountabilities in each of the areas that are rated by the Board.
3. Board Evaluation. The CEO self-assessment will be distributed to all Board Members by the Chair for consideration prior to the evaluation process. The Directors and alternates will develop separate evaluations, with consideration to the CEO self-assessment. A total of 10 evaluations will be sent to the Chair to compile a final evaluation and summary report.

4. Summary Report. The evaluations will be collected by the Chair, and responses compiled in a manner that reveals an overall Board performance rating in each area, the CEO's self-rating, and a summary of comments made by both Board members and the CEO.
5. Board Review. Board Members will meet in executive session to discuss what to emphasize in their feedback to the CEO and discuss the final CEO evaluation report. The Members should also review the CEO's proposed goals for the coming year, make any modifications necessary, and collaborate with the CEO to ensure mutual agreement and commitment.
6. Final Documentation. The Chair should incorporate modifications to the evaluation and prepare final documentation of the CEO evaluation for feedback.
7. Personal CEO Feedback. The Board Members will meet with the CEO in executive session to discuss evaluation results. This session should provide performance improvement feedback to the CEO, and stimulate a productive, two-way dialogue with the CEO that includes his or her responses to the compiled evaluation, and personal commitments to leadership improvement.
8. Compensation. Discussion of potential salary increases and/or bonuses should not take place during the feedback meeting.

GENERAL SCHEDULE FOR CEO EVALUATION PROCESS <i>(dates will be added)</i>	
Annum (Special) Board Meeting	Insert CEO evaluation form in Board packet for review, discussion, and modifications in the special session (election of officers meeting). If no changes, the form is adopted by consensus. If modifications are requested, SEAPA staff shall modify the form accordingly following the Board meeting.
1st Regular Board Meeting	If modifications to the CEO evaluation form were requested in the Annual (Special) Board Meeting, staff will insert the new modified evaluation form into Board packet for approval and adoption.
Two weeks after 3rd Quarter Regular Board Meeting	SEAPA staff distributes adopted Evaluation Form with CEO's self-assessment to Directors via email for completion. Staff to include the following instructions in email distributing the form: - Email address for the Chair - Deadline date for return of the form (deadline for return should be two weeks following date of distribution of the form) to the SEAPA Chair stating "Privileged and Confidential Communications" in the subject line of the email. Completed forms shall be returned to the Board Chair via Email.
One month after 3rd Quarter Regular Board Meeting	SEAPA's Chair shall maintain a checklist to determine whether all Directors have submitted evaluations and communicate with Members to follow up with any that may not have been submitted by deadline.
October	Deadline for SEAPA's Board Chair to compile evaluations in preparation for the final regular 4th quarter Board Meeting
October/November	Evaluate the CEO in executive session in a regular board meeting so the evaluation takes place face-to-face and enough time is afforded for the evaluation.
4th Quarter Regular Board Meeting	Discuss compensation with CEO in executive session.

**CEO evaluation deadlines and actual dates change from year to year. A detailed schedule will be proposed and approved by the Board each fiscal year.*

CEO Leadership Performance Evaluation

CEO Name: _____

Evaluate the CEO's performance for each area using the scale outlined below. Consider all criteria together when forming an impression about the CEO's performance. Add comments you believe provide context to your rating, or that would be helpful to the CEO in improving his or her performance.

5 – Exceeds Expectations: The CEO performs *above and beyond* these accountabilities as a part of his or her leadership. The CEO's performance in this area is *outstanding and exceeds my expectations*.

4 – Meets All Expectations: The CEO *always* practices these accountabilities as a part of his or her leadership. The CEO's performance in this area *meets all of my expectations*.

3 – Meets Most Expectations: The CEO *often* practices these accountabilities as a part of his or her leadership, but not always. The CEO's performance in this area *generally meets my expectations*.

2 – Meets Some Expectations: The CEO *inconsistently* practices these accountabilities as a part of his or her leadership. The CEO's performance in this area only *meets some of my expectations*.

1 – Does Not Meet Expectations: The CEO *rarely or never* practices these accountabilities as a part of his or her leadership. The CEO *does not perform well* in this area.

N/A – Not Applicable: Not applicable or has not been observed.

In the event that you rate the CEO's performance 2 or below, please provide specific suggestions for needed performance improvement. Similarly, a rating of N/A or 5 should be followed by comments explaining why you believe you could not rate the CEO or why you believe he/she "Exceeds

Leadership	Check the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> • Demonstrates a clear vision in correctly anticipating trends, and priorities affecting the Agency's prosperity and operation. • Accurately communicates his or her concept, vision, mission, strategies, goals, and direction for the Agency to stakeholders. • Motivates and encourages high employee morale and loyalty to the organization and facilitates team building and cohesiveness among the employees to achieve the Agency's mission. <i>See attached employee feedback form.</i> • Demonstrates initiation, setting high working standards and pursues goals with a high level of personal drive. 	Comments:					
CEO Self-Rating: _____ CEO Comments:						

CEO Financial Performance Evaluation

CEO Name: _____

Evaluate the CEO's performance for each area using the scale outlined below. Consider all criteria together when forming an impression about the CEO's performance. Add comments you believe provide context to your rating, or that would be helpful to the CEO in improving his or her performance.

5 – Exceeds Expectations: The CEO performs *above and beyond* these accountabilities as a part of his or her leadership. The CEO's performance in this area is *outstanding and exceeds my expectations*.

4 – Meets All Expectations: The CEO *always* practices these accountabilities as a part of his or her leadership. The CEO's performance in this area *meets all of my expectations*.

3 – Meets Most Expectations: The CEO *often* practices these accountabilities as a part of his or her leadership, but not always. The CEO's performance in this area *generally meets my expectations*.

2 – Meets Some Expectations: The CEO *inconsistently* practices these accountabilities as a part of his or her leadership. The CEO's performance in this area only *meets some of my expectations*.

1 – Does Not Meet Expectations: The CEO *rarely or never* practices these accountabilities as a part of his or her leadership. The CEO *does not perform well* in this area.

N/A – Not Applicable: Not applicable or has not been observed.

In the event that you rate the CEO's performance 2 or below, please provide specific suggestions for needed performance improvement. Similarly, a rating of N/A or 5 should be followed by comments explaining why you believe you could not rate the CEO or why you believe he/she "Exceeds Expectations".

Financial	Check the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> Financial results in the past year met or exceeded financial goals for the organization's growth. Continuously explores opportunities to strengthen the organization's financial position and organizational growth and development. Engages the board in robust dialogue about financial reports and plans, providing sufficient and clear information about progress and results achieved. Ensures an unmodified opinion for the annual audit with little-to-no significant deficiencies or material weaknesses. Forecasts the future Wholesale Power Rate (WPR) in a timely manner and prepares information for the Board in advance of SEAPA's yearly budget meeting. 	Comments:					
CEO Self-Rating: ____ CEO Comments:						

CEO Board Relations Performance Evaluation

CEO Name: _____

Evaluate the CEO's performance for each area using the scale outlined below. Consider all criteria together when forming an impression about the CEO's performance. Add comments you believe provide context to your rating, or that would be helpful to the CEO in improving his or her performance.

5 – Exceeds Expectations: The CEO performs *above and beyond* these accountabilities as a part of his or her leadership. The CEO's performance in this area is *outstanding and exceeds my expectations*.

4 – Meets All Expectations: The CEO *always* practices these accountabilities as a part of his or her leadership. The CEO's performance in this area *meets all of my expectations*.

3 – Meets Most Expectations: The CEO *often* practices these accountabilities as a part of his or her leadership, but not always. The CEO's performance in this area *generally meets my expectations*.

2 – Meets Some Expectations: The CEO *inconsistently* practices these accountabilities as a part of his or her leadership. The CEO's performance in this area only *meets some of my expectations*.

1 – Does Not Meet Expectations: The CEO *rarely or never* practices these accountabilities as a part of his or her leadership. The CEO *does not perform well* in this area.

N/A – Not Applicable: Not applicable or has not been observed.

In the event that you rate the CEO's performance 2 or below, please provide specific suggestions for needed performance improvement. Similarly, a rating of N/A or 5 should be followed by comments explaining why you believe you could not rate the CEO or why you believe he/she "Exceeds Expectations".

Board Relations	Check the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> Provides leadership continually involving the Board in developing share vision, strategies, goals, and direction for the organization. Demonstrates a sound knowledge of Board governance and procedures. Works with Board Members and Member Utilities to gain a broad understanding of their concerns, capital investment strategies, and financial characteristics. Demonstrates sensitivity to Member Communities' local issues and concerns and assist wherever possible to address their needs. Has been readily available to individual Board Members whenever necessary, as well as supports the Board in its governance duties by providing necessary resources and information. 	Comments:					
CEO Self-Rating: ____ CEO Comments:						

CEO External Relations Performance Evaluation CEO Name: _____

Evaluate the CEO's performance for each area using the scale outlined below. Consider all criteria together when forming an impression about the CEO's performance. Add comments you believe provide context to your rating, or that would be helpful to the CEO in improving his or her performance.

5 – Exceeds Expectations: The CEO performs *above and beyond* these accountabilities as a part of his or her leadership. The CEO's performance in this area is *outstanding and exceeds my expectations*.

4 – Meets All Expectations: The CEO *always* practices these accountabilities as a part of his or her leadership. The CEO's performance in this area *meets all of my expectations*.

3 – Meets Most Expectations: The CEO *often* practices these accountabilities as a part of his or her leadership, but not always. The CEO's performance in this area *generally meets my expectations*.

2 – Meets Some Expectations: The CEO *inconsistently* practices these accountabilities as a part of his or her leadership. The CEO's performance in this area only *meets some of my expectations*.

1 – Does Not Meet Expectations: The CEO *rarely or never* practices these accountabilities as a part of his or her leadership. The CEO *does not perform well* in this area.

N/A – Not Applicable: Not applicable or has not been observed.

In the event that you rate the CEO's performance 2 or below, please provide specific suggestions for needed performance improvement. Similarly, a rating of N/A or 5 should be followed by comments explaining why you believe you could not rate the CEO or why you believe he/she "Exceeds Expectations".

External Relations	Check the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> Gains respect and support of the communities on the conduct of the Southeast Alaska Power Agency. Prepares and sends periodic communications to the member communities. Keeps well informed on State and Federal Regulations and how they affect SEAPA. Works effectively with public and private agencies 	Comments:					
CEO Self-Rating: _____ CEO Comments:						

CEO Strategic Planning Performance Evaluation

CEO Name: _____

Evaluate the CEO's performance for each area using the scale outlined below. Consider all criteria together when forming an impression about the CEO's performance. Add comments you believe provide context to your rating, or that would be helpful to the CEO in improving his or her performance.

5 – Exceeds Expectations: The CEO performs *above and beyond* these accountabilities as a part of his or her leadership. The CEO's performance in this area is *outstanding and exceeds my expectations*.

4 – Meets All Expectations: The CEO *always* practices these accountabilities as a part of his or her leadership. The CEO's performance in this area *meets all of my expectations*.

3 – Meets Most Expectations: The CEO *often* practices these accountabilities as a part of his or her leadership, but not always. The CEO's performance in this area *generally meets my expectations*.

2 – Meets Some Expectations: The CEO *inconsistently* practices these accountabilities as a part of his or her leadership. The CEO's performance in this area only *meets some of my expectations*.

1 – Does Not Meet Expectations: The CEO *rarely or never* practices these accountabilities as a part of his or her leadership. The CEO *does not perform well* in this area.

N/A – Not Applicable: Not applicable or has not been observed.

In the event that you rate the CEO's performance 2 or below, please provide specific suggestions for needed performance improvement. Similarly, a rating of N/A or 5 should be followed by comments explaining why you believe you could not rate the CEO or why you believe he/she "Exceeds Expectations".

Strategic Planning	Check the Applicable Performance Rating and Include Your Comments					
	1	2	3	4	5	N/A
<ul style="list-style-type: none"> Maintains and updates the Renewal, Replacement, Risk and Reserve (4R) Plan. Develops, communicates, and leads the implementation of a forward-looking strategic plan in a manner consistent with the organization's mission, vision, and values. Engages internal and external stakeholders to develop strategies and plans to move the organization in the desired direction. Develops and executes sound procedures and practices. 	Comments:					
CEO Self-Rating: ____ CEO Comments:						

CEO **Overall** Performance Evaluation and Additional Comments

CEO Name: _____

Leadership	1	2	3	4	5	N/A
Financial	1	2	3	4	5	N/A
Board Relations	1	2	3	4	5	N/A
External Relations	1	2	3	4	5	N/A
Strategic Planning	1	2	3	4	5	N/A

Overall Evaluation		/		
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Additional Comments:

Proposed Goals & Objectives for SEAPA to discuss at a potential Regular Session Workshop:



SOUTHEAST ALASKA POWER AGENCY

Date: June 17, 2024

To: Robert Siedman, P.E., CEO

From: Kris Womack, P.E., Electrical Controls Engineer

Subject: Tyee Lake Station Service Switchgear Construction Contract

A Request for Proposals for the Agency's Tyee Lake Station Service Switchgear and 15kV Generator Construction Contract (RR22374 and RR22364 respectively) was advertised on March 1, 2024. One (1) bid was received on June 7, 2024 as follows:

Bidder	City/State	Lump-Sum Bid Amount
Electric Power Constructors, Inc. ("EPC")	Anchorage, Alaska	\$4,737,139

The proposal was primarily evaluated on price, experience/qualifications, construction approach, safety record, and proposed schedule. Based upon evaluations by staff of the sole bid, staff recommends award of the contract to Electric Power Constructors, Inc. for the lump-sum bid amount plus a 5% contingency for weather delays or other unexpected expenses.

An overall budget of \$3,725,000 for both R&R projects was approved by the Board in 2021. EPC's bid came in 27% over budget for the entire project. Costs are largely driven by procurement of materials (64% of the total project cost, which will be ordered in 2024). Due to significant inflationary increases since covid, transformers and switchgear prices have increased more than anticipated with lead times as much as 76 weeks. Although inflation is predicted to level out in the coming years, costs for transformers and switchgear will likely remain the same or even increase due to the influx of federal infrastructure money.

The risk of delaying this project is directly related to reliability and the probability of failure. Tyee station service is the electrical backbone for the main unit generators and the 15kV switchgear is the primary connection between the generators and the electrical grid. A failure of any piece of this equipment would cause both main unit generators to be out of service until replacements can be manufactured and installed. With manufacture lead times of 76 weeks, delaying this project would not be prudent utility practice.

The overall budget would increase, however, due to long lead times and a proposed completion in Summer 2026; there is no need to adjust the 2024 budget for this project.

Project	2024			Prior Yr Expenditures	Overall Budget
	2024 Budget	Expended/ Encumbered	2024 Open Balance		
RR22364 15kV Switchgear TYL	1,190,637	(18,560)	1,172,077	34,467	1,210,000
RR22374 Station Service Switchgear TYL	2,436,943	(78,063)	2,358,880	138,471	2,515,000
	3,627,580	(96,623)	3,530,957	172,938	3,725,000

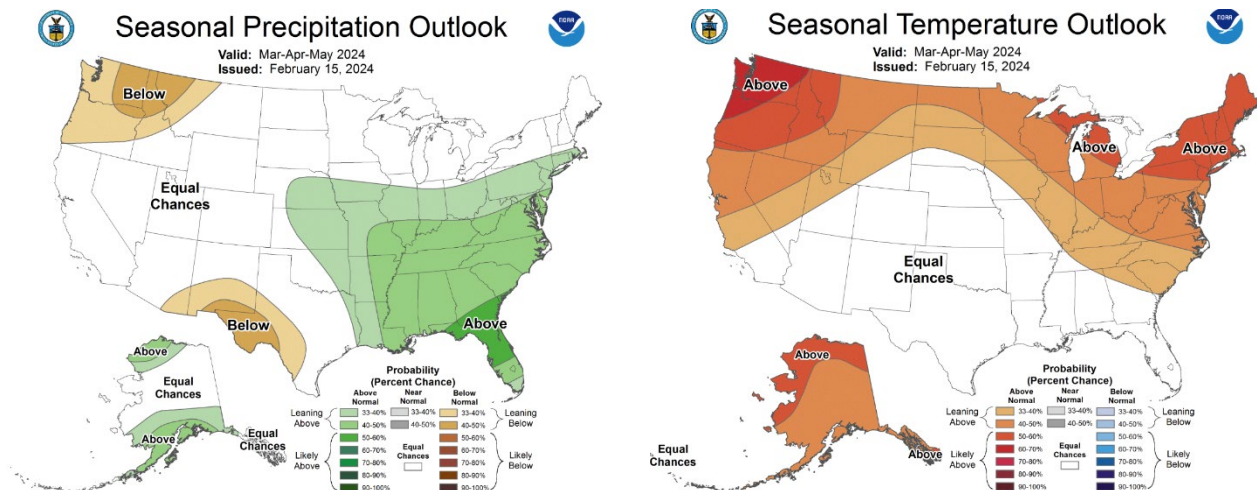
		New Overall Budget	
	64%	Bid Spent	
Materials	3,031,770	4,737,139	5,006,700

Please consider the following suggested motion:

SUGGESTED MOTION
<p>I move to authorize staff to enter into a Contract with Electric Power Constructors, Inc. for the Tyee Powerhouse Station Service Switchgear and 15kV Main Generator Switchgear Construction Contract for the firm-fixed price of \$4,737,139 plus a 5% contingency of \$237,000 for a total not-to-exceed amount of \$4,974,139.</p>

Date: June 15, 2024
To: SEAPA Board of Directors
From: Clay Hammer, SEAPA Operations Manager
Subject: Quarterly Operations Plan Update for June 26-27, 2024 Board Meeting
Operations Plan Update:

The weather predictions for Southeast Alaska continue to indicate warmer-than-average temperatures paired with average precipitation. This forecast has held true for most of Southeast however the southern portion of the panhandle has been unusually dry. This has not affected the long-term forecast whereas NOAA is indicating an equal chance for normal precipitation for the rest of the Spring and Summer season.

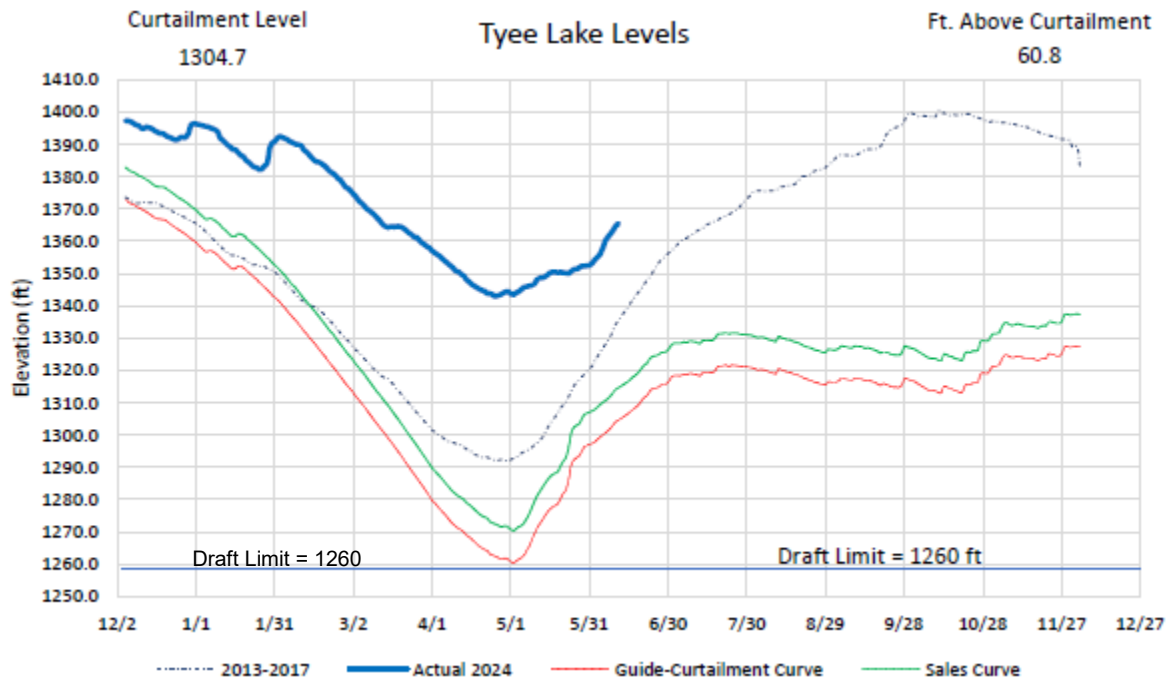


NOAA 3-Month outlook for temp and precipitation, unchanged since the last quarter of 2023

In April, staff and crew were able to perform snow surveys of both the Swan and Tyee lake drainages. The surveys indicate we had 18.58 inches of water above Swan Lake which is the equivalent of 18.9 feet of water in the lake. (55% Normal Snow Pack) Tyee survey results indicate there to be 35 inches of water above the lake which translates to approximately 65 feet of water in the lake. (71% Normal Snow Pack)



Swan Lake Snow Pillow, (top) and Tyee's Avalanche Alley (Bottom) April 17, 2024

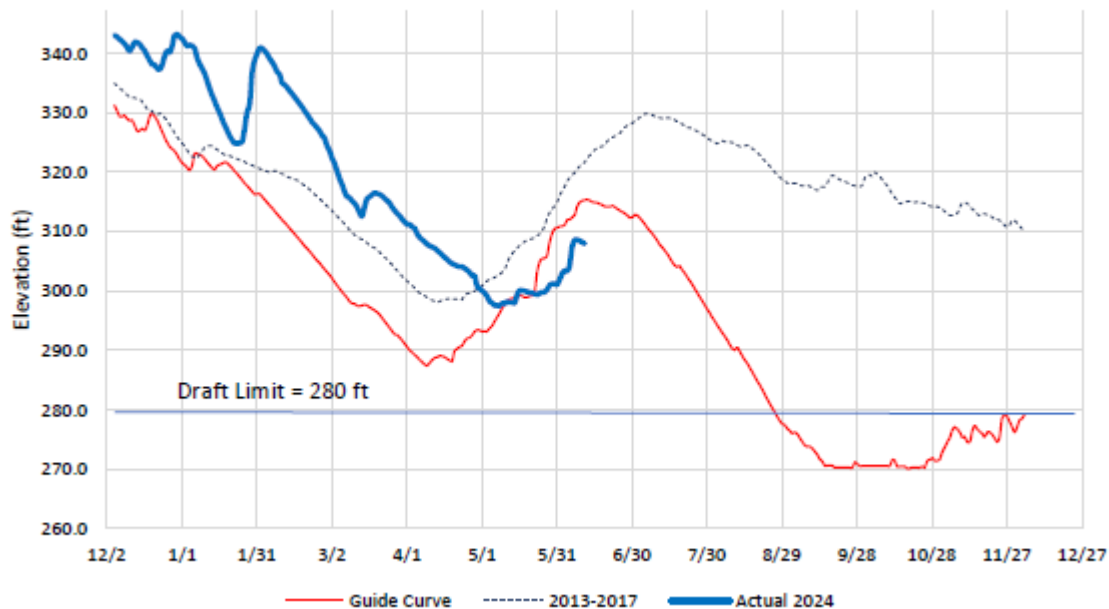


Tyee lake is doing well, current elevation is 1369 feet and 80% full. Tyee is 57 feet above the curtailment curve. By comparison this year, Tyee Lake is 20 feet higher and 12% fuller than we were at this same time last year and approximately 45 feet above the 5-year base average.

This is due in part to the warmer than average El Nino weather pattern this winter that caused precipitation to accumulate water in the lake and less in the form of snow.

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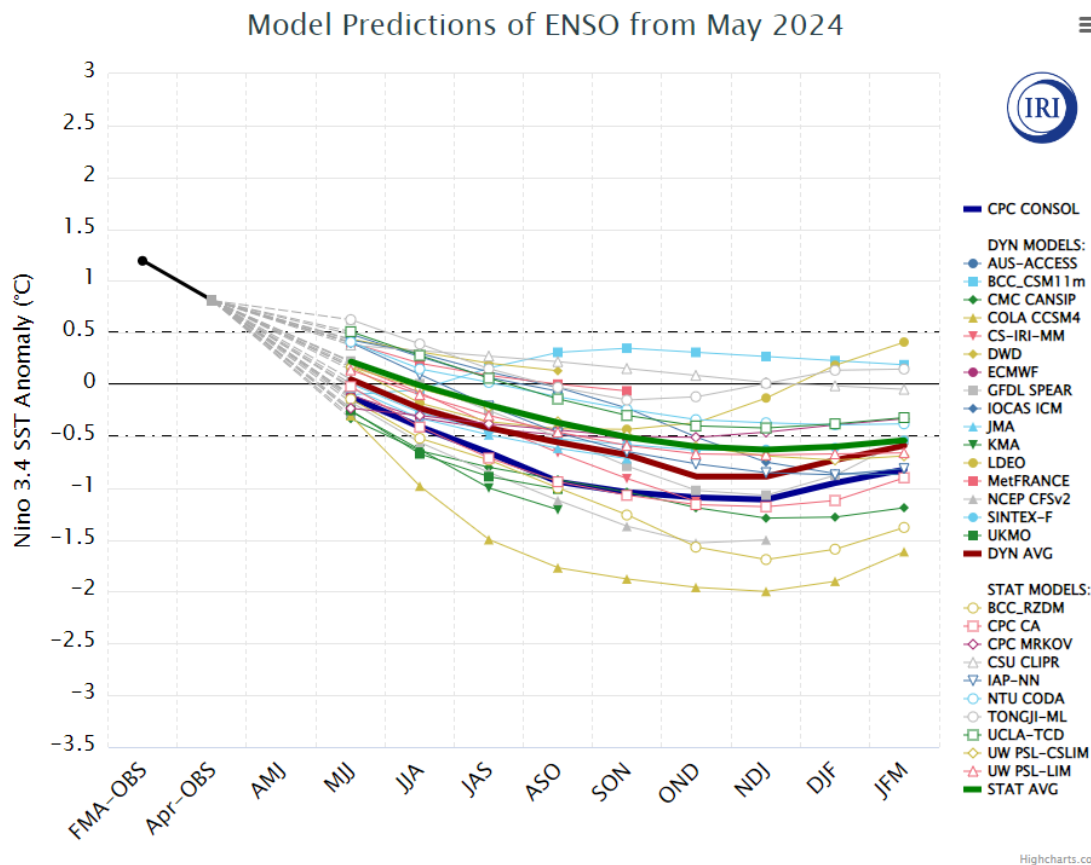
Swan Lake Levels



Swan Lake is currently below average for this time of year. In three short months we have seen Swan Lake transition from record highs for winter elevation to near record lows for spring elevation. The lake is currently at elevation 307 feet and 51% full. By comparison this is 11 feet and 15% lower than it was at this time last year. This has been due to a pattern of unusually low rain fall for the southern tip of the panhandle and 45% lower-than-average snow pack.

Another contributing factor to Swan Lake’s elevation was lower-than-average precipitation this Spring. This impacted KPU’s legacy plants, requiring them to back off generation. Combined with an outage of the Silvis hydroelectric facility, Swan Lake outputs were higher than previous years.

As the season progresses, we will continue to lean on Tyee in an effort to restore a state of balance between the two lakes, with consideration of the guide curves.



Above is the second quarter ENSO predictions for 2024. 2024 model predictions are from the International Research Institute (IRI) and Climate Prediction Centers (CPC). Second quarter predictions reaffirm earlier estimates of a transition from El Nino to La Nina weather patterns.

The forecast is still calling for a change from above-average oceanic temperatures starting in June to below-average oceanic temperatures throughout the summer. This is expected to bring a warm wet spring/early summer changing to a cooler dryer fall/winter.

SEAPA is still in a good position to meet the demands of the 2024 operating season. Staff will continue to optimize efficiency and water use at both locations with the intent of balancing lake elevations while at the same time minimizing the possibility of premature spills.

AGENDA ITEM 9C

Solar Study Update

**(PowerPoint Presentation to be provided by Consultant,
Commonwealth Associates, Inc., during Board Meeting)**



SOUTHEAST ALASKA POWER AGENCY

Date: June 18, 2024

To: SEAPA Board of Directors

From: Robert Siedman, P.E., CEO

Subject: Consideration of Resolution #2024-098 Re EPA Solar For All Grant Program

On April 22, 2024, the Alaska Energy Authority (AEA) and Alaska Housing Finance Corporation were selected for a \$62.5 million Environmental Protection Agency (EPA) Solar for All Grant, to be split equally, to advance solar energy initiatives. Under the EPA's program, no cost match is required from the grantees. The program will include a variety of projects including urban areas, residential projects, community-solar, as well as rural projects across Alaska. The final award is anticipated no later than September 30, 2024. Once funding is available, it is anticipated that the AEA will administer a grant program through its Renewable Energy Fund.

In order to respond to these grant opportunities, staff seeks the Board's authorization under the attached Resolution #2024-098 for authorization to apply for and sign any grant application relating to the EPA's Solar for All Grant Program and take all necessary steps to seek additional state or federal funding, and act as an established point of contact to represent SEAPA.

Resolution #2024-098 is attached for your review and consideration.

Please consider the following suggested motion:

SUGGESTED MOTION

I move to adopt Resolution #2024-098 granting authorizations to SEAPA's Chief Executive Officer, Robert Siedman, for application and signature authority under the Environmental Protection Agency's Solar for All Grant Program.

Attachment:

Resolution #2024-098



RESOLUTION NO. 2024-098

SOUTHEAST ALASKA POWER AGENCY ("SEAPA")

Resolution Authorizing Application and Signature Authority Regarding Federal and State Grant Funding under EPA Solar for All Grant Program

WHEREAS, the Southeast Alaska Power Agency (SEAPA) is a Joint Action Agency organized pursuant to State Statute; and,

WHEREAS, SEAPA owns the Tyee Lake and Swan Lake Hydroelectric Projects in Southeast Alaska, which provide renewable hydroelectric power to Ketchikan, Wrangell, and Petersburg; and,

WHEREAS, SEAPA recognizes that additional renewable resources will be needed in the future to meet loads in Petersburg, Wrangell, and Ketchikan; and,

WHEREAS, a SEAPA consultant conducted feasibility and stability studies and an economic analysis of integrating two solar generation sites (Wrangell and Petersburg) on SEAPA's electrical system; and,

WHEREAS, on April 22, 2024, the Alaska Energy Authority (AEA) and Alaska Housing Finance Corporation were selected for a \$62.5 million Environmental Protection Agency (EPA) Solar for All Grant, to be split equally, to advance solar energy initiatives. Under the EPA's program, no cost match is required from the grantees. The program will include a variety of projects including urban areas, residential projects, community-solar, as well as rural projects across Alaska. The final award is anticipated no later than September 30, 2024. Once funding is available, it is anticipated that the AEA will administer a grant program through its Renewable Energy Fund; and,

WHEREAS, SEAPA's Board of Directors recognizes the prudence of applying for grant funding that may become available from any federal or State of Alaska sources under the Environmental Protection Agency's (EPA) Solar for All Grant Program.

WHEREAS, in order to respond to these grant opportunities, SEAPA's Board of Directors seeks to authorize its CEO, Robert Siedman, to apply for and sign any grant application relating to the EPA's Solar for All Grant Program and take all necessary steps to seek additional state or federal funding, and to act as an established point of contact to represent the Southeast Alaska Power Agency; and,

WHEREAS, the Southeast Alaska Power Agency is in compliance with all federal, state, and local laws including existing credit and federal tax obligations;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Southeast Alaska Power Agency formally adopts the following:

BE IT RESOLVED that Robert Siedman, its Chief Executive Officer, is authorized to apply for any federal or State of Alaska grant funding that becomes available under the Environmental Protection Agency's Solar for All Grant Program on SEAPA's behalf; and,

BE IT RESOLVED that Robert Siedman, its Chief Executive Officer, is authorized to sign any grant application, and take all necessary steps to seek additional state or federal funding, and to act as an established point of contact to represent the Southeast Alaska Power Agency for purposes of any grant application that may become available under the Environmental Protection Agency's Solar for All Grant Program.

***This Resolution No. 2024-098** was duly passed and adopted by SEAPA's Board of Directors on the ____ day of June 2024.*

SOUTHEAST ALASKA POWER AGENCY

By _____
Robert Sivertsen, Chairperson

ATTEST:

Secretary-Treasurer



SOUTHEAST ALASKA POWER AGENCY

Date: June 17, 2024
To: SEAPA Board of Directors
From: Robert Siedman, P.E., CEO
Subject: Consideration of SEAPA Policy Handbook Update Re Surplus Property

At SEAPA's March 14, 2024 regular board meeting an update was suggested for SEAPA's Policy Handbook¹ regarding the CEO's authority for disposal of surplus, obsolete or unneeded supplies, materials, equipment or other personal property with a value of \$5,000. The Board discussed the impacts of inflation acknowledging that the existing \$5,000 requirement was unworkable for the CEO. Member Lynn requested that the procurement policy be revised to provide for at least a \$50,000 threshold before the CEO was required to obtain Board approval to surplus supplies, materials, equipment and other personal property.

Existing language:

11. Sale or Other Disposition of Personal Property Interest.

11.1 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.

11.2 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.

11.3 Except as provided in subsection 11.1 of this section, or when the disposition is otherwise exempt from competitive bidding, the proposed disposition of personal property, or interest therein, shall be advertised in a newspaper of general circulation by SEAPA to advise prospective buyers of the proposed disposition and to provide an opportunity to submit such bids. All bids shall be sealed and shall be opened in public at a designated time and place, except when the sale is by auction, unless the CEO elects to utilize electronic bidding procedures. In such event, the procedures shall utilize procurement best practices while promoting equity and fairness to bidders. The CEO may repeatedly reject all bids and advertise or give notice again.

¹ The most current version of SEAPA's Policy Handbook is dated 09/29/2023 following approval of revisions to the Handbook under Motion #23-1073 at SEAPA's Regular Board Meeting held in Petersburg on 09/28-29/2023.

Proposed:

11. Sale or Other Disposition of Personal Property Interest.

11.1 The CEO may sell or otherwise dispose of any surplus, obsolete or unneeded supplies, materials, equipment or other personal property with a value of **Twenty Thousand Dollars (\$20,000)** 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.

11.2 No supplies, materials, equipment or other personal property of a value of more than **Twenty Thousand Dollars (\$20,000)** 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. **The Board may exercise an option to first offer surplus property valued greater than Twenty Thousand Dollars (\$20,000) as a donation to an Agency's Member Utility or solicit offers from each respective Member Utility prior to making it available to the public for sale.**

If the board considers approval of the suggested revisions to these two sections and updating of the table of contents accordingly, please consider the following motion:

SUGGESTED MOTION
I move to authorize staff to update Sections 11.1 and 11.2 (Sale or Other Disposition of Personal Property Interest) of SEAPA's Policy Handbook, and updating of the Table of Contents accordingly, as presented to board members at SEAPA's regular board meeting on June 26 & 27, 2024.



SEAPA 2024 BOARD MEETING DATES

Date(s)		Weekday(s)	Location or Format	Comments
March	14	(Thurs)	Ketchikan	Regular Mtg (9AM-5PM)
April	12	(Fri)	Electronic	Special Meeting (2PM)
June	26-27	(Wed-Thurs)	Wrangell	Regular Mtg June 26 (1-5PM) June 27 (9AM-12NOON)
August	28-29	(Wed-Thurs)	Petersburg	Regular Mtg Aug. 28 (1-5PM) Aug. 29 (8AM Tour Crystal/Blind Slough)
October	24	(Thurs)	Ketchikan	Regular Mtg (9AM-5PM)
December	4	(Wed)	Ketchikan	Regular Mtg (9AM-5PM)

(See attached for additional information on 2024 meeting dates and events)

2024

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SEAPA Regular Board Meeting dates are highlighted in yellow.

2024

MEETING DATES / EVENTS

(Updated 06/06/2024)

JANUARY

Date	Organization / Event	Location
1 (M)	SEAPA Holiday (New Year's Day)	N/A
2	PSG Assembly Mtg	PSG
4	KTN Council Mtg	KTN
9	WRG Assembly Mtg	WRG
16	PSG Assembly Mtg	PSG
18	KTN Council Mtg	KTN
23	WRG Assembly Mtg	WRG
25 (Th)	SEAPA Special (Annual) Bd Mtg 2-5PM ***Elect Officers***	Electronic
30	APA Managers Forum/Director Training	Juneau
31	APA Alaska State Legislative Conference	Juneau

FEBRUARY

Date	Organization / Event	Location
1	SE Conf Mid-Session Summit (Day 2)	Juneau
1	KTN Council Mtg	KTN
5	PSG Assembly Mtg	PSG
6-8	NWHA Annual Conf	Seattle
13	WRG Assembly Mtg	WRG
15	KTN Council Mtg	KTN
19 (M)	SEAPA Holiday (President's Day)	N/A
20	PSG Assembly Mtg	PSG
27	WRG Assembly Mtg	WRG

MARCH

Date	Organization / Event	Location
4	PSG Assembly Mtg	PSG
7	KTN City Council Mtg	KTN
12	WRG Assembly Mtg	WRG
13-15	NHA Waterpower Week	Wash DC
14 (Th)	SEAPA Regular Board Mtg	KTN
18	PSG Assembly Mtg	PSG
21	KTN Council Mtg	KTN
26	WRG Assembly Mtg	WRG

APRIL

Date	Organization / Event	Location
1	PSG Assembly Mtg	PSG
4	KTN Council Mtg	KTN
9	WRG Assembly Mtg	WRG
12	SEAPA Special Board Mtg	Electronic
15	PSG Assembly Mtg	PSG
18	KTN Council Mtg	KTN
23	WRG Assembly Mtg	WRG
30	NWHA Technical Workshop	Hood River, OR

MAY

Date	Organization / Event	Location
1	NWHA Technical Workshop	Hood River OR
2	KTN City Council Mtg	KTN
6	PSG Assembly Mtg	PSG
14	WRG Assembly Mtg	WRG
16	KTN Council Mtg	KTN
20	PSG Assembly Mtg	PSG
27 (M)	SEAPA Holiday (Memorial Day)	N/A
28	WRG Assembly Mtg	WRG

JUNE

Date	Organization / Event	Location
All Month	SEAPA Hydro Plants Shutdown	SWL/TYL/STI
3	PSG Assembly Mtg	PSG
4-6	APA Federal Legislative Conf	Wash DC
6	KTN Council Mtg	KTN
11	WRG Assembly Mtg	WRG
17	PSG Assembly Mtg	PSG
20	KTN Council Mtg	KTN
25	WRG Assembly Mtg	WRG
26	SEAPA Regular Bd Mtg 1PM-5PM	WRG
27	SEAPA Regular Bd Mtg 9AM-12NOON	WRG

JULY

Date	Organization / Event	Location
1	PSG Assembly Meeting	PSG
4 (Th)	SEAPA Holiday (Independence Day)	N/A
9 (or 11)	KTN Council Mtg	KTN
15-18	AEGIS Policy Holders Conf	Van., BC
15	PSG Assembly Mtg	PSG
18	KTN Council Mtg	KTN
23	WRG Assembly Mtg	WRG

AUGUST

Date	Organization / Event	Location
1	KTN Council Mtg	KTN
5	PSG Assembly Mtg	PSG
15	KTN Council Mtg	KTN
19	PSG Assembly Mtg	PSG
27	WRG Assembly Mtg	WRG
28	SEAPA Regular Board Mtg 1PM-5PM	PSG
29	SEAPA Crystal/BI Slough Tour 8AM-1PM	PSG

2024 MEETING DATES / EVENTS

SEPTEMBER

Date	Organization / Event	Location
2 (M)	SEAPA Holiday (Labor Day)	N/A
3	PSG Assembly Mtg	PSG
5	KTN Council Mtg	KTN
10-13	APA Annual Meeting	Fairbanks
10	WRG Assembly Mtg	WRG
16	PSG Assembly Mtg	PSG
19	KTN Council Mtg	KTN
24	WRG Assembly Mtg	WRG
24-26	Southeast Conference Annual Mtg	KTN

OCTOBER

Date	Organization / Event	Location
3	KTN Council Mtg	KTN
7	PSG Assembly Mtg	PSG
8	WRG Assembly Mtg	WRG
17	KTN Council Mtg	KTN
21	PSG Assembly Mtg	PSG
22	WRG Assembly Mtg	WRG
24 (Th)	SEAPA Regular Board Mtg 9AM-5PM	KTN

NOVEMBER

Date	Organization / Event	Location
4	PSG Assembly Mtg	PSG
7	KTN Council Mtg	KTN
11 (M)	SEAPA Holiday (Veteran's Day)	N/A
12	WRG Assembly Mtg	WRG
18	PSG Assembly Mtg	PSG
21	KTN Council Mtg	KTN
26	WRG Assembly Mtg	WRG
28 (T)	SEAPA Holiday (Thanksgiving)	N/A
29 (F)	SEAPA Holiday (Day After)	N/A

DECEMBER

Date	Organization / Event	Location
2	PSG Assembly Mtg	PSG
4 (Wed)	SEAPA Regular Board Mtg 9AM-5PM	KTN
5	KTN Council Mtg	KTN
9-13	Alaska Municipal League Annual Mtg	Anchorage
10	WRG Assembly Mtg	WRG
16	PSG Assembly Mtg	PSG
19	KTN Council Mtg	KTN
24 (Tu)	SEAPA Holiday (Christmas Eve)	N/A
25 (W)	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, except only one meeting held in July, August, and December: July & August: <u>only 4th Tuesday mtg held</u> December: <u>only 2nd mtg held</u>
Ketchikan City Council Meetings	1st & 3rd Thursday every month