



SOUTHEAST ALASKA POWER AGENCY

Regular Board Meeting - March 27, 2025 AGENDA

Thursday, March 27, 2025		<p><i>Meeting held in person at:</i></p> <p>SEAPA Headquarters 55 Don Finney Lane Ketchikan, Alaska</p> <p style="text-align: center;">◆ ◆ ◆ ◆ ◆</p> <p>Call-in Number for telephonic participation via Zoom: 1.888.475.4499 US Toll-free Meeting ID#: 814 1572 6507</p>
8AM	Breakfast @ SEAPA Board Room	
9AM	Meeting Starts	
12NOON	Lunch @ SEAPA Board Room	
5PM	Meeting Adjourns	
<p>**6PM Dinner @ The Landing (Spouses or significant others welcome to join SEAPA staff and Board Members)</p>		

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**
 - A. Reserved for any member of the public calling or attending in person
4. **Review and Approve Minutes**
 - A. January 17, 2025 - Annual (Special) Meeting
5. **Financial Reports**
6. **Staff Reports**
 - A. Electrical Controls Engineer Report (*Womack*)
 - B. Operations Manager (*Hammer*)
 - a. Plant Operations Quarterly Report
 - b. Projects Report
 - C. Project Manager Report (*Hilson*)
7. **CEO Report**
8. **New Business**

A.	Consideration of 2025 Cleveland Peninsula Transmission Line Brushing Contract
B.	Consideration of 2025 Woronkofski Island Transmission Line Brushing Contract
C.	Consideration of 457b Plan Amendment
D.	Discussion Re SEAPA Funding Scenarios/Synopsis
E.	Discussion Re SEAPA Staffing 5-Year Outlook
F.	1 st Quarter Operations Plan Update

9. **2025 Meeting Dates**
 - Thursday, May 29, 2025 @ 2PM AKDT special meeting proposed re Tyee 3rd Turbine Procurement Contract
 - June 25-26, 2025 Regular Board Meeting in Wrangell, Alaska
10. **Director Comments**
11. **Adjourn**

Southeast Alaska Power Agency Annual Meeting Minutes

Location: Held Electronically¹

Date: January 17, 2025

Time: 2:00 p.m. AKST

Agenda Items

1) Call to Order

A. Roll Call.

Chairperson Sivertsen called the annual meeting to order at 2:00 p.m. AKST on January 17, 2025. 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	Rodney Dial	E	Swan Lake	Ketchikan
Delilah Walsh	E	Jeremy Bynum	E	Swan Lake	Ketchikan
Dick Coose	E/IP	Peter Amylon	E/IP	Swan Lake	Ketchikan
Bob Lynn	E	Karl Hagerman	E	Tyee Lake	Petersburg
Mason Villarma	E	Patricia Gilbert	E	Tyee Lake	Wrangell

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/IP	Marcy Graves, Ofc. Manager	E
Kay Key, Controller	E	Joel Paisner, SEAPA Counsel	E
Sharon Thompson, EA/CA	E/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 (Villarma/Lynn) to approve the Agenda as presented. The motion was approved unanimously by polled vote.



Action
25-1157

3) Introduction of Board Members

The Chair requested board members to introduce themselves. Board members exchanged brief introductions.

¹ The meeting was held electronically via Zoom.

4) Election of Officers

Chairperson Sivertsen opened the meeting to hear nominations for SEAPA's respective officer positions.

A. *Chairperson* – Mr. Hagerman nominated Bob Lynn.

With no further nominations and no objections heard, the Chair declared that Mr. Lynn will serve as Chair.

B. *Vice Chairperson* - Mr. Lynn nominated Mason Villarma to serve as Vice Chair.

With no further nominations and no objections heard, the Chair declared that Mr. Villarma will serve as Vice Chair.

C. *Secretary-Treasurer* - Mr. Hagerman nominated Bob Sivertsen to serve as Secretary-Treasurer.

With no further nominations and no objections heard, the Chair declared the position as filled.

Following the election of officers, the gavel passed from Chairperson Sivertsen to the newly elected Chair, Bob Lynn.

5) **Persons to be Heard:** None.

6) Review and Approve Minutes

The Chair requested a motion to approve the minutes of December 4, 2024.

➤ Motion

M/S (Sivertsen/Villarma) to approve the Minutes of the regular meeting of December 4, 2024. The motion was approved unanimously by polled vote. ✓

Action
25-1158

7) New Business

A. *Review/Discussion Re CEO Evaluation Forms*

SEAPA's CEO, Mr. Siedman, provided an overview of the CEO Evaluation process and forms agreed to by the Board at its June 26, 2024 board meeting. Following discussion no substantive changes to the process and forms were recommended.

8) Next Meeting Dates

There were no objections to SEAPA's next regular board meeting date of March 27, 2025 in Ketchikan.

9) Director Comments

Directors exchanged various comments.

10) Adjourn

Chairperson Lynn announced the meeting adjourned at 2:41 p.m.

Signed:

Attest:

Secretary/Treasurer

Chairperson





SOUTHEAST ALASKA POWER AGENCY CEO FINANCIAL COVER MEMO

DATE: March 20, 2025

TO: SEAPA Board of Directors

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

SUBJECT: CEO Financial Cover Letter

SEAPA maintains a stable financial position with strong revenues, supported by continued load growth contributing to increased sales and megawatt outputs. In 2024, Firm Power Sales exceeded budget expectations by 15% and were 6.2% higher than FY24. The primary driver of this increased output was the temporary outage of a legacy hydroelectric facility in Ketchikan.

MWh sales for January and February 2025 totaled 41,666 MWh, compared to 41,854 MWh for the same period in 2024. The nearly identical sales figures underscore that sales are primarily influenced by load growth, particularly with the legacy hydroelectric facility now fully operational.

SEAPA's Change in Net Position for FY2024, was \$2,030,461 compared to a Change in Net Position of \$877,238 in FY2023.

REVENUE & EXPENSES:

Revenue through December 2024 was higher than forecasted. Total revenue from sales through December 2024 was \$14,657,843 actual vs. \$12,784,591 budget. Operating Expense through December was \$7,361,823 actual vs. \$8,378,350 budget.

RENEWAL & REPLACEMENT PROJECTS:

The Dedicated R&R Fund balance as of December 31, 2024, was \$4,764,308. Year-to-date expenditure as of December 31, 2024, on Capital Projects was \$1,280,058.

RENEWABLE ENERGY CERTIFICATES (REC's):

SEAPA earned \$109,818 in net REC sales for 2024 and \$86,953 in 2025 thus far. Approximately 92,000 MWh of remaining 2024 RECs are anticipated to hit the market this quarter.

GRANTS:

SEAPA closed the FY13 DCCED grant, executing 98.9% of the grant proceeds. Department of Energy (DOE) and State Renewable Energy Fund (REF) grants are anticipated in 2025-2026. A more detailed discussion on the status of current grant applications will occur under New Business on the Agenda.



SOUTHEAST ALASKA POWER AGENCY CONTROLLER MEMO

Date: March 19, 2025
To: Robert Siedman

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

SUGGESTED MOTION

I move to accept year-to-date financial statements through December 2024 and disbursements for December 2024 through February 2025 totaling \$1,524,865.99.

This financial packet includes:

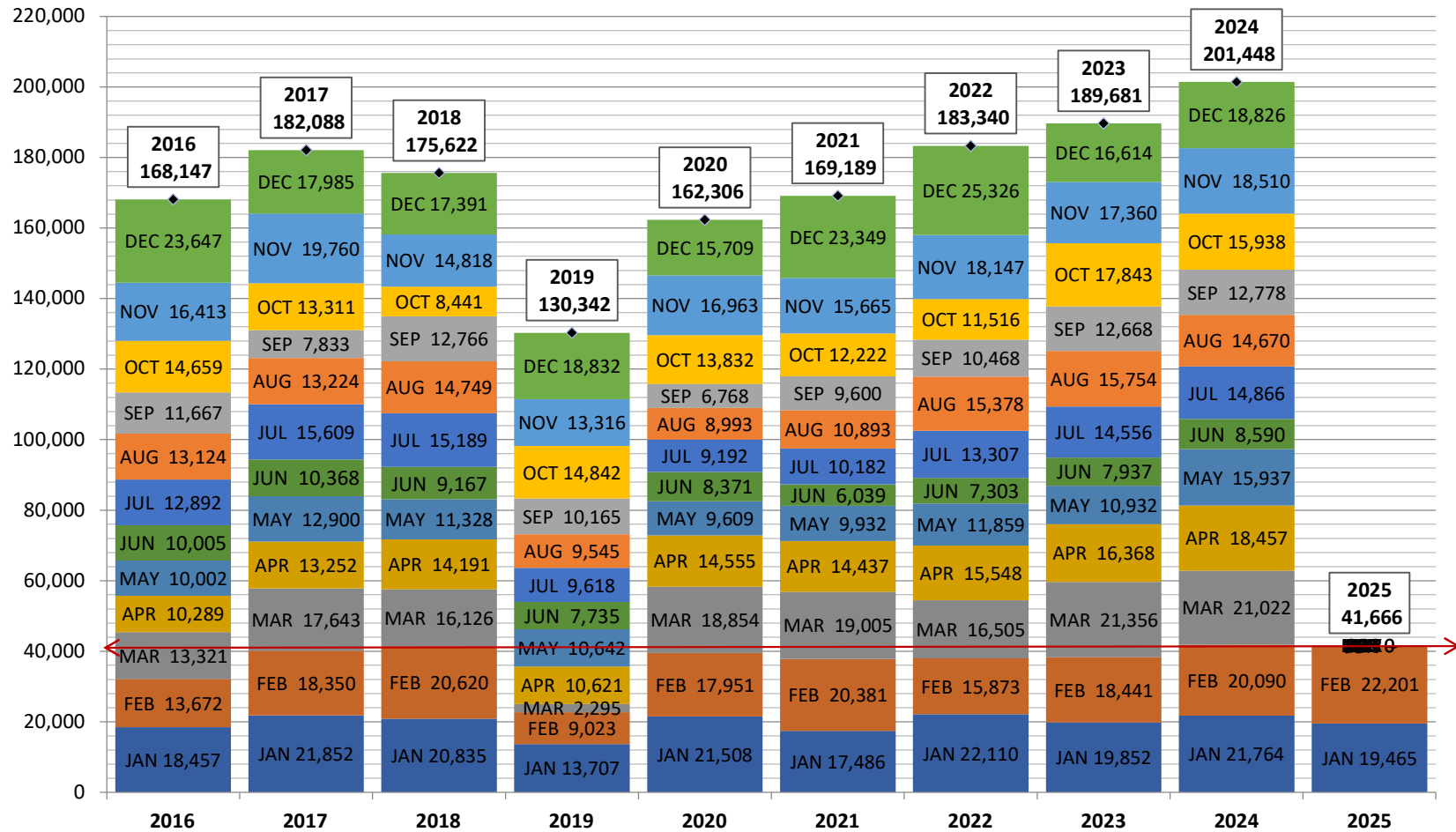
- **MWH Graph** (through Feb 2025) & **kWh Graphs** (through December 2024)
- **Fund Allocation Graph** (as of December 31, 2024)

2024 Year-to-Date Financial Statements through December 2024

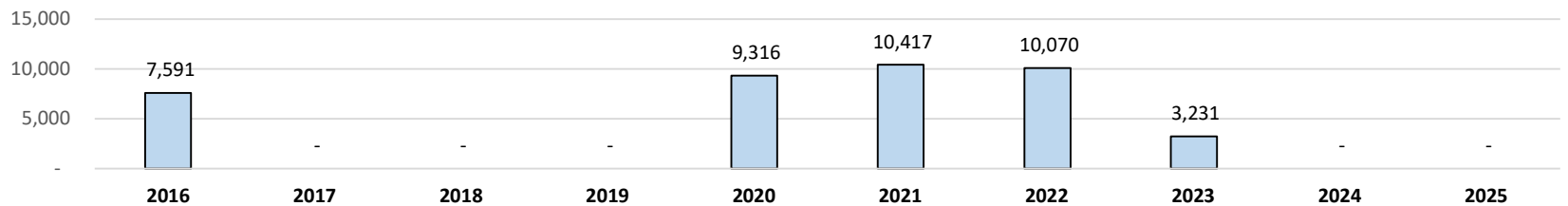
- **Financial Snapshot**
- **Year-to-Date Financial Statements**
 - ✓ Financial Snapshot
 - ✓ Statement of Financial Position – Year-to-date with prior year comparison
 - ✓ Statement of Activities – Summary of year-to-date expenses by FERC code, compared to budget and prior year
 - ✓ Statement of Activities – Line-item detail of actual expenses compared to budget
 - ✓ R&R Summary – Project expenditures and budget
- **Disbursements** (December 2024 – February 2025)

SOUTHEAST ALASKA POWER AGENCY

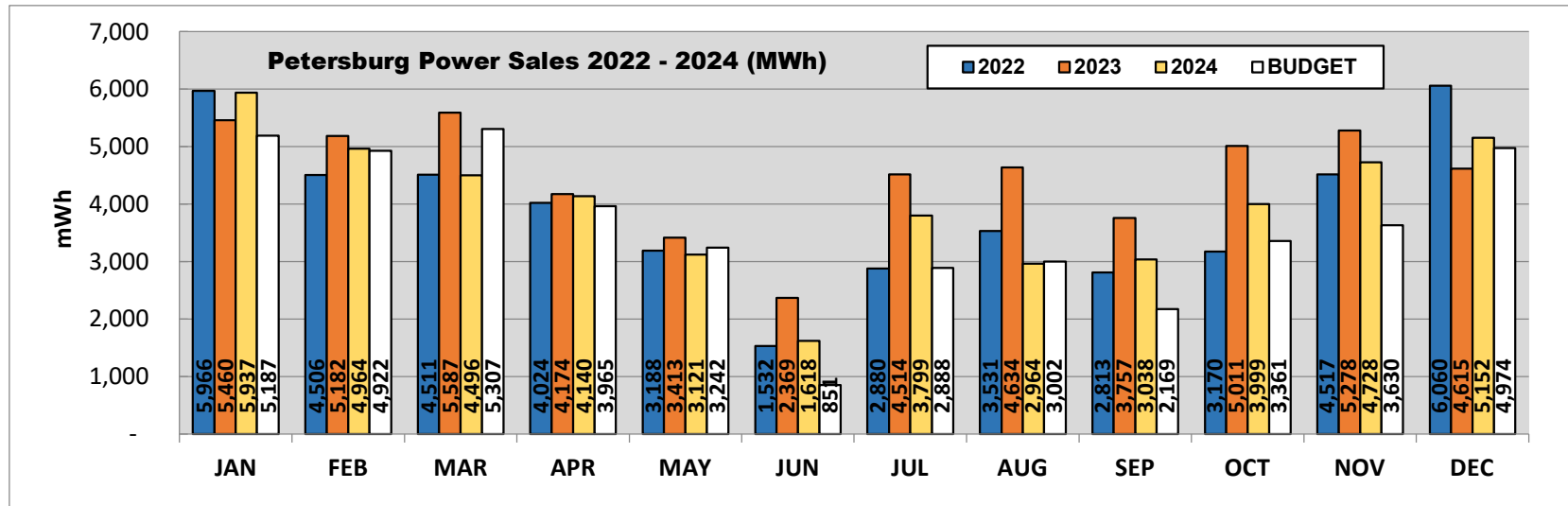
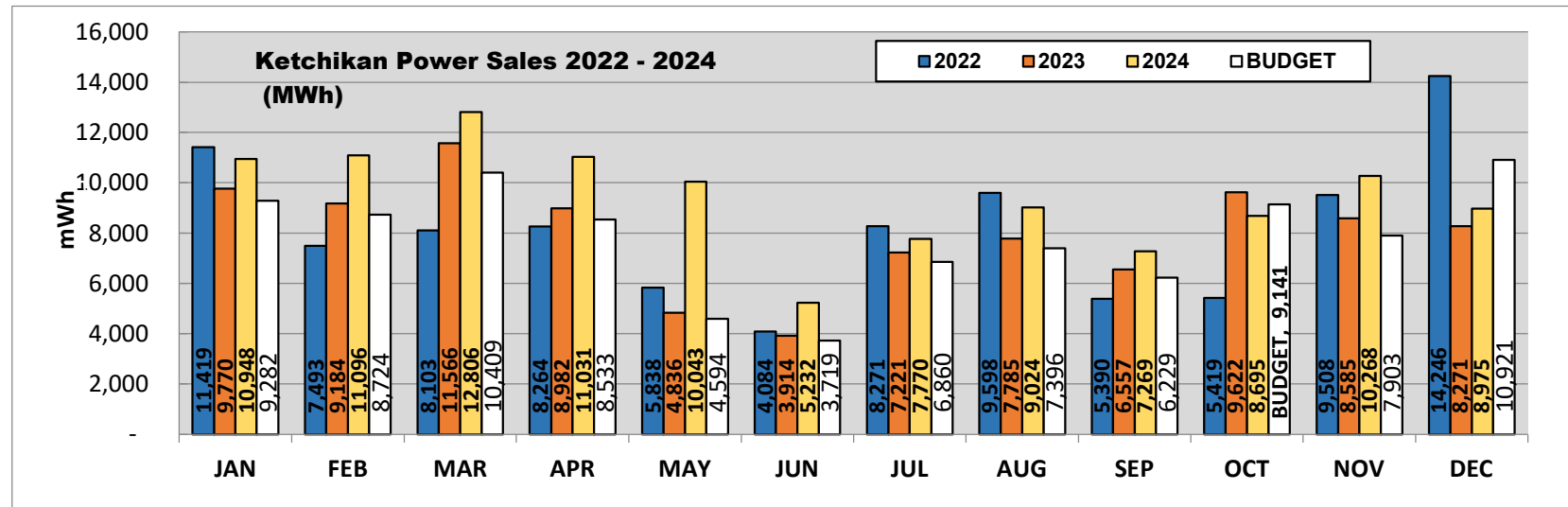
MWh Firm Power Sales YOY Comparison



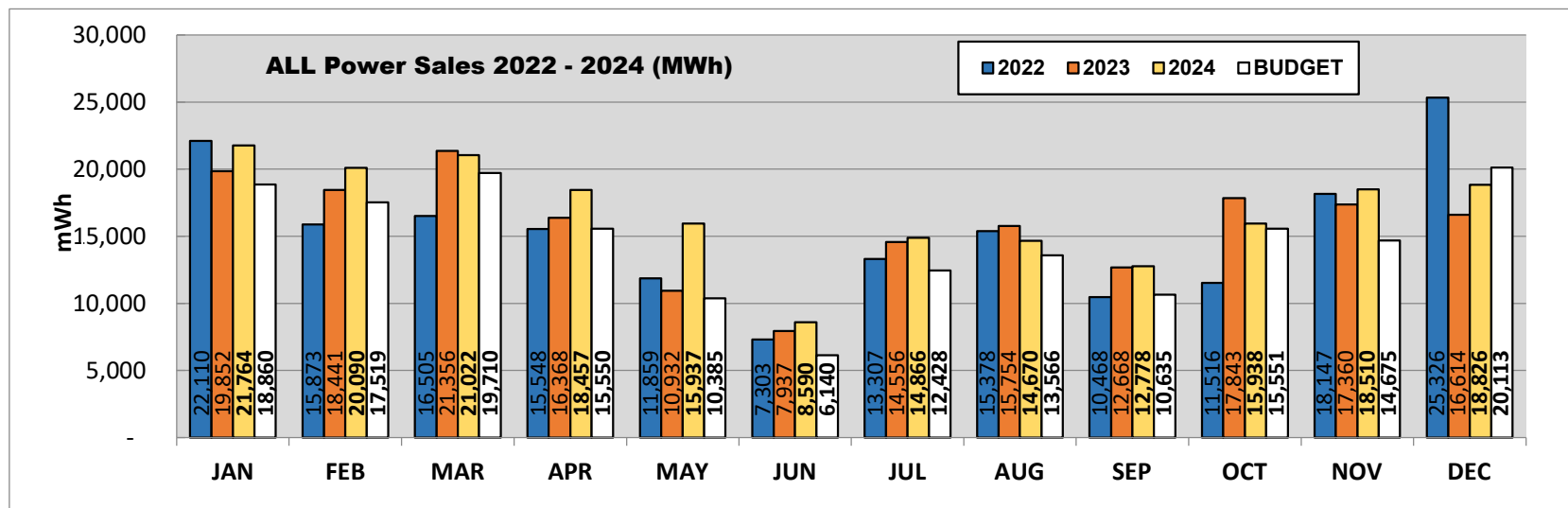
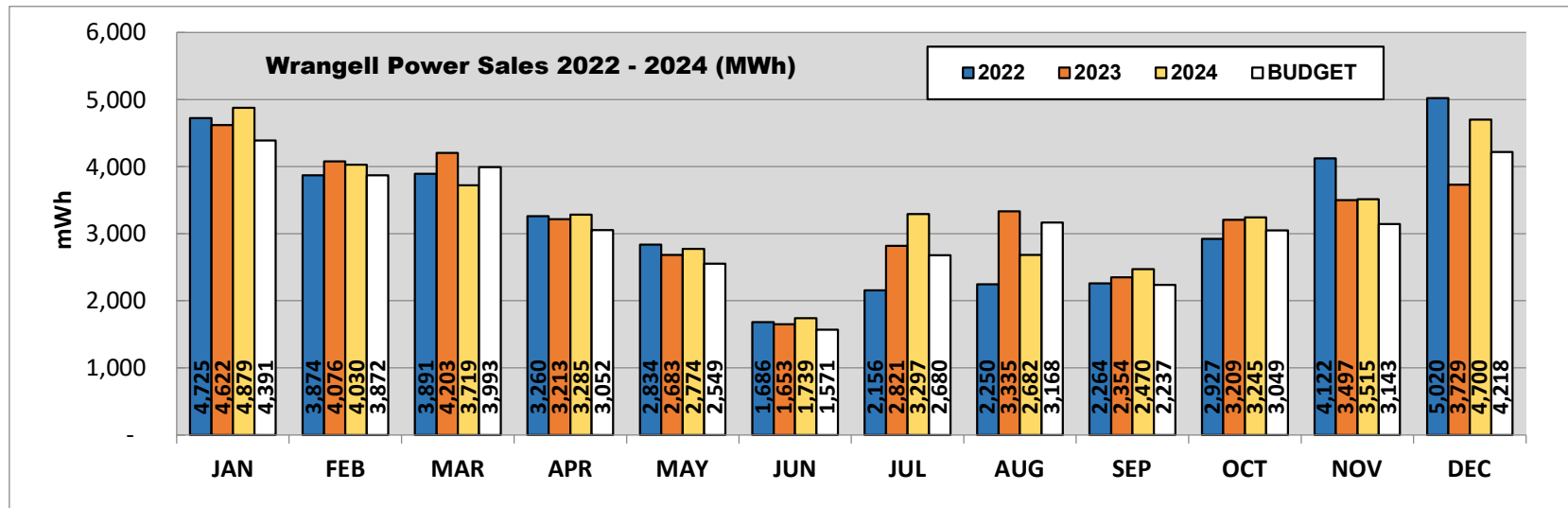
MWh Displaced Sales - Whitman True-up



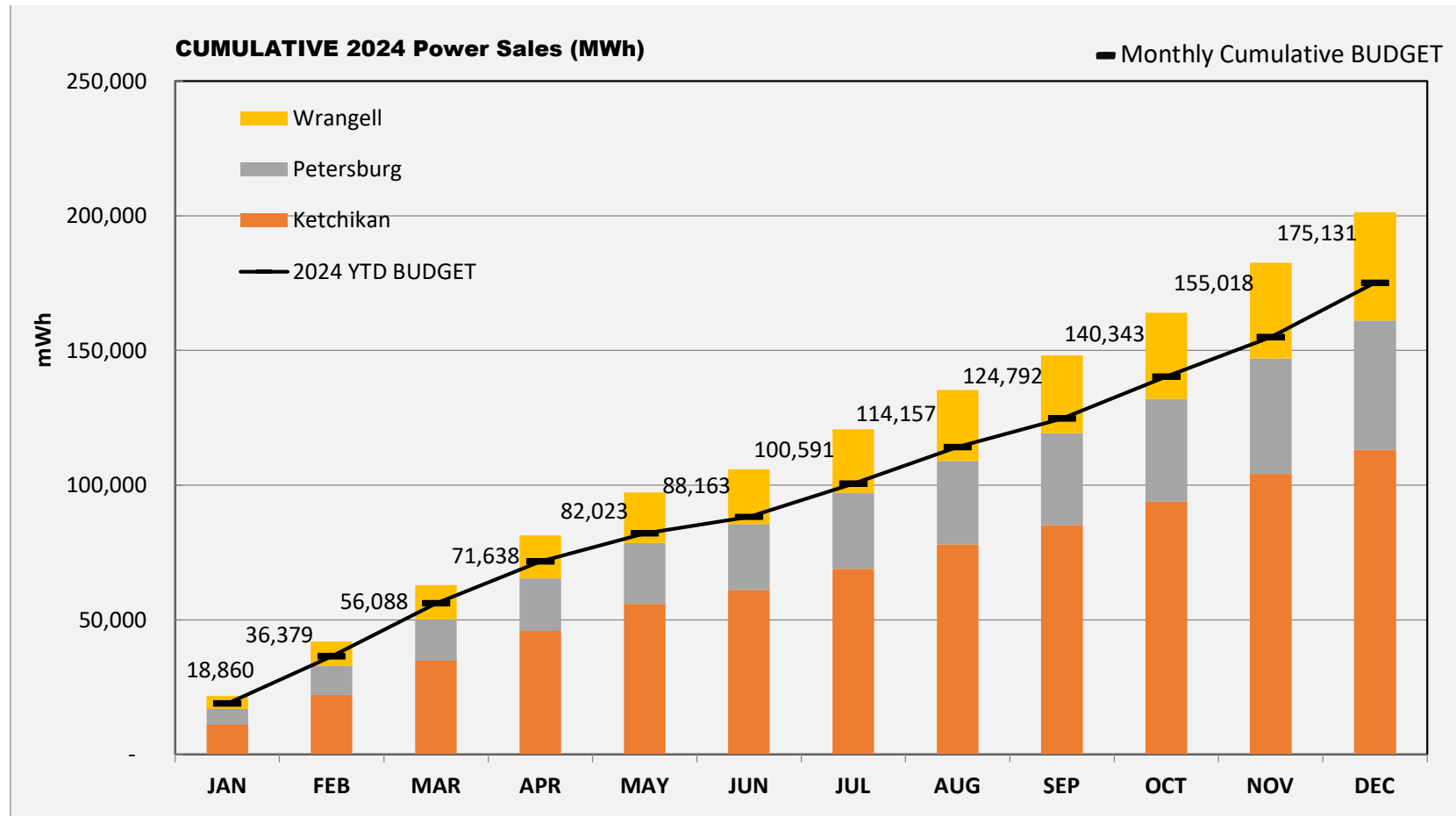
DEC 2024	2024 kWh HYDROPOWER SALES	CURRENT MONTH		YTD	
		Actual	Budget	Actual	Budget
	Ketchikan Power Purchases	8,974,592	10,920,928	113,156,244	93,710,691
	Petersburg Power Purchases	5,151,627	4,973,937	47,956,691	43,498,582
	Wrangell Power Purchases	4,700,240	4,218,374	40,334,980	37,922,164
	Total Power Purchases	18,826,459	20,113,239	201,447,915	175,131,437
					115%



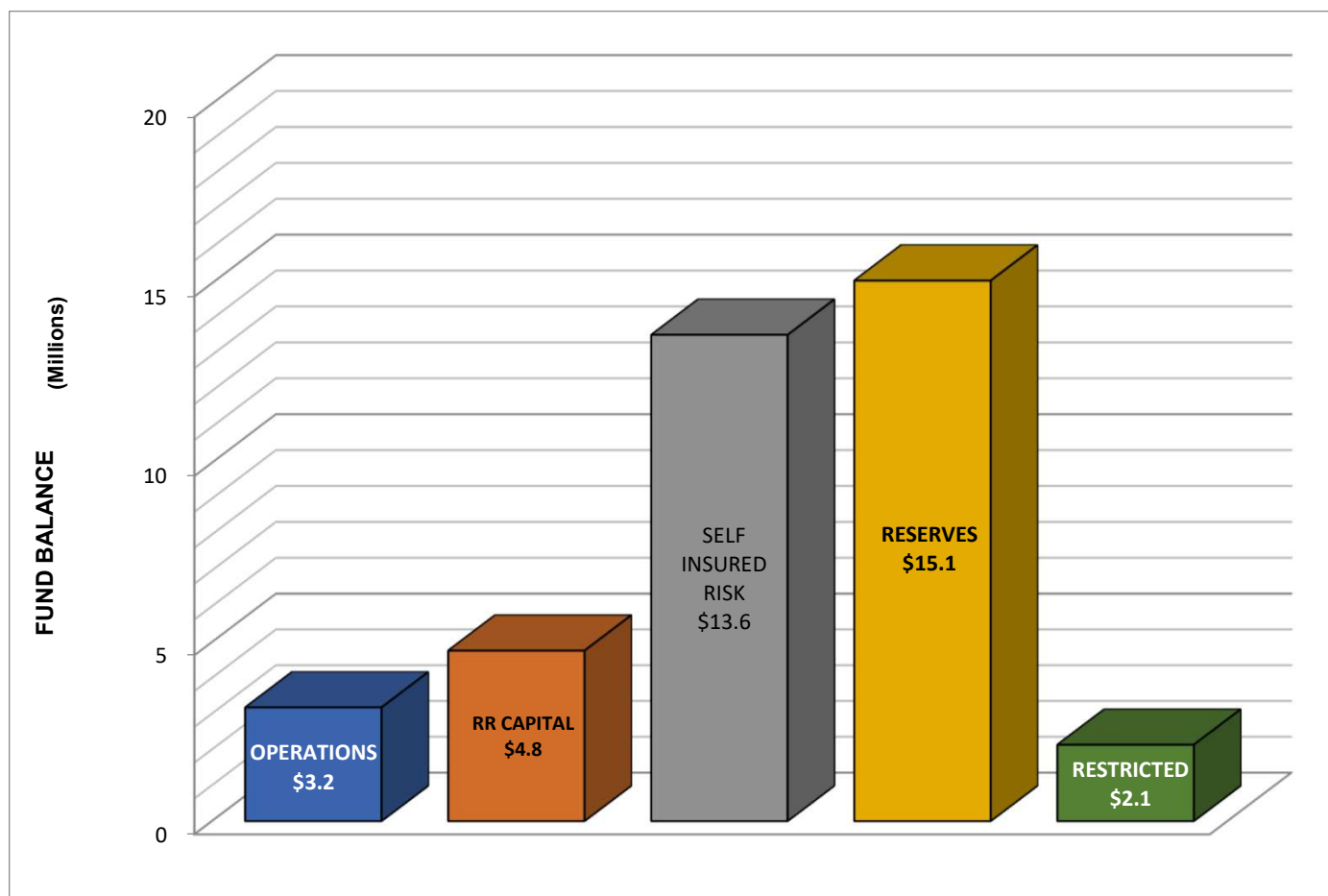
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SEAPA FUND ALLOCATION - DEC 2024



OPERATING FUNDS		CAPITAL (R&R) FUNDS		RESERVES		RESTRICTED FUNDS	
Revenue Fund	\$ 3,176,034	Dedicated R&R	\$4,764,308	Self Insured Risk	\$13,564,180	Reserves Fund	\$15,076,294
Checking	799					Bond Funds	\$2,113,204
						USFS CD	22,223
TOTAL Agency Funds \$ 38,717,042							

OPERATING FUNDS

Revenue Fund & Commercial Checking: All SEAPA income is deposited to the Revenue Fund, as required by Bond Indentures. Monies are transferred to checking from Revenue and RR Capital Funds as needed to cover expenditures.

DEDICATED R&R (CAPITAL) FUNDS

This fund covers capital improvements as well as new capital projects.

Funded by annual deposit of \$3.2MM, transferred from Revenue Fund in quarterly installments, as outlined by the 4R Plan.

RESERVES

Self-Insured Risk: Coverage for uninsured transmission lines, submarine cables and insurance deductibles.

Reserves: Includes Rate Stabilization, New Generation, and additional R&R capital reserves, established under the board-approved Reserves Fund Policy.

RESTRICTED (Legally or contractually restricted)

All Trustee Funds: Bond Interest, Principal, Reserve Funds

USFS: USFS Land Remediation Certificate of Deposit



DECEMBER 2024 YTD FINANCIAL SNAPSHOT

OPERATING REVENUE

kWh SALES	JAN-DEC Actual	JAN-DEC Budget	JAN-DEC Prior Yr
Ketchikan	\$8,260,406	\$6,840,879	\$7,029,362
Petersburg	3,474,570	3,175,394	3,967,698
Wrangell	2,922,867	2,768,318	2,897,475
Total Firm Sales	\$14,657,843	\$12,784,591	\$13,894,535

Nonoperating Revenue

2024 Renewable Energy Certificates - Net Income \$109,818

OPERATING EXPENSES

	JAN-DEC Actual	JAN-DEC Budget	JAN-DEC Prior Yr
Hydro Facilities	\$2,404,613	\$2,719,350	\$2,407,287
Transmission	1,560,688	2,183,750	2,032,894
G&A	3,396,522	3,475,250	3,183,515
Total Ops Exp	\$7,361,823	\$8,378,350	\$7,623,697

R&R EXPENDITURES

JAN-DEC Expenditures	2024 Budget	Assets Capitalized in 2024
\$1,280,058	\$6,635,550	\$2,204,441

FIRM MWH TREND

Year-to-Date MWH SALES		MWH Thousands	
Year	MWH		
Dec-24	201,448	Dec-24	
Dec-23	189,681	Dec-23	
Dec-22	183,340	Dec-22	
Dec-21	169,189	Dec-21	
Dec-20	162,306	Dec-20	

STATEMENT OF FINANCIAL POSITION

as of December 31, 2024

	Year To Date 12/31/24	Prior Year To Date 12/31/23	Southeast Alaska Power Agency	
			% Change	Change in Value
Assets				
Current Assets				
Agency Funds				
Operating & Reserve Funds				
1110-001 - Revenue Fund	3,176,034	6,673,128		
1110-002 - Commercial Checking	799	1,000		
1110-003 - Dedicated R&R Fund	4,764,308	8,514,759		
1110-004 - New Generation Fund	-	1,885,498		Transferred to new Reserves Fund
1110-101 - Rate Stabilization Fund	-	2,006,062		Transferred to new Reserves Fund
1110-102 - Self Insured Risk Fund	13,564,180	13,055,776		
1110-104 - Reserves Fund	15,076,294	-		New investment fund Nov 2024
Total Operating & Reserve Funds	36,581,614	32,136,223	114%	\$4,445,391
Restricted Trustee Funds				
1120-004 - 2015 Series Bond Interest Fund	42,108	2,193		
1120-005 - 2015 Series Bond Principal Fund	80,417	-		
1120-006 - 2015 Series Bond Reserve Fund	576,029	585,358		
1120-009 - 2019 Series Bond Interest Fund	-	4,123		2019 Series matured May 2024
1120-010 - 2019 Series Bond Principal Fund	-	1,619		2019 Series matured May 2024
1120-011 - 2019 Series Bond Reserve Fund	-	232,685		2019 Series matured May 2024
1120-012 - 2021 Series Bond Interest Fund	41,662	1,751		
1120-013 - 2021 Series Bond Principal Fund	25,444	410		
1120-014 - 2021 Series Bond Reserve Fund	829,136	793,831		
1120-017 - 2022 Series Bond Interest Fund	22,031	14,434		
1120-018 - 2022 Series Bond Principal Fund	8,932	207		
1120-019 - 2022 Series Bond Reserve Fund	487,445	466,689		
Total Restricted Trustee Funds	2,113,204	2,103,301	100%	\$9,903
Restricted Other Funds				
1130-001 - USFS CD - STI	22,223	21,805		
1130-002 - DNR Reclamation Fund	-	1,572,796		Replaced by annual surety bond
1130-003 - Required R&R Fund	-	1,001,226		Transferred to new Reserves Fund
Total Restricted Other Funds	22,223	2,595,827	1%	(\$2,573,604)
Total Agency Funds	38,717,042	36,835,351	105%	\$1,881,690
Accounts Receivable				
1100-001 - Accounts Receivable	2,182,499	2,378,538		
1100-003 - Other Misc Receivable	1,020	1,020		
Total Accounts Receivable	2,183,519	2,379,558	92%	
Other Current Assets				
Accrued Interest Receivable				
1200-102 - Accrued Interest Receivable	203,471	125,375		
Total Accrued Interest Receivable	203,471	125,375	162%	
Prepaid Fees				
1200-202 - Prepaid Insurance	714,378	679,294		
1200-203 - Prepaid Operating Fees	178,459	7,168		
1200-204 - Prepaid USFS Land Use Fees	-	116,203		
1200-206 - Prepaid Admin Group Ben	13,840	10,732		
1200-207 - Prepaid Admin Retirement	14,582	10,195		
Total Prepaid Fees	921,260	823,593	112%	
Inventory Assets				
1200-300 - Inventory Spares-Stores	272,715	274,707		
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	(395,276)	(329,300)		
Total Inventory Assets	1,975,784	2,043,752		
Total Other Current Assets	3,100,515	2,992,719		
Total Current Assets	44,001,076	42,207,628	104%	\$ 1,793,447

STATEMENT OF FINANCIAL POSITION as of December 31, 2024	Year To Date	Prior Year To Date	Southeast Alaska Power Agency	
	12/31/24	12/31/23	% Change	Change in Value
Capital Assets				
1300-100 - Swan Lake Capital Assets	38,030,297	36,220,084		
1300-200 - Tyee Lake Capital Assets	44,582,906	44,468,432		
1300-300 - Swan-Tyee Intertie Capital Assets	115,329,753	115,329,753		
1300-400 - Ketchikan Capital Assets	6,630,782	6,556,325		
Total Capital Assets	204,573,738	202,574,595	101%	
R&R WIP Capital Projects				
1320-100 - WIP Swan Lake	86,417	1,416,163		2023 - Bunkhs SWL Work in Progress
1320-200 - WIP Tyee Lake	653,421	248,057		2024 - Station Service TYL WIP
Total R&R WIP Capital Projects	739,838	1,664,221		
Accumulated Depreciation	(73,481,498)	(68,682,611)		
Total Capital Assets	131,832,078	135,556,204	97%	\$ (3,724,126)
Deferred Assets				
1830-006 - New Generation Integration	-	12,538		
1830-007 - 2019 Bond Gain on 2009 Refund	-	9,459		2019 Series matured May 2024
1830-009 - Solar Feasibility	74,542	-		
1830-010 - Feasibility Ketchikan Substation	425,579	-		
1830-011 - Feasibility TYL Capacity License Amendm	197,555	719		
1830-012 - Feasibility TYL Third Turbine Design Phas	552,993	-		
Total Deferred Assets	1,250,669	22,716	5506%	\$ 1,227,954
Total Assets	177,083,823	177,786,548	100%	\$ (702,725)
Liabilities and Net Position				
Current Liabilities				
Accounts Payable				
2100-001 - Accounts Payable General	20,335	483,745		
Total Accounts Payable	20,335	483,745	4%	\$ (463,410)
Other Current Liabilities				
2100-301 - Other Current Liabilities	114,185	107,264		
2100-304 - Reserve Interest Payable	105,801	14,533		
2100-340 - Wages Payable	175,235	167,688		
2100-341 - PTO Payable	182,951	152,794		
2100-350 - Other Payroll Liabilities	17,095	21,666		
Total Other Current Liabilities	595,268	463,945	128%	
Total Current Liabilities	615,603	947,690	65%	\$ (332,087)
Long Term Liabilities				
2200-001 - PERS Unfunded Liability WRG	369,152	452,792		
2200-002 - DNR Fund CVEA KEA Liability	-	786,398		DNR Fund liability distributed Jun 2024
2200-202 - Series 2015 Bonds	10,295,000	10,295,000		Principal pmts begin in 2025
2200-203 - Series 2019 Bonds	-	935,000		2019 Series matured May 2024
2200-204 - Series 2021 Bonds	10,515,000	10,800,000		
2200-205 - Series 2022 Bonds	5,705,000	5,805,000		
2200-302 - 2015 Bond Issuance Premium	463,407	518,466		
2200-303 - 2019 Bond Issuance Premium	-	33,239		2019 Series matured May 2024
2200-304 - 2021 Bond Issuance Premium	2,490,222	2,614,733		
2200-305 - 2022 Bond Issuance Discount	(48,912)	(50,659)		
Total Long Term Liabilities	29,788,869	32,189,969	93%	\$ (2,401,099)
Total Liabilities	30,404,473	33,137,659	92%	\$ (2,733,186)
Net Position				
3100-001 - Net Investment Capital Assets	102,412,360	104,614,884		
3100-002 - Restricted for Debt Service	2,576,169	2,594,125		
3100-003 - Restricted by External Agreement	22,223	1,594,601		DNR Fund (restricted) distributed Jun 2024
3100-004 - Unrestricted	39,638,136	34,968,041		
Total Net Position	144,648,889	143,771,651	101%	\$ 877,238
Net Income	2,030,461	877,238	231%	\$ 1,153,223
Total Net Position	146,679,350	144,648,889	101%	\$ 2,030,462
Total Liabilities and Net Position	177,083,823	177,786,548	100%	\$ (702,725)

STATEMENT OF ACTIVITIES - Budget Comparison YTD

Year To Date as of December 31, 2024

	YTD FY24	ANNUAL BUDGET	VARIANCE % of Budget	YTD FY23	YOY Comparison
OPERATING REVENUE					
OPERATING REVENUE					
400 - Hydro Facility Revenues	14,657,843	13,463,491	9%	14,130,366	
Total Operating Revenue	14,657,843	13,463,491	9%	14,130,366	
Net Operating Revenue	14,657,843	13,463,491	9%	14,130,366	104%
OPERATING EXPENSE					
HYDRO FACILITY O&M					
535 - Operations Supervision	9,507	10,000	-5%	6,850	
537 - Hydraulic Expense	9,749	14,500	-33%	11,821	
538 - Electric Expenses	38,460	90,600	-58%	45,581	
539 - Operations Misc Expense	320,325	338,500	-5%	255,042	
540 - Rents	192,091	192,200	0%	186,486	
541 - Hydro Power Station Maintenance	67,918	106,600	-36%	33,544	
543 - Dams Reservoirs Waterways	40,153	104,500	-62%	66,469	
544 - Electric Plant Wages-Benefits	1,683,614	1,753,250	-4%	1,727,885	
545 - Nonproduction Plant Maintenance	31,959	92,200	-65%	60,734	
561 - Control System Maintenance	10,837	17,000	-36%	12,877	
Total Hydro Facility Expense	2,404,613	2,719,350	-12%	2,407,287	100%
TRANSMISSION O&M					
562 - Substation Expense	64,892	105,250	-38%	58,346	
564 - XMSN Submarine Cable Expense	805	2,000	-60%	315	
571 - XMSN Overhead Lines Expense	1,494,990	2,076,500	-28%	1,974,234	
Total Transmission Expense	1,560,688	2,183,750	-29%	2,032,894	77%
GENERAL & ADMIN EXPENSE					
920 - Admin Wages-Benefits	1,771,158	1,823,000	-3%	1,518,118	
921 - Office Expenses	249,744	220,900	13%	233,085	
923 - Professional Services	298,324	298,400	0%	368,886	
924 - Insurance	817,029	816,100	0%	788,746	
928 - Regulatory Commission Expense	93,337	99,950	-7%	86,142	
930 - General Expense	145,681	194,800	-25%	131,952	
931 - Admin Rent	21,249	22,100	-4%	56,586	
Total G&A Expense	3,396,522	3,475,250	-2%	3,183,515	107%
Total Operating Expense	7,361,823	8,378,350	-12%	7,623,697	97%
NET OPERATING REVENUE/(EXPENSE)	7,296,021	5,085,141	43%	6,506,669	112%
Nonoperating Income					
941 - Grant Income	28,092			33,225	
942 - Interest Income Misc	801,288	Investment Funds		555,581	
944 - Gain/(Loss) Investments	63,714	Investment Funds		202,412	
946 - Misc Nonoperating Income	82,558	REC income		113,664	
Total Nonoperating Income	975,651			904,882	108%
Nonoperating Expense					
951 - Interest Expense	56,049			27,909	
952 - Bond Interest Expense	1,053,196			1,103,089	
953 - Depreciation-Amortization Expense	5,043,433			5,298,139	
954 - Grant Expense	28,092			33,225	
955 - Misc Nonoperating Expense	60,441	REC expense		71,950	
Total Nonoperating Expense	6,241,211			6,534,312	96%
NET NONOPERATING INCOME/(EXPENSE)	(5,265,560)			(5,629,431)	
Change in Net Position	2,030,461			877,238	231%

Southeast Alaska Power Agency

Statement of Activities - Detailed

December 31, 2024

OPERATING REVENUE

400 - Hydro Facility Revenues

4000-401 Hydropower Sales Ketchikan

4000-402 Hydropower Sales Petersburg

4000-403 Hydropower Sales Wrangell

4000-421 Displaced Power Ketchikan

TOTAL OPERATING REVENUE

OPERATING EXPENSES

535 - Operations Supervision

0390 Software

0610 Office Equipment

0730 Office Supplies

Total 535 - Operations Supervision

537 - Hydraulic Expense

0330 Helicopters

0740 Operating Supplies

0800 Materials-Minor Equip

0850 Tools

Total 537 - Hydraulic Expense

538 - Electric Expenses

0310 Contractor

0740 Operating Supplies

0800 Materials-Minor Equip

0850 Tools

Total 538 - Electric Expenses

539 - Operations Misc Expense

0300 Communication Services

0310 Contractor

0320 Flights

0330 Helicopters

0360 Lodging

0373 Rent-Other

0401 Training-Pro-Tech

0402 Training-Safety

0410 Transport-Other

0420 Utilities

0600 Phones, Radios, Video

0710 Food, Meals

0740 Operating Supplies

0750 Safety

0800 Materials-Minor Equip

0810 Rolling Stock Maint

0811 Marine Vessel Maint

0820 Fuels and Oils

0830 Fuels and Oils - Marine

0850 Tools

Total 539 - Operations Misc Expense

540 - Rents

0030 FERC Land Use

0050 USFS Land Use

Total 540 - Rents

	YTD FY24 12/31/24	YTD FY23 12/31/23	ANNUAL BUDGET	REMAINDER OF ANNUAL BUDGET	
OPERATING REVENUE					
400 - Hydro Facility Revenues					
4000-401 Hydropower Sales Ketchikan	8,260,406	7,029,362	6,840,879	(1,419,527)	
4000-402 Hydropower Sales Petersburg	3,474,570	3,967,698	3,175,394	(299,176)	
4000-403 Hydropower Sales Wrangell	2,922,867	2,897,475	2,768,318	(154,549)	
4000-421 Displaced Power Ketchikan	-	235,831	678,900	678,900	
TOTAL OPERATING REVENUE	14,657,843	14,130,366	13,463,491	(1,194,352)	-9%
OPERATING EXPENSES					
535 - Operations Supervision					
0390 Software	3,986	3,769	4,000	14	
0610 Office Equipment	4,494	447	4,000	(494)	
0730 Office Supplies	1,027	2,634	2,000	973	
Total 535 - Operations Supervision	9,507	6,850	10,000	493	5%
537 - Hydraulic Expense					
0330 Helicopters	7,636	8,835	12,000	4,364	
0740 Operating Supplies	19	-	500	482	
0800 Materials-Minor Equip	2,095	2,894	2,000	(95)	
0850 Tools	-	92	-	-	
Total 537 - Hydraulic Expense	9,749	11,821	14,500	4,751	33%
538 - Electric Expenses					
0310 Contractor	24,435	35,781	58,600	34,165	
0740 Operating Supplies	359	4,958	6,000	5,641	
0800 Materials-Minor Equip	12,321	4,744	23,000	10,679	
0850 Tools	1,344	97	3,000	1,656	
Total 538 - Electric Expenses	38,460	45,581	90,600	52,140	58%
539 - Operations Misc Expense					
0300 Communication Services	43,136	40,637	46,000	2,864	
0310 Contractor	21,983	14,180	20,800	(1,183)	
0320 Flights	90,547	69,422	83,000	(7,547)	
0330 Helicopters	-	2,592	4,000	4,000	
0360 Lodging	4,519	3,096	3,500	(1,019)	
0373 Rent-Other	2,913	1,194	3,300	387	
0401 Training-Pro-Tech	7,007	329	10,000	2,993	
0402 Training-Safety	5,417	13,440	6,000	583	
0410 Transport-Other	6,354	7,714	25,000	18,646	
0420 Utilities	1,638	833	2,400	762	
0600 Phones, Radios, Video	7,218	944	2,500	(4,718)	
0710 Food, Meals	2,384	4,025	4,500	2,116	
0740 Operating Supplies	1,459	1,018	2,000	541	
0750 Safety	17,816	4,366	12,000	(5,816)	
0800 Materials-Minor Equip	168	-	-	(168)	
0810 Rolling Stock Maint	26,893	15,692	32,000	5,107	
0811 Marine Vessel Maint	6,675	1,871	4,500	(2,175)	
0820 Fuels and Oils	39,988	43,535	40,000	12	
0830 Fuels and Oils - Marine	30,702	28,723	32,000	1,298	
0850 Tools	3,511	1,430	5,000	1,489	
Total 539 - Operations Misc Expense	320,330	255,042	338,500	18,170	5%
540 - Rents					
0030 FERC Land Use	75,688	74,017	75,750	62	
0050 USFS Land Use	116,403	112,469	116,450	47	
Total 540 - Rents	192,091	186,486	192,200	109	0%

Southeast Alaska Power Agency

Statement of Activities - Detailed

December 31, 2024

	YTD FY24 12/31/24	YTD FY23 12/31/23	ANNUAL BUDGET	REMAINDER OF ANNUAL BUDGET	
541 - Hydro Power Station Maintenance					
0310 Contractor	18,434	-	45,000	26,566	
0740 Operating Supplies	14,068	9,601	16,000	1,932	
0800 Materials-Minor Equip	25,161	20,850	35,000	9,839	
0850 Tools	10,255	3,094	10,600	345	
Total 541 - Hydro Power Station Maintenance	67,918	33,544	106,600	38,682	36%
543 - Dams Reservoirs Waterways					
0310 Contractor	33,500	54,100	89,500	56,000	
0330 Helicopters	389	-	3,500	3,111	
0740 Operating Supplies	946	284	2,000	1,054	
0800 Materials-Minor Equip	1,861	11,496	5,000	3,139	
0850 Tools	3,458	588	4,500	1,042	
Total 543 - Dams Reservoirs Waterways	40,153	66,469	104,500	64,347	62%
544 - Electric Plant Wages-Benefits					
0110 Wages / PTO	1,111,903	1,134,141	1,135,000	23,097	
0120 OT	188,265	158,771	162,000	(26,265)	
0140 Taxes	101,382	102,451	104,000	2,618	
0150 H&W	202,953	207,450	214,000	11,047	
0160 Retirement	172,706	177,534	171,000	(1,706)	
0170 Capx-Grants	(93,596)	(52,462)	(32,750)	60,846	
Total 544 - Electric Plant Wages-Benefits	1,683,614	1,727,885	1,753,250	69,636	4%
545 - Nonproduction Plant Maintenance					
0310 Contractor	628	2,004	2,500	1,872	
0373 Rent-Other	-	8,110	-	-	
0410 Transport-Other	-	-	12,000	12,000	
0740 Operating Supplies	13,085	8,924	9,000	(4,085)	
0800 Materials-Minor Equip	9,804	27,122	33,000	23,196	
0810 Rolling Stock Maint	-	535	-	-	
0840 Furnishings	4,910	12,766	31,700	26,790	
0850 Tools	3,532	1,274	4,000	468	
Total 545 - Nonproduction Plant Maintenance	31,959	60,734	92,200	60,241	65%
561 - Control System Maintenance					
0310 Contractor	4,620	9,477	10,000	5,380	
0800 Materials-Minor Equip	6,217	3,400	7,000	783	
Total 561 - Control System Maintenance	10,837	12,877	17,000	6,163	36%
562 - Substation Expense					
0310 Contractor	34,959	27,500	75,000	40,041	
0320 Flights	10,730	9,108	7,500	(3,230)	
0360 Lodging	231	-	500	269	
0373 Rent-Other	607	1,420	1,200	593	
0420 Utilities	13,158	12,895	13,000	(158)	
0710 Food, Meals	113	145	200	87	
0740 Operating Supplies	178	913	1,500	1,322	
0800 Materials-Minor Equip	4,253	6,164	6,100	1,847	
0820 Fuels and Oils	107	-	-	(107)	
0850 Tools	552	200	250	(302)	
Total 562 - Substation Expense	64,888	58,346	105,250	40,362	38%
564 - XMSN Submarine Cable Expense					
0740 Operating Supplies	655	315	500	(155)	
0800 Materials-Minor Equip	150	-	1,500	1,350	
Total 564 - XMSN Submarine Cable Expense	805	315	2,000	1,195	60%

Southeast Alaska Power Agency

Statement of Activities - Detailed

December 31, 2024

	YTD FY24 12/31/24	YTD FY23 12/31/23	ANNUAL BUDGET	REMAINDER OF ANNUAL BUDGET
571 - XMSN Overhead Lines Expense				
0110 Wages / PTO	110,906	137,879	142,000	31,094
0120 OT	4,081	222	3,000	(1,081)
0140 Taxes	10,314	11,252	12,000	1,686
0150 H&W	15,677	23,049	24,000	8,323
0160 Retirement	11,654	18,466	19,000	7,347
0170 Capx-Grants	(2,803)	-	-	2,803
0300 Communication Services	1,178	1,646	1,600	422
0310 Contractor	413,229	534,451	474,500	61,271
0320 Flights	2,320	8,023	10,000	7,680
0330 Helicopters	71,659	52,048	70,000	(1,659)
0360 Lodging	1,003	6,742	4,500	3,497
0373 Rent-Other	5,549	1,619	7,000	1,451
0380 ROW Clearing	826,803	1,147,831	1,272,000	445,197
0401 Training-Pro-Tech	-	-	300	300
0402 Training-Safety	78	-	-	(78)
0410 Transport-Other	1,204	6,768	7,500	6,296
0420 Utilities	-	979	-	-
0600 Phones, Radios, Video	567	-	-	(567)
0710 Food, Meals	4,067	8,093	7,000	2,933
0740 Operating Supplies	3,112	3,391	6,000	2,888
0750 Safety	2,649	1,617	2,500	(149)
0800 Materials-Minor Equip	8,725	3,638	10,000	1,275
0810 Rolling Stock Maint	-	3,775	-	-
0811 Marine Vessel Maint	2,976	1,857	2,500	(476)
0820 Fuels and Oils	-	6	-	-
0850 Tools	42	881	1,100	1,058
Total 571 - XMSN Overhead Lines Expense	1,494,990	1,974,234	2,076,500	581,510 28%

Southeast Alaska Power Agency

Statement of Activities - Detailed

December 31, 2024

	YTD FY24 12/31/24	YTD FY23 12/31/23	ANNUAL BUDGET	REMAINDER OF ANNUAL BUDGET	
920 - Admin Wages-Benefits					
0110 Wages / PTO	1,079,417	884,946	1,074,000	(5,417)	
0120 OT	-	1,174	-	-	
0140 Taxes	82,903	71,534	82,000	(903)	
0150 H&W	281,666	236,868	332,000	50,334	
0160 Retirement	327,172	323,696	335,000	7,828	
0170 Capx-Grants	-	(100)	-	-	
Total 920 - Admin Wages-Benefits	1,771,158	1,518,118	1,823,000	51,842	3%
921 - Office Expenses					
0300 Communication Services	28,017	31,034	28,000	(17)	
0310 Contractor	93,358	91,690	80,000	(13,358)	
0350 Licenses-Permits	116	128	200	84	
0390 Software	44,885	36,154	44,000	(885)	
0420 Utilities	42,863	27,336	37,000	(5,863)	
0600 Phones, Radios, Video	-	313	-	-	
0610 Office Equipment	18,671	7,167	11,000	(7,671)	
0710 Food, Meals	1,693	2,467	2,000	307	
0730 Office Supplies	6,412	22,446	2,000	(4,412)	
0740 Operating Supplies	1,343	-	-	(1,343)	
0750 Safety	570	-	-	(570)	
0800 Materials-Minor Equip	2,981	-	2,300	(681)	
0810 Rolling Stock Maint	3,849	1,490	6,000	2,151	
0820 Fuels and Oils	2,456	2,358	2,200	(256)	
0840 Furnishings	458	10,467	3,000	2,542	
0850 Tools	2,070	34	3,200	1,130	
Total 921 - Office Expenses	249,744	233,085	220,900	(28,844)	-13%
923 - Professional Services					
0910 Audit-Accounting	48,376	42,100	45,400	(2,976)	
0920 Banking-Trustee-Investment	54,796	52,381	50,000	(4,796)	
0921 Cash Back - Credit Card	-	(5,352)	-	-	
0930 Legal	51,097	89,549	95,000	43,903	
0940 Legislative	48,000	48,000	48,000	-	
0950 Other Professional Services	96,055	142,208	60,000	(36,055)	
Total 923 - Professional Services	298,324	368,886	298,400	76	0%
924 - Insurance					
0960 Insurance	817,029	788,746	816,100	(929)	
Total 924 - Insurance	817,029	788,746	816,100	(929)	0%
928 - Regulatory Commission Expense					
0010 Other Regulatory	27,000	25,598	21,000	(6,000)	
0020 FERC Admin	57,321	49,825	61,050	3,729	
0040 FERC Other	8,866	10,569	14,400	5,534	
0060 AK Agency	150	150	500	350	
0310 Contractor	-	-	3,000	3,000	
Total 928 - Regulatory Commission Expense	93,337	86,142	99,950	6,613	7%
930 - General Expense					
0200 Advertising-Public Relations	9,362	6,029	7,500	(1,862)	
0210 Association Dues	42,641	42,941	43,000	359	
0220 Board Meeting Expense	30,173	30,627	20,000	(10,173)	
0230 Professional Development	29,505	23,784	40,000	10,495	
0240 Travel Expense (Admin)	21,449	18,948	32,000	10,551	
0250 Non-Travel Incidental	3,347	3,158	2,000	(1,347)	
0260 Recruitment	8,413	6,179	50,000	41,587	
0390 Software	529	-	-	(529)	
0750 Safety	262	286	300	39	
Total 930 - General Expense	145,681	131,952	194,800	49,119	25%
931 - Admin Rent					
0371 Rent-Office Space	1,849	37,686	3,200	1,351	
0372 Rent-Apartment	19,400	18,900	18,900	(500)	
Total 931 - Admin Rent	21,249	56,586	22,100	851	
TOTAL OPERATING EXPENSE	7,361,823	7,623,697	8,378,350	1,016,527	12%
NET OPERATING REVENUE/(EXPENSE)	7,296,021	6,506,669	5,085,141	(2,210,880)	

Southeast Alaska Power Agency

Statement of Activities - Detailed

December 31, 2024

	YTD FY24 12/31/24	YTD FY23 12/31/23	ANNUAL BUDGET	REMAINDER OF ANNUAL BUDGET
NONOPERATING INCOME				
941 - Grant Income				
5410 Grant Income	28,092	33,225		
Total 941 - Grant Income	28,092	33,225		
942 - Interest Income Misc				
5010 Interest Earned Misc	160,286	194,174		
5020 Interest DNR Liability	(19,161)	(33,211)		
5030 Interest Investment Income	660,163	394,618		
Total 942 - Interest Income Misc	801,288	555,581		
944 - Gain/(Loss) Investments				
5200 Realized Gain/(Loss) on Invest	(57,598)	(279,342)		
5210 Unrealized Gain/(Loss) Investmt	121,312	481,754		
Total 944 - Gain/(Loss) Investments	63,714	202,412		
946 - Misc Nonoperating Income				
5040 Other Misc Income	30	635		
5043 Cash Back Credit Card	3,435	-		
5044 Rent Electric Property	12,870	369,553		
5045 Renewable Energy Cert Income	148,601	10,334		
5420 Gain/(Loss) Property Dispositrn	(82,379)	(266,858)		
Total 946 - Misc Nonoperating Income	82,558	113,664		
TOTAL NONOPERATING INCOME	975,651	904,882		-
NONOPERATING EXPENSE				
951 - Interest Expense				
6020 Interest Expense Investments	56,049	27,909		
Total 951 - Interest Expense	56,049	27,909		
952 - Bond Interest Expense				
6120 Bond Interest Expense 2015 Series	431,904	427,173		
6130 Bond Interest Expense 2019 Series	(4,528)	8,397		
6131 Bond Interest Expense 2021 Series	375,929	427,942		
6132 Bond Interest Expense 2022 Series	249,891	239,577		
Total 952 - Bond Interest Expense	1,053,196	1,103,089		
953 - Depreciation-Amortization Expense				
6300 Depreciation Expense	4,977,457	5,237,661		
6310 Inventory Amortization	65,976	60,478		
Total 953 - Depreciation-Amortization Expense	5,043,433	5,298,139		
954 - Grant Expense				
6520 Grant Contractual	24,395	29,179		
6570 Grant Other Expense	-	400		
6580 Grant Travel	3,697	3,646		
Total 954 - Grant Expense	28,092	33,225		
955 - Misc Nonoperating Expense				
6600 Other Misc Expense	6,927	(111)		
6601 Renewable Energy Cert Expense	38,783	72,061		
6620 Misc Nonoperating Expense	12,738	-		
6622 Inventory Loss	1,992	-		
Total 955 - Misc Nonoperating Expense	60,441	71,950		
TOTAL NONOPERATING EXPENSE	6,241,211	6,534,312		
NET NONOPERATING INCOME/(EXPENSE)	(5,265,560)	(5,629,431)		
Change in Net Position	2,030,461	877,238		

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

	2024		PRIOR YRS EXPENDITURES	TOTAL EXPENDITURES	Overall Budget through 2024
	BUDGET	EXPENDITURES			
RR19307 - Helipads Cleveland	477,922	52,958	48,596	101,554	644,000
² RR20343 - Partial Discharge Monitors SWL	91,197	79,777	89,803	169,580	140,000
² RR21350 - Bunkhouse SWL	200,123	185,413	1,269,058	1,454,471	1,509,000
RR22364 - 15kV Switchgear TYL	1,190,637	93,419	34,467	127,886	1,210,000
RR22367 - EDG Governors-Exciters SWL	120,000	139,538	-	139,538	120,000
RR22370 - Inlet Valve Ctrl System SWL	98,887	100,210	23,113	123,323	122,000
RR22374 - Station Service Switchgear TYL	2,436,943	246,357	138,472	384,829	2,515,000
¹ RR23384 - FERC Relicensing SWL	674,000	27,437	26,530	53,967	700,343
¹ RR23385 - FERC Relicensing TYL	674,000	12,629	26,523	39,152	700,335
RR23386 - Incinerator XFMR Panel-Controls SWL	28,341	9,438	7,659	17,097	36,000
² RR24390 - AV System KTN HQ	60,000	59,909	-	59,909	60,000
² RR24391 - Basket Strainer TYL	96,000	77,701	-	77,701	96,000
² RR24392 - Battery Bank & Inverter WRG	58,000	36,773	-	36,773	58,000
² RR24393 - Mini Excavator SWL	78,000	66,000	-	66,000	78,000
² RR24394 - Outboards-Electronics Crew Boat SWL	56,000	51,019	-	51,019	56,000
² RR24395 - Property Sign KTN HQ	16,300	14,547	-	14,547	16,300
RR24396 - Ramp Float SWL	21,000	11,580	-	11,580	21,000
RR24397 - Road Work SWL	69,000	15,353	-	15,353	69,000
RR24398 - Str192 Power Poles SWL	189,200	-	-	-	189,200
Total All RR Projects	6,635,550	1,280,058	1,664,221	2,944,279	8,340,178

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

² \$2.05MM in RR projects completed and capitalized in FY2024.

SOUTHEAST ALASKA POWER AGENCY

DISBURSEMENTS REPORT DECEMBER 2024 - FEBRUARY 2025

		\$1,524,865.99	
		1,269,170.41	255,695.58
VENDOR	Description	REVENUE FUND	R&R FUND
A&P		1,225.46	-
Admiralty Environmental LLC		554.00	-
AK DOL Mechanical		450.00	-
Alaska Miners Association Inc		300.00	-
Alaska Permanent Capital Inc		12,797.93	-
Alaska Power Association		8,755.00	-
Amazon com		5,965.84	-
Andritz Hydro Corp		13,560.00	-
Arrowhead LP Gas WRG		156.86	-
Ascent Law Partners LLP		9,254.10	-
Basecamp The Landing AK LLC		495.96	-
Basler Electric Company	RR22367 EDG Governors-Exciters SWL	1,947.01	89,620.99
Employee Reimbursement		191.72	-
Breakaway Adventures LLC		2,400.00	-
Breakaway Ferry & Freight LLC		5,300.00	-
Buness Bros Inc		1,950.00	-
Buness Electric LLC		349.84	-
Bureau Veritas North America		20.00	-
Cambria Properties LLC		4,975.00	-
Cape Fox Lodge		5,832.00	-
Cascadia Law Group PLLC		3,368.75	1,650.00
Chase - DEC		17,850.07	-
Chase - JAN		13,574.22	25.34
Chase - NOV		4,912.93	-
City Market Inc		757.97	-
Commercial Industrial Supply	RR25409 Water Piping-Basket Strainer SWL	-	78,331.00
Computershare 2015 Interest	Bond Principal & Interest deposits	81,282.00	-
Computershare 2015 Principal	Bond Principal & Interest deposits	80,417.00	-
Computershare 2021 Interest	Bond Principal & Interest deposits	81,142.00	-
Computershare 2021 Principal	Bond Principal & Interest deposits	25,000.00	-
Computershare 2022 Interest	Bond Principal & Interest deposits	42,828.00	-
Computershare 2022 Principal	Bond Principal & Interest deposits	8,750.00	-
Copper River Fleece		646.35	-
D&D Tree Service LLC		24,602.04	-
Daily Journal of Commerce		121.80	-
Dave Smith Frontier Sales		-	37,247.00
Dell		29.00	-
Eisenhower Carlson PLLC		2,496.00	-
FedEx		152.56	-
G2 Risk Consulting		1,237.50	-
Grainger		6,505.63	-
Hammer & Wikan Inc		96.38	-
HSI Workplace Compliance Solutions Inc		5,952.63	-
Iris Power LP		-	21,801.67
Jaco Analytical Lab Inc		355.16	-
Kelley Create Co		1,132.41	-
Ketchikan City Port & Harbor		32.20	-
Ketchikan Daily News		919.97	-

SOUTHEAST ALASKA POWER AGENCY

DISBURSEMENTS REPORT DECEMBER 2024 - FEBRUARY 2025

		\$1,524,865.99	
		1,269,170.41	255,695.58
VENDOR	Description	REVENUE FUND	R&R FUND
Ketchikan High School		1,500.00	-
Ketchikan Mechanical Inc		6,441.35	-
Ketchikan Public Utilities Electric		664.82	-
Ketchikan Public Utilities Telecom		3,670.50	-
Kleinschmidt Associates	TYL Capacity Amendment, RR23384 FERC Relicensing SWL	59,875.72	26,211.72
Les Schwab		8,041.20	-
Madison Lumber & Hardware Inc		3,756.75	553.59
Magnum Enterprises		1,305.00	-
Mapcon Technologies Inc		3,141.60	-
Marsh USA Inc		4,003.00	-
McKay Company LLC		175.87	-
McMillen Inc	TYL Third Turbine Design	213,271.00	-
Misty Fjords Air & Outfitting LLC		1,350.00	-
Mitchell Instrument Co		154.75	-
North Coast Electric Company		665.00	-
Northern Sales Inc		315.65	-
Northwest Hydroelectric Association		915.00	-
NRECA 718777		2,894.00	-
NRECA Group Ins	Administrative Employee Benefits	79,623.63	-
NRECA Group Ins Admin		5,616.05	-
NRECA RSP Admin		2,706.45	-
NRECA RSP Trust Contrib	Administrative Employee Benefits	87,744.64	-
Oregonian Media Group		279.02	-
Ottesens Ace Hardware		683.62	-
Petersburg Borough		423.63	-
Petersburg High School		750.00	-
Petro Marine Services KTN		6,133.22	-
Petro Marine Services WRG		16,296.36	-
Pilot Publishing Inc		460.00	-
R&M Engineering Ketchikan Inc		280.00	-
Raindrop Janitorial Services LLC		2,550.00	-
Ray Matiashowski		12,000.00	-
Samson Tug & Barge		276.65	254.27
Satellite & Sound Inc		2,285.00	-
Schnabel Engineering LLC		14,539.50	-
SE Business Machines		740.00	-
SEAPRO		3,888.00	-
Sentry Hardware & Marine		296.19	-
Service Auto Parts		73.96	-
Siemens Industry Inc		8,436.00	-
Sockeye Business Solutions Inc		3,051.50	-
Standard & Poors		5,500.00	-
Stikine Inn		1,035.90	-
Sunrise Aviation Inc		13,460.00	-
Svendsen Marine LLC		140.00	-
Taylor and Sons		214.00	-
Temasco Helicopters Inc		6,168.23	-
TexRus LLC		15,635.66	-

DISBURSEMENTS REPORT *DECEMBER 2024 - FEBRUARY 2025*

		\$1,524,865.99	
		1,269,170.41	255,695.58
VENDOR	Description	REVENUE FUND	R&R FUND
TKs MiniMart LLC		193.21	-
Tyler Industrial Supply		1,286.83	-
Urban Drones LLC		1,995.54	-
US Geological Survey		17,000.00	-
USDA Forest Service	2025 Land Use fees	119,996.92	-
White Rock Holding LLC		930.00	-
Wrangell City & Borough		30,496.95	-
Wrangell High School		750.00	-
Wrangell Sentinel		913.50	-
X2nSat		11,535.75	-



SOUTHEAST ALASKA POWER AGENCY

Date: March 17, 2025
To: Robert Siedman, P.E., CEO
From: Kris Womack, Electrical Controls Engineer
Re: Projects Report for March 17, 2025 Board Meeting

Tyee Station Service & 15kV Switchgear

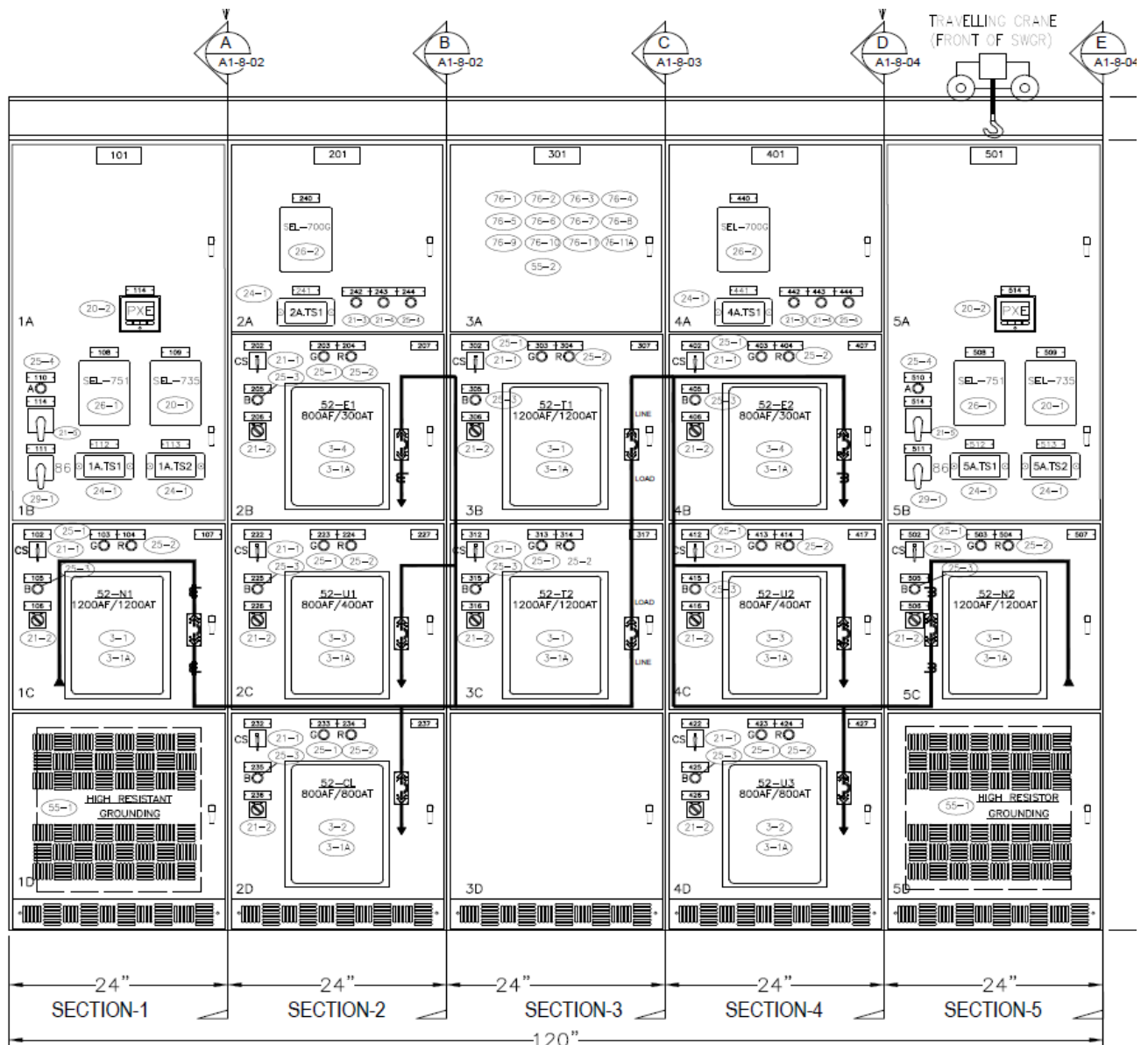
The Tyee Lake Station Service Switchgear is nearing 40 years of age and approaching the end of its useful life. A design was completed and a construction contract awarded to replace the equipment. This project will provide construction of a new Station 480V double-ended Station Service Switchgear, breakers, feeder and sub-feeder cables, fiber optic ARC Flash protected busbars, ARMS, Operations Manuals and Training. The new Station Switchgear is designed with redundancy and isolation in metal-clad rated gear to provide reliability, redundancy, and increased safety to onsite personnel with reduced incident energy levels (Arc Flash). This project also includes procurement and installation of new 15kV main generator switchgear and 15kV cables.

Progress Report:

- Awarded construction contract to Electric Power Constructors (EPC) on June 28, 2024
- Conducted a site visit in August 2024
- EPC equipment procurement in progress

Upcoming Schedule:

- Construction begins in April 2025. During the 2025 construction window, EPC will be installing panel boards, emergency generators, and temporary power for the 480V gear.
- FY26: Construction that starts in April 2025 will continue. Removal and installation of the 480V switchgear will take place. All other remaining equipment will be installed, followed by testing and commissioning. Training will be provided for operation and maintenance of the new equipment.

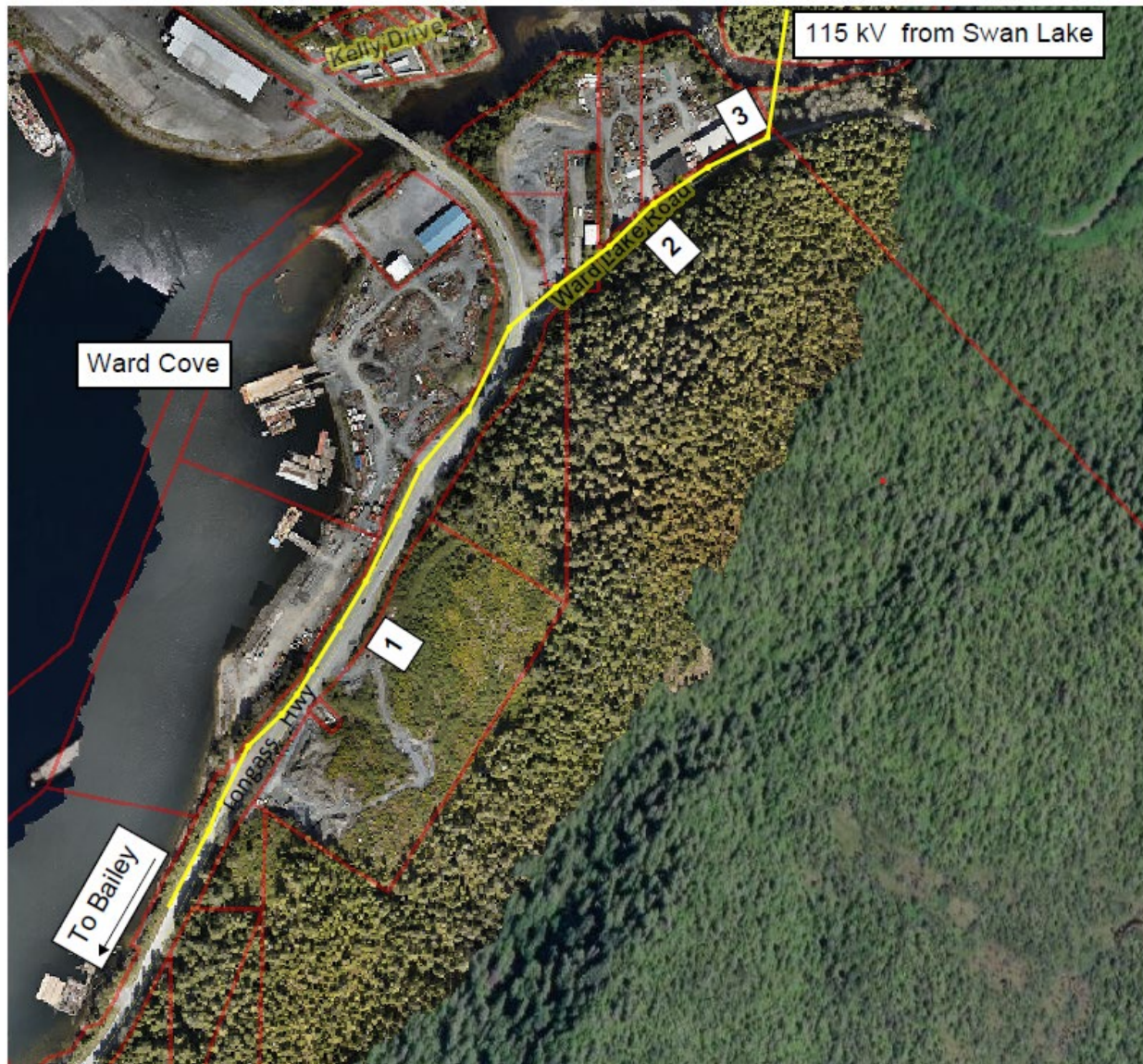


FRONT ELEVATION

Ketchikan Substation Design

SEAPA's five-year Strategic Plan identified the need for a Third Turbine at its Tyee 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 to develop a design with a construction cost estimate for a substation in Ketchikan that is sized and designed to service the 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. Location 1 has been selected.



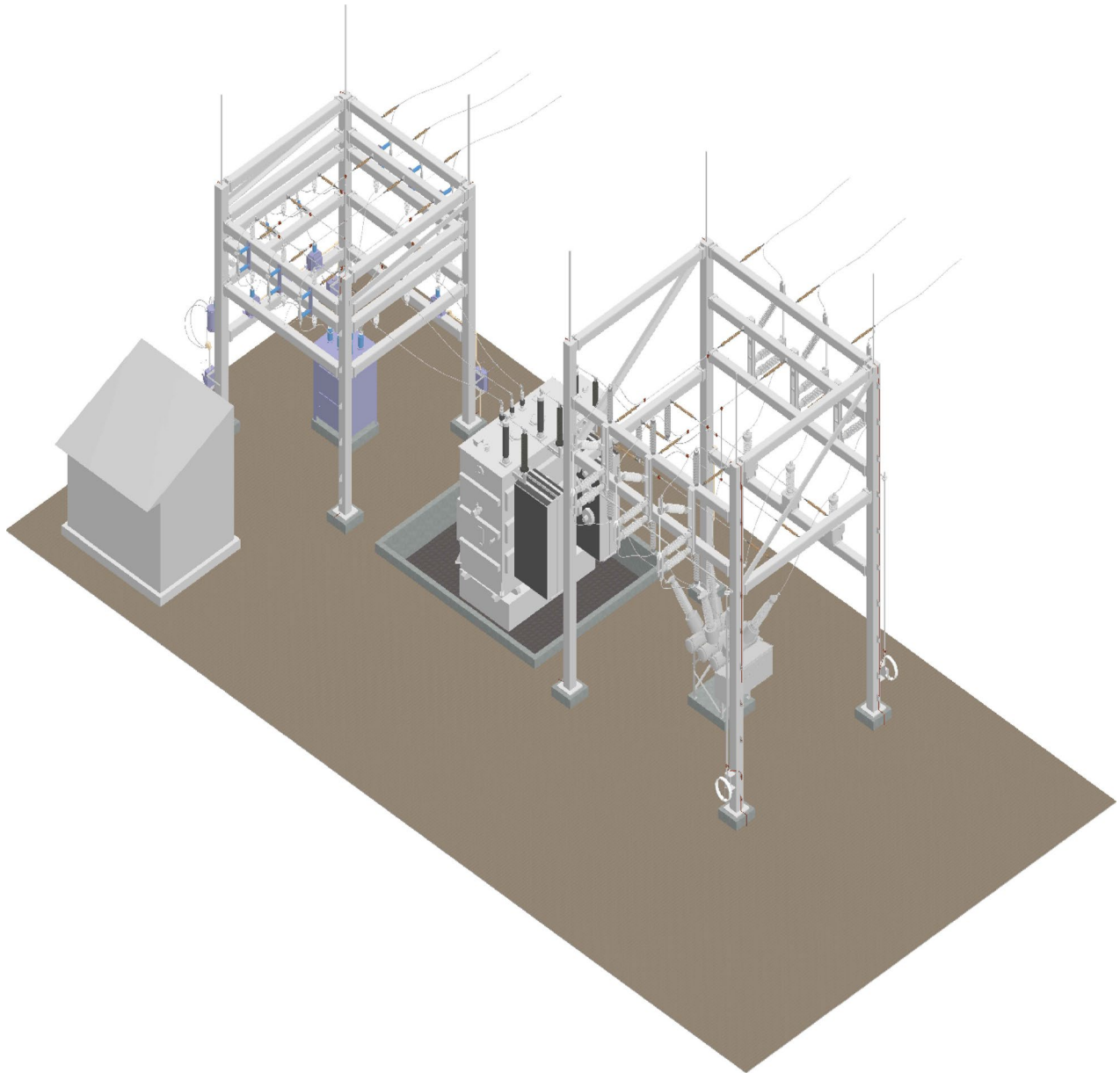
The new station will be served from an existing 115 kV transmission line owned by SEAPA. The design of two short transmission lines to bring power to (115kV) and from (34.5kVA) the substation via overhead lines are included in the scope of work.

Progress Report:

- 35% design was submitted on May 24, 2024.
- 65% design was submitted on September 05, 2024.
- 100% design was submitted on October 28, 2024. Final package included drawings, specifications, calculations, load flow study, grounding study, lightning study, short circuit study, coordination study, updated models, and a cost estimate for construction (~6.89MM).
- Drafted procurement specification and RFP documents. Waiting on federal and state funding sources to solidify before soliciting for bids and awarding the contract. Also this project timing is somewhat dependent on the 3rd turbine contract award.

Next Steps:

- Solicit for bids and award procurement contract for Transformer
- Procure land by easment transfer from KPU
- Site Topographic Survey (including resistivity testing)
- Site Geotechnical Survey
- Incorporate survey information into design



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.

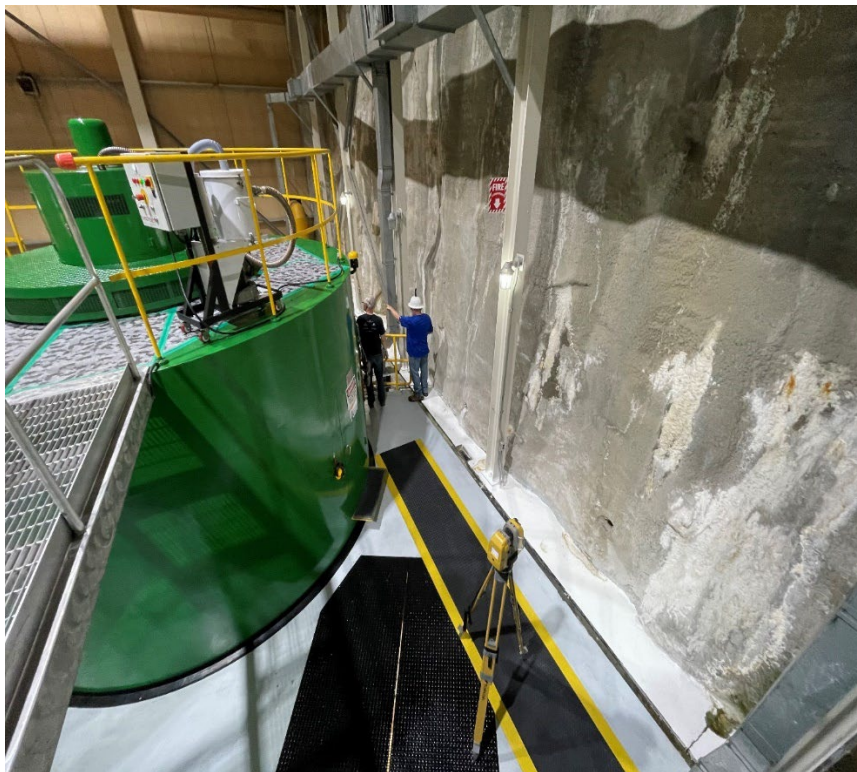
At its April 26, 2024 special meeting, the board awarded the contract to McMillen, Inc. A kick-off meeting was held with McMillen on May 28th and a subsequent site visit was conducted on June 3rd through June 6th. Eight individuals from McMillen attended the site visit. They gathered pertinent information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

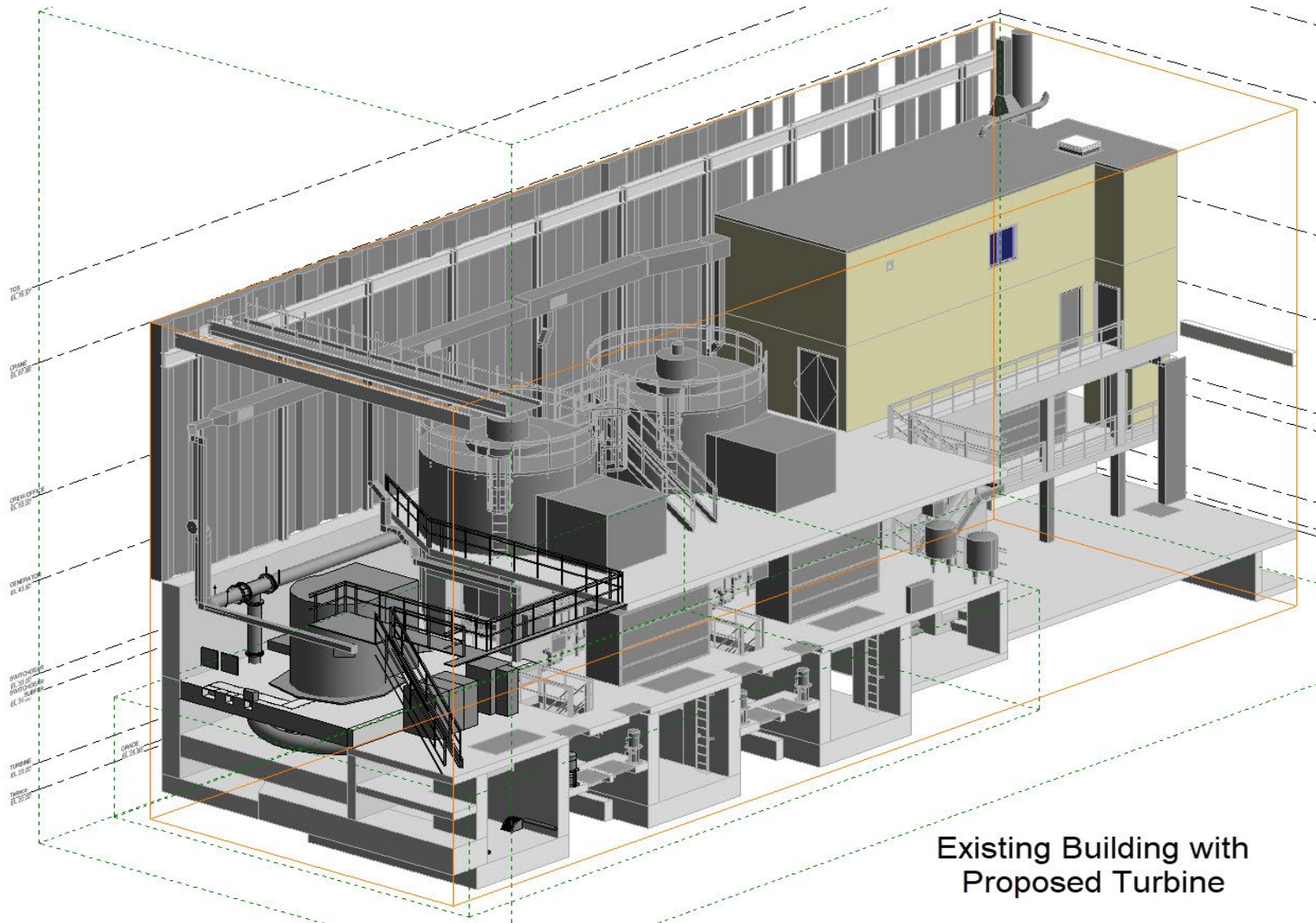
Progress Report:

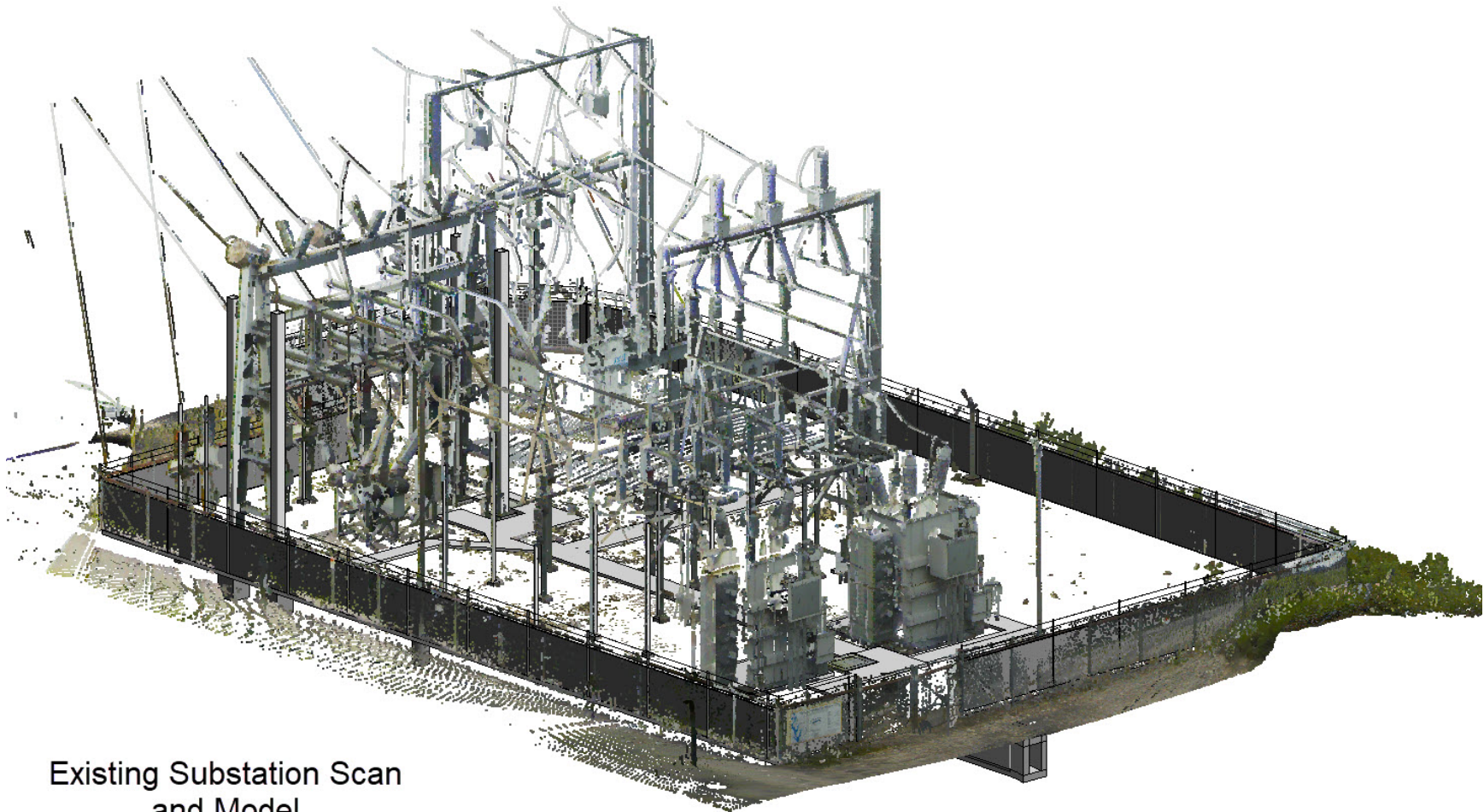
- 30% design was submitted on August 15, 2024.
- Procurement specifications were created in coordination between McMillen and SEAPA for all major components. This included Turbine, Generator, GSU Transformer, Exciter, Governor, cooling water systems, switchgear, TIV valves and HPU controls. The RFP went out on November 15, 2024.
- 60% design was submitted on November 19, 2024.
- Held a Mandatory Pre-Bid Conference with bidders on December 12, 2024
- Final bids due on March 21, 2025

Next Steps:

- Review bids and recommend award to the board of directors for their consideration at a special board meeting
- 90% design completion
- 100% design completion
- Construction RFP target date is August 2026











SOUTHEAST ALASKA POWER AGENCY

Date: March 11, 2025
To: Robert Siedman, P.E., CEO
From: Clay Hammer, Operations Manager
Re: Quarterly Report for March 27, 2025 Board Meeting

Plant Operations Quarterly Report

This report is provided to the Board as a summary of the monthly inspections that take place at SEAPA's Swan and Tyee Hydroelectric Plants. Each detailed inspection is documented with site-specific inspection forms. They take one day to perform, and provide a monthly baseline of the overall health and condition of each plant. The first quarter is typically focused on minor maintenance and snow removal, keeping the plants running and available 24-7. This is a critical time when loads are the highest and every available generator needs to be in peak condition at all times. Crews are also preparing their punch list and work schedule for annual outage work that typically takes place in June.

Swan Lake Plant

Swan inspections were 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) were up-to-date and complete. All outstanding WO's are done; those pending are part of a multi-year schedule that will be completed in FY25 or within their scheduled due date. There were no unscheduled, forced, or unplanned outages at Swan Lake this quarter.

The following is an overview of noted maintenance and repairs scheduled or completed:

Generators

- Excitation Brushes on Unit S-1 are due for a change during the next scheduled outage
- Large dial penstock pressure gauges need to be replaced (budgeted item)

Station Service and Substation

- Monitor Low Side "A" phase connection in switchyard, elevated TIC read
- Replace Confined Space signage over switchyard penstock vault

Grounds/Camp/Dock

- End of dock finger needs whaler replaced and floatation leveled
- Need audible generator alarms added to crew housing for after-hours alerts

Dam/Reservoir/Gate

- Ongoing Wood debris removal from lake
- Plunge pool in front of dam due for survey

Notable Maintenance and Repairs Completed

- Painted primer on Unit S-2 penstock
- Built and installed temp gauge panel for turbine oil bearing coolers
- Repaired water leak Unit S-1 Generator thrust bearing oil cooler
- Repaired water leak Unit S-2 air cooler line
- Labeled phase conduit from plant to switchyard
- Prepped plunge pool access ramp for survey access
- Sound Proofed Control Room
- Munson Crew boat delivered to Wrangell for bottom paint
- Cleaned PR valve control loop debris screen (Plant outage required)

Tyee Lake Plant

Tyee inspections are performed with Plant foreman, Nathan Stewart, or 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 and orderly with no safety concerns noted.

Findings

All weekly and monthly WOs are up-to-date. A review of all outstanding WOs indicates that those remaining are multi-year and will be scheduled for FY25 or their required completion date. There were no forced outages at Tyee Lake during the last quarter.

The following are highlights of noted repairs scheduled or completed:

Generators

- Repaired small oil leak from bottom of T-1 (Repaired)
- Replaced Excitation Generator Brushes on T-2

Station Service/Substation

- Replaced Nitrogen bottle low on transformer GT-1

Grounds/Dock/Penstock Tunnel/Airstrip

- Minor rock and rubble needs to be removed from penstock tunnel
- Culvert ends need debris cleared
- Inventory penstock tunnel plug leaks; investigate resolution to control runoff flow

Notable Maintenance and Repairs Completed

- Snow Removal
- Culverts cleared of debris
- Built leak containment for penstock Plug seepages
- Located and repaired leaking oil temp transducer Unit T-1
- Removed water pressure diffuser at Tyee 3rd Turbine bay in prep for new turbine work
- Charged up marine terminal battery comm banks
- Cleaned and organized X-2 SAT pad comm building cables, map and label connections
- Replaced motor, motor controller, and charger on electric crew cart
- Filled and rolled potholes in roadways
- Replaced failed refrigerator in Crew Quarters (Bear bit Fridge finally died)
- Comms and radio testing at Vank Marine Terminal

Substations and Switchyards

Reviews were performed on 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

In the Wrangell Switchyard an underground service feed to the 2.5 MVAR reactor lost power. The issue was a failed service conductor. A temporary fix was put in place until a complete repair can be made later this year after the ground thaws.



Wrangell Switchyard Reactor Circuit Switch

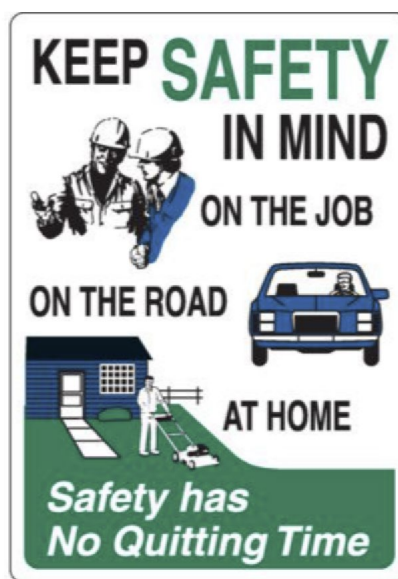
Safety

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

Safety Training:

SEAPA uses an online HR platform for Safety and Skills training. Training modules are assigned each month for the crews to access and complete. Progress and testing results are available for management to track and review. The training modules are informative and well presented. This past quarter the crews have received the following training:

- ✓ **Aerial Lift Safety**
- ✓ **Job Safety Analysis**
- ✓ **Excavation and Trenching Safety**
- ✓ **Cyber Security**
- ✓ **Crane Safety**
- ✓ **Smart Phone Device Security**
- ✓ **Lock Out/Tag Out**
- ✓ **Electrical Safety**
- ✓ **Confined Space Training**



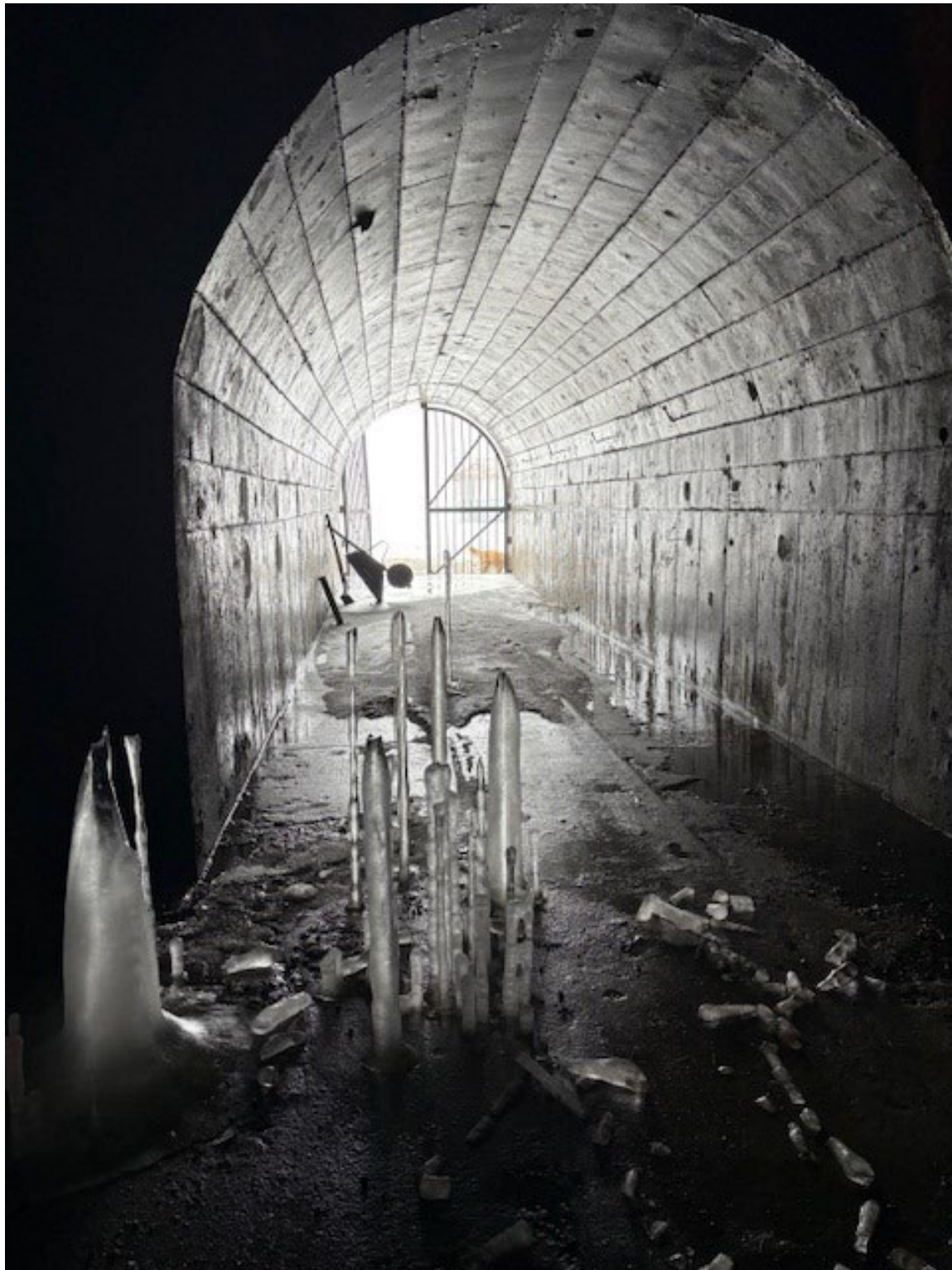
PHOTOS



Tyee Crew Boat at Cleveland Peninsula for Marine Terminal Work



Mr. Womack returns to the Crew Boat After Vank Island Marine Terminal Comms Work



Another Cold Tyee Winter
Inverted Icicles at the Tyee Penstock Tunnel Entrance



Due to a forecast of high winds in Ketchikan, the Swan Lake Crew Change took place at Shelter Cove on Carrol Inlet. Note the calm waters in front of the Dock is spite of the high winds.



New Swan Turbine Oil Cooling Station Guage Panel



Cooling Water Leak located and repaired, Swan S-1 Generator Bearing Oil Compartment



Breaking Ground on 3rd Turbine Work
Removal of Diffuser Pipe From end of Grove Valve
to Accomodate Valve Function Test Equipment in 3rd Bay



Mr. Siedman inspects SEAPA's Storage and Dry Shack for Bailey Substation
(Hand built by Kayhi Wood Shop Class)

End of Report



SOUTHEAST ALASKA POWER AGENCY

Date: March 17, 2025
To: Robert Siedman, P.E., CEO
From: Clay Hammer, Operations Manager
Re: Projects Report for March 27, 2025 Board Meeting

The following is an update on special projects and contract work assigned to the Operations Manager for FY25:

RR-24398, Structure #194 Replacement Swan/Bailey Line

Originally planned for FY24 with SEAPA's line maintenance contractor, Electric Power Constructors, this project had to be rescheduled for FY25 because of the availability of a local heavy lift helicopter to do the work. It is currently scheduled to take place during the annual Swan-Bailey line outage this Spring; however, the helicopter's availability is still in question so it's possible it may be postponed again until the end of this Summer.

RR-25399, Battery Bank-Inverter project Wrangell Switchyard

All materials which include batteries, battery stand, charger, and inverter. have been ordered for this in-house RR FY25 project. Although there are longer lead times on some of these items, we are optimistic the materials will arrive in Wrangell for the work to take place later this Summer.

RR-25401, Tyee Crew House interior Renovation

A draft RFP is in process with the intent of finalizing it to advertise for bids sometime next month. It is anticipated staff will seek the board's authorization to award the contract at a special board meeting.

RR-25404, Swan Lake Skiff

Quotes have been received from local contractors to build and outfit the skiff. The selection process has started and a builder will be selected shortly with work expected to be complete by Fall.

RR-25405, Swan Lake Plow Truck

A plow truck and crew vehicle for Swan Lake was budgeted for replacement in FY25. A low mileage 2020 crew cab Ford F-350 4x4 1-ton flatbed in excellent condition was purchased in Washington state and has been delivered to Ketchikan. Once outfitted with a plow bracket, it will be scheduled for transport to Swan Lake. See below for a photo of the truck:



2020 F-350 Crew/Plow truck recently purchased for Swan Lake

FY25 Brushing Maintenance

A local contractor, D&D Tree Service, LLC, of Petersburg has been contracted to perform brushing maintenance previously done by in-house brushing staff. Don Stevens, Jr., owner of D&D Tree Service, and his crew, are well experienced in this line of work. A day rate has been negotiated for services and they are currently at work clearing small isolated sections under the Mitkof transmission line. Once weather improves they will start the process of tower clearing in preparation for this year's powerline maintenance contract work.

FY25 Contract Right-of-Way Clearing Contracts

This year two major areas are scheduled for right-of-way clearing work - 36 acres on Cleveland Peninsula and 27 on Woronkofski Island. RFPs were advertised for the work and at the time of this writing, review and evaluation of bid proposals are pending with a recommendation of award expected for the Board's consideration under New Business at the March 27th Board meeting.

End of Report

Date: March 17, 2025
To: Robert Siedman, P.E., CEO
From: Mark Hilson, P.E., Project Manager
Subject: SEAPA Board Report

I will have a PowerPoint presentation for the March 27th Board Meeting to supplement this Board report:

Federal Energy Regulatory Commission (FERC) License-Related Activities

Swan Lake Part 12D Inspection and Report

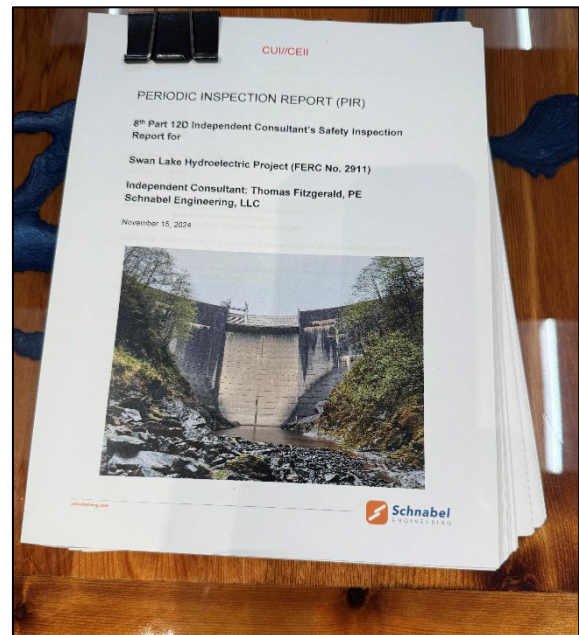
The 8th Part 12D Inspection was successfully completed on May 14, 2024.

Progress:

- Consultant Safety Inspection Report (CSIR) submitted to FERC
- Increased maintenance and monitoring (seepage pins, etc) incorporated into monitoring activities

Next Steps:

- Manage the Lidar abutment and plunge pool geotechnical evaluation project.
- Submit completion Plan and Schedule for Part 12D CSIR Recommendations to FERC
- Dewater and spot repair power tunnel during 2025 outage
- Respond to FERC comments when received



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.

Progress:

- A full reprint of the EAP was distributed.
- FERC has accepted the EAP and the EAP annual status report with no comments.

Swan Lake Supporting Technical Information Document (STID)

The 2024 edition of the STID was submitted to FERC. This was a complex undertaking especially given FERC requires paper copies of a considerable portion of the document. Sharon played a key role in SEAPA's efforts to ensure accuracy, thoroughness, and consistency in the voluminous document.

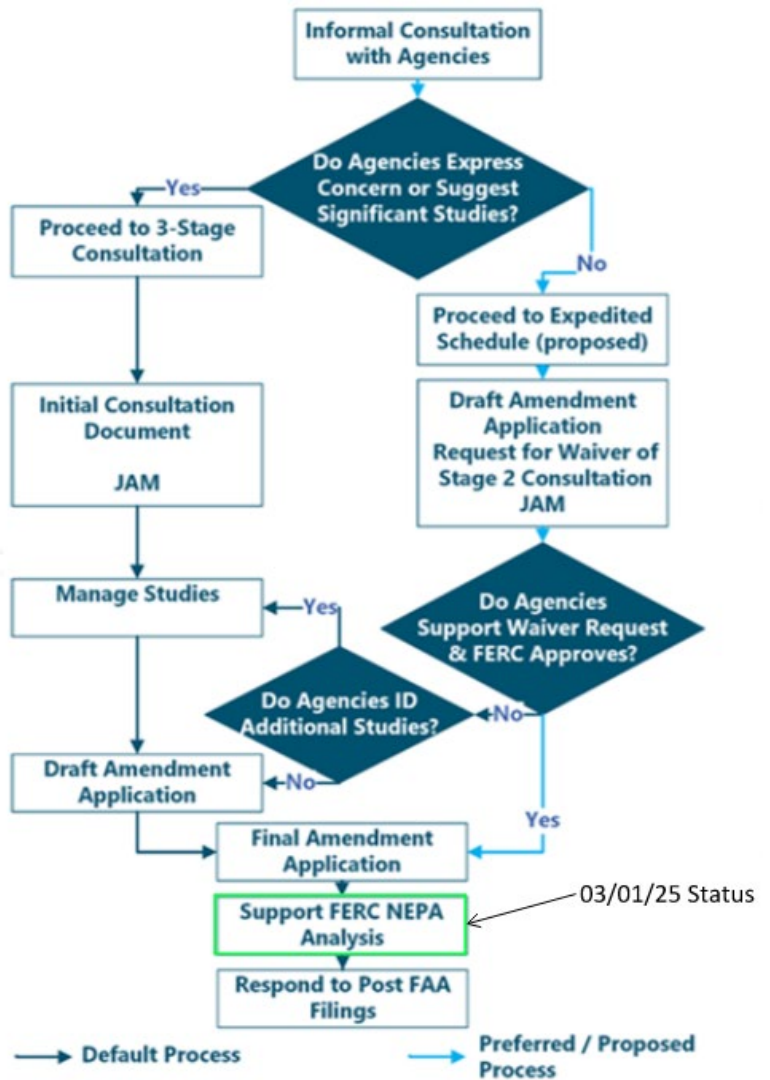
2024 Dam Safety Surveillance Monitoring Report (DSSMR)

Progress:

- Contracted with HDR to review SEAPA documentation to produce the report.
- Final report has been submitted to FERC

Next Steps:

- Respond to FERC comments



Tyee 3rd Turbine FERC Capacity License Amendment

Review agencies supported the waiver request of the three-stage process to go directly to a license amendment application. Three future studies were required; however these studies are relatively minor and we believe would have been required during Tyee’s upcoming relicensing. The license amendment was submitted January 27, 2025. While awaiting comments from FERC, we are working to have responses ready for anticipated FERC comments, as well as preparing scope of work documents for future studies. The graphic to the right shows where we are in the regulatory process.

Swan Lake FERC Relicensing:

Contractor: Kleinschmidt Associates

Start Date: November 6, 2024

Cost in 2024 dollars: \$3M

Completion: June 2030

Progress:

- Draft Preliminary Application Document (PAD) and the Notice of Intent (NOI)
- Agency early engagement

Next Steps:

- File NOI/PAD with FERC
- Joint Agency Meeting Public Meeting July/August

Project Related Activities

Ketchikan Substation

Progress:

- Working on preliminary site planning activities
- Coordinated with FERC securing determination that a License Amendment was not necessary for project

Next Steps:

- Continue with preliminary site planning activities

Swan Lake Incinerator and Dock Electrical Panel Replacement

Progress:

- Procured remaining materials; staff working on project

Next Steps:

- Wrap up electrical work
- Finish building new roof over panels
- Reinstall camera and weather station
- Completion date: April 2025

Swan Lake Road Work**Progress:**

- Equipment reserved and in-house labor scheduled for completion in July 2025

Next Steps:

- Mobilize barge and deliver materials and rented equipment after annual outage

Swan Lake Incinerator and Dock Electrical Panel Replacement**Progress:**

- Electrical materials on hand, staff working on project, completion April 2025

Next Steps:

- Demo existing panels and electrical
- Install step-down transformer
- Build shelter and reinstall camera and weather station

Swan Lake Control Room Upgrades**Progress:**

- Windows removed and reframed with sound insulating materials

Next Steps:

- Finish sound insulation
- Order sound absorption floor/wall materials
- Install HVAC for temperature control.

Swan Lake Water Piping and Basket Strainer**Progress:**

- Schmolck Mechanical under contract
- Pre-construction site visit complete

- Material procurement underway

Next Steps:

- Night work scheduled for May to avoid or minimize any diesel run

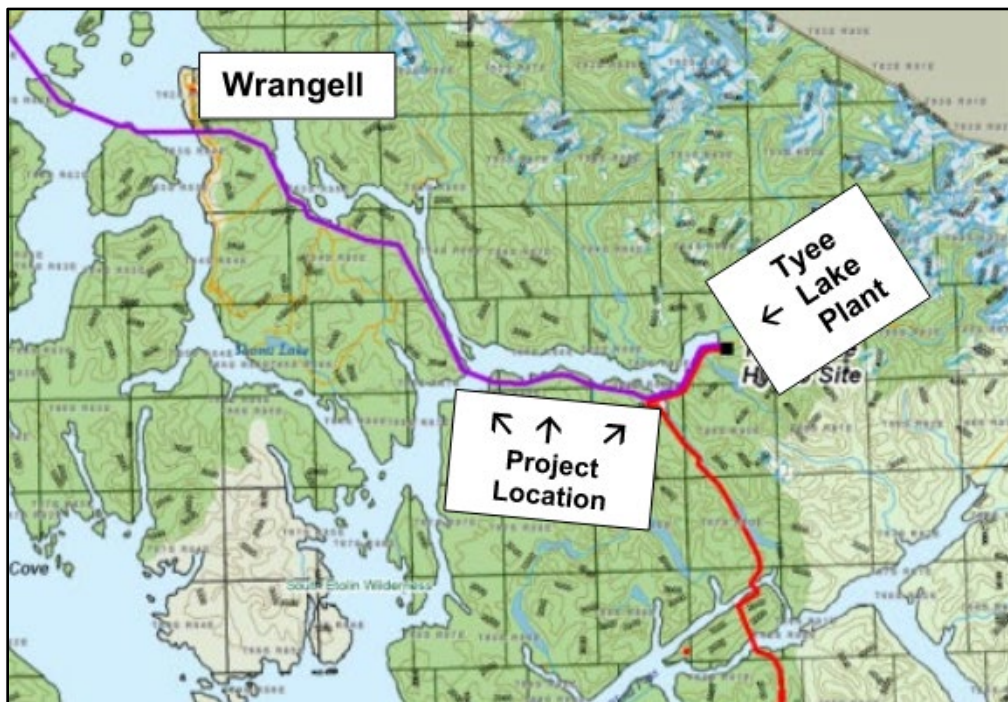
Cleveland Peninsula Helipad Replacement

Progress:

- Received a new helipad designed for steep slope installations
- Coordinated with USFS

Next Steps:

- Barge Helipads from Wrangell to Tye
- Continue coordination with USFS
- Contract for installation



Project location Map

End of Report



SOUTHEAST ALASKA POWER AGENCY CEO REPORT

DATE: March 20, 2025

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.

GOVERNMENTAL AFFAIRS & EXTERNAL INDUSTRY ACTIVITIES:

Alaska's Legislative Session for 2025 began on January 21, 2025. The 34th Legislative Session is nearing a halfway point, with just over 60 days remaining. The first half of this year's Session was primarily focused on education. House Bill 69 (HB69), approved (24-16) in early March, aims to add \$275MM to this year's budget with a \$1,000 Base-Student-Allocation (BSA) increase.

Updated forecasts from the Department of Revenue predict \$6.23 billion in general-purpose revenue for FY26. With the proposed BSA increase from HB69, legislators are faced with over a \$1.7 billion dollar deficit. Balancing this year's budget will be the greatest task for the remainder of this Legislative Session.

Options for balancing the FY26 budget potentially include:

- 1) Cutting FY26 Operational Expense or Proposed Budgets
- 2) Raising FY26 Oil Revenues by reducing tax credits
- 3) Lowering FY26 Permanent Fund Dividends
- 4) Drawing from the Constitutional Budget Reserve (CBR)
- 5) A combination of the options above

The current deficit that legislators face could impact the probability of funding that may be available (or left over) from the Operational Budget for Capital Projects. This includes the \$4MM that SEAPA was recommended to receive from the Renewable Energy Fund (REF) by the Alaska Energy Authority (AEA).

Although the financial outlook for Alaska this year is not encouraging, I am optimistic that Legislators will bridge the gap between the current deficit and a balanced budget. From what I have gathered after meeting dozens of legislators in recent weeks, the result in education funding may be a \$680 BSA increase (instead of the proposed increase of \$1,000 in HB69).

Additionally, I anticipate bills to reduce the per-barrel oil tax credits, and a 75-25 Permanent Fund Dividend (or less) will be proposed to raise funds to balance the budget. Drawing from the CBR is likely not going to occur, as that effort would require three quarters of both the House and Senate to agree.

Renewable Energy Fund (REF):

The Governor's current budget includes \$6.3MM to fund the first six projects in AEA's recommended list of projects (Round 17). Round 17 of the REF is a continuation of Round 16. If the REF is not fully funded this fiscal year, it will end up being over 4 years for all the projects on the list to be funded. This delay significantly impacts the success of the program.

On March 13, I testified in Juneau in front of the House Energy Committee regarding the Renewable Energy Fund and SEAPA's SEAGR project (Tyee Third Turbine). A video link of my testimony can be found at:

<https://www.akleg.gov/basis/Meeting/Detail?Meeting=HENE%202025-03-13%2013:00:00>

Highlights from my testimony and meetings with over a dozen of Legislators include:

- Inflation is the root cause of budgetary increases in FY26 for nearly every State Department, as heard in testimony after testimony.
- The cost of Energy is a fundamental factor to inflationary increases.
- The Renewable Energy Fund is elementary to arresting inflationary cost increases and has saved Alaskan residents over 100MM gallons of diesel, approaching \$1 billion dollars that has been injected into the economy, instead of burning for heat.
- Fully funding the REF would require 0.3% of a balanced budget, a drop in the bucket compared to balancing a \$1.7 billion dollar deficit.
- At \$5/gallon for heating fuel, Southeast Alaskans have some of the highest energy costs in Alaska and do not receive Power Cost Equalization (PCE). Fuel oil is 305% the cost of Natural Gas, and 70-80% of residential energy costs are for heating.
- The SEAGR project is an energy plan to assist in converting the heating sector from fuel oil to electric. The REF is vital for its success.

Anchorage	Ketchikan
1 Therm of Heat (100,000 BTU's)	1 Therm of Heat (100,000 BTU's)
Natural Gas: \$1.06 (Enstar's Website)	Fuel Oil: \$3.24(bill)
	NO PCE for Southeast

SEAPA's Southeast Alaska Grid Resiliency Project (SEAGR) is #11 on this year's list. Fully funding the REF in FY26 would require \$21.2MM. Funding down the list to include SEAPA's project would require \$13.6MM. Money for the REF is at the full discretion of the Legislature and the Governor has line-item veto power. For example, in FY25 under Round 16 of the REF, the Governor vetoed the last two projects, totaling approximately \$3.7MM. As a result, in this year's (Round 17) REF list, those two projects are back, and at the top of the list.

I continue to advocate that legislators fully fund the REF this year. The REF train has stopped, and Alaskans are beginning to question whether energy is a top priority for the State as public statements from many leaders have suggested. Below is a list of Round 17 projects, color coded to illustrate various financial scenarios:

Project Name	AEA Recommended Funding
Pelican Hydro Relicensing Project, Restoration, Repair	\$ 650,474
Naknek Solar PV on Cape Suwarof	\$ 3,137,848
Goat Lake Hydro Storage Expansion Study	\$ 121,250
Nuvista Kwethluk Wind and Battery Project Completion	\$ 738,979
Quinhagak Battery Energy Storage System Project	\$ 443,956
Nenana Biomass District Heat System, Final Phase	\$ 1,223,000
Kongiganak 100 kW Solar Energy Project	\$ 720,453
Railbelt Wind Diversification Alaska Renewables	\$ 2,000,000
Homer Energy Recovery Project	\$ 280,000
Atmautluak ETS Installation, Integration and Commissioning	\$ 286,227
Southeast Alaska Grid Resiliency (SEAGR)	\$ 4,000,000
Chevak Battery Energy Storage System Project	\$ 968,644
Knutson Creek Hydro Project Construction	\$ 400,000
Akiachak Native Community 200 kW Solar Energy Project	\$ 67,833
NJUS Solar Nome Banner Ridge Solar Farm	\$ 4,000,000
Hunter Creek Hydroelectric Feasibility Study Project	\$ 1,280,500
Chignik Hydroelectric Power System	\$ 883,012
Sterling Solar Project	\$ 12,500
KEY:	
Governor's FY26 Proposed REF Budget	\$ 6,315,507
Additional Project Funding Required to Fund SEAGR in FY26	\$ 7,286,680
Remaining (All) Round 17 Projects	\$ 7,612,489
Fully Funded Amount	\$ 21,214,676

DOE Section 247 – The Maintaining and Enhancing Hydroelectricity Incentives Program
SEAPA received notice for a \$5MM grant award from the Department of Energy (DOE) for the SEAGR (Tyee Third Turbine) project pending negotiations. Negotiations have not started as of March 20, 2025, due to the recent federal funding “freeze” from the Trump Administration. Although this program was a part of the many overarching changes that have occurred under the new Administration, Executive Order “Unleashing American Energy” states:

*Sec. 3. Immediate Review of All Agency Actions that Potentially Burden the Development of Domestic Energy Resources. (a) The heads of all agencies shall review all existing regulations, orders, guidance documents, policies, settlements, consent orders, and any other agency actions (collectively, agency actions) to identify those agency actions that impose an undue burden on the identification, development, or use of domestic energy resources — with particular attention to oil, natural gas, coal, **hydropower**, biofuels, critical mineral, and nuclear energy resources — or that are otherwise inconsistent with the policy set forth in section 2 of this order, including restrictions on consumer choice of vehicles and appliances.*

The DOE Section 243 is a “sister” program relating to hydropower and was also under the temporary “freeze”. It is my understanding that Section 243 has recently “thawed” and federal receipts are now flowing for grants awarded under that program. SEAPA’s federal lobbyist (NHA) indicated to SEAPA recently that a “thaw” is anticipated in the coming weeks for Section 247. When that occurs, negotiations should begin with the DOE for SEAPA’s \$5MM grant.

USDA Forest Service –Environment Impact Statement (EIS): National Old Growth

History:

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. There was a vague carve-out for public safety activities in the rule, and page 18 included an exception to allow for implementation of the Southeast Alaska Sustainability Strategy. The USDA was asking for comments by February 9, 2024.

SEAPA prepared a comprehensive comment letter to the NOI and submitted it to the USDA. In that letter we requested exclusions for hydro and transmission, advocating that hydro displaces carbon, “Future Old Growth” inclusions be removed because all growth could be considered “Future Old Growth”, power costs would increase and much more. I have attached a copy of my letter (**Attachment A**) to the USDA with signatory support from APA, AEL&P and IPEC.

Update:

On January 9, 2025, the Biden Administration announced that it withdrew its Notice of Intent (NOI) to prepare an Environmental Impact Statement (EIS) for a National Old Growth Amendment. This was a huge win for Alaska and SEAPA.

SEAPA CONTRACTS and RFP's:

Staff hit the ground running in Q1 of 2025 regarding contracts and requests for proposals (RFP's). The following table is an overview of progress and success.

PROJECT	Publish Date	Bid Due Date	Board Mtg Date	Comments or Status
Swan Lake Cooling Piping Replacement	N/A	N/A	N/A	\$91K Contract issued to Schmolck Mechanical on 12/12/2024 for RR25409 SWL Water Piping & Basket Strainer Project; completion required by 6/30/2025
General Brushing/Cutting Support	N/A	N/A	N/A	Two separate contracts issued to D&D Tree Service for brushing and cutting. One for Mitkof (6 acres) signed on 11/26/2024 and one for general brushing/cutting support signed on 01/21/2025.
Petersburg Substation PT Upgrade Project	N/A	N/A	N/A	Contract prepared for SEL Engineering Services to prepare design drawings is currently under review by SEL.
2025 Cleveland Brushing	02/05/2025	03/05/2025	03/27/2025	Received five (5) bids with recommendation of award prepared for 35.68 acres of right-of-way to be brushed.
2025 Woronkofski Island Brushing	02/05/2025	03/05/2025	03/27/2025	Received four (4) bids with recommendation of award prepared for 27.13 acres of right-of-way to be brushed.
Tyee 3rd Turbine, Generator & Transformer Procurement	11/15/2024	03/21/2025	04/11/2025 proposed for special board meeting	Bids due March 21, 2025. Following evaluation of bids, staff will make a recommendation of award at a special board meeting
Ketchikan Substation Transformer	TBD	TBD	TBD	Procurement specs/RFP docs drafted. Waiting on federal and state funding sources to solidify before soliciting bids and awarding the contract; project is also pending results of contract award of the Tyee 3 rd Turbine Generator & Transformer Procurement Project.
Tyee Crew House #5 Renovation	05/01/2025	06/02/2025	06/25-26/2025	RFP pending to solicit bids in May
Tyee Lake Relicensing	05/09/2025	07/10/2025	08/19-20/2025	RFP under development
Helipads Cleveland Peninsula	N/A	N/A	N/A	Request for Quotes under development to solicit bids from qualified contractors

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

The following is an updated timeline on current progress:

October 8, 2024: SEAPA filed a Draft Amendment Application (DAA) with FERC.

October 31, 2024: 100% procurement specifications completed.

November 1, 2024: The Federal Regulatory Commission (FERC) designated SEAPA as its non-federal representative for consultation purposes with Alaska SHPO, Alaska Indian tribes, U.S Fish and Wildlife Services, National Oceanic and Atmospheric Administration and other consulting parties (a.k.a. Stakeholders).

November 14, 2024: SEAPA held two public meetings with Stakeholders and received feedback that seemed to be largely non-impactful to the project or Agency.

November 15, 2024: SEAPA solicited Requests for Proposals (RFPs) for procurement of the Tyee Third Turbine generator, transformer and ancillary equipment.

December 9, 2024: SEAPA received the last and final stakeholder letter of support from the United States Department of the Interior, gaining total support from all Stakeholders to waive second-stage consultation per 18 CFR 4.38(e), setting the stage for an expedited and Final Application to FERC.

January 24, 2025: SEAPA filed the Final Application for license amendment with FERC.

April 4, 2025: Procurement bids are due with an anticipated award in June 2025.

Persistent pursuit of funding for the SEAGR project is ongoing. The following is a synopsis of funding requests that are currently pending receipts:

- DOE Section 247: \$5MM (awarded – pending negotiations)
- REF Round 17: \$4MM (awarded – pending Legislative Appropriation)
- FY26 CDS: \$4.5MM (currently being evaluated by Senator Murkowski's office)
- ITC: \$6MM (IRS documents are currently being prepared by Moss Adams)

Congressional Directed Spending Requests (CDS) were submitted in March 2025 to Senator Murkowski's office. Investment Tax Credits (ITCs) are currently being investigated/prepared; however, it is my understanding that those funds will not be received until the following year after the project is complete. Funding part of the project with Tax Exempt Bonds could trigger a potential loss of 15% from ITCs under IRS tax code; this is currently being investigated by Moss Adams. Other options for funding

include SEAPA reserves and/or bonding. Funding for this project will be discussed further under New Business on the Agenda.

Phase 2: SEADR – Southeast Alaska Delivery Resiliency Project

The Ketchikan Substation Design is 100% complete and the project is nearly “shovel ready”. SEAPA’s next milestone will be issuing an RFP for procuring the transformer which has over a 2-year lead time.

An “ideal” site next to KPU’s Ward Cove substation was identified for this project. The site has a Utility Easement from the Ketchikan Gateway Borough to KPU that states “KPU shall have the right to transfer and assign this easement, in whole or part, so long as its use will remain as described herein”. A substation is clearly identified as an asset that can be constructed on this utility easement.

The following is an updated timeline on current progress:

October 30, 2024: 100% design complete.

January 23, 2024: SEAPA held a meeting with KPU stakeholders to discuss the existing KPU Utility Easement at the Ward Cove Substation and potential transfer of the easement from KPU to SEAPA.

Persistent pursuit of funding for the SEADR project is ongoing. The following is a synopsis of funding requests that are currently pending receipts:

DOE Section 247 round II: \$2.1MM (anticipated application opening in 2025)
FY26 CDS: \$3.4MM (currently being evaluated by Senator Murkowski’s office)
ITC: \$2.1MM (under investigation for qualification)

Funding for the SEADR project involves the pursuit of a \$2.1MM grant under round 2 of the Department of Energy’s Section 247 grant program. Since this project is not the same as the SEAGR project, it is my understanding that it would have a high probability of award. Congressional Directed Spending Requests (CDS) were submitted in March 2025 to Senator Murkowski’s office.

I also intend on pursuing IRA/ITC funding with potential funding for up to 50% of the project cost. Considering this project would benefit the Back Island Naval Base in Ketchikan, there are potential grant opportunities through the Navy that we will pursue.

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 hydro 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. For example, the results of SEAPA’s solar feasibility study presented during the June 26-27 Board Meeting demonstrated that Solar would be a good technology to bridge the energy gap between now and the day a new hydro facility is needed. I anticipate applying for an AEA grant under the “Solar for All” program in 2025, once it is made available.

BEST PRACTICES & PROCESS IMPROVEMENTS:

AEA Board Member Update: After a brief pause on the EPA Solar for All Grant to AEA for \$62.5MM, the program appears to be back on track. AEA initially anticipated funding receipts from EPA in January 2025, however with the Federal funding freeze, that date was delayed. AEA intends to open the application process in the Summer or early Fall of 2025. Some of the federally “frozen” programs that AEA executes may not “thaw” however. An example is a program to install electric vehicle charging stations, which were awaiting approval under the National Vehicle Infrastructure Program (NEVI). This program might get cancelled. AEA's next Board meeting is scheduled for April 17, 2025.

APA Board Member Update: The Alaska Power Association (APA) State Legislative Conference was very successful this year. This conference updates attendees on energy topics in Alaska and sets the stage on Capitol Hill for energy related meetings. During my visit and subsequent follow up visits, I met with the following Legislators and/or staff:

Senators:

Bert Stedman, Jesse Kiehl, Lyman Hoffman

Representatives:

Jeremy Bynum, Rebecca Himschoot, Sara Hannan, Donna Mears, Ky Holland, George Rauscher, Bryce Edgmon, Chuck Kopp, Cathy Tilton, Mia Costello, Will Stapp

Southeast Conference (SEC) Mid-Session Summit: I was asked to participate as a speaker on the Energy Panel at the Southeast Conference Mid-Session Summit. As SEAPA is considered a “leader” for energy in Alaska, it was an honor to discuss all the success the Agency has had, and challenges that we face. The panel “Adaptation and Adoption for the Electric Future, Beneficial Electrification” was well received.

PERSONNEL RECRUITMENT:

SEAPA is currently 100% staffed. Additional regulatory efforts (relicensing) and construction of large capital assets (potential hydro) may require more staff. It is also prudent to start discussing succession planning, considering existing staff with key positions are eligible for retirement. Additional discussion on this topic will occur under New Business in the Agenda.

Attachment A to CEO Report

Comprehensive Comments on Old-Growth Preliminary Proposed Action

SOUTHEAST ALASKA POWER AGENCY

55 Don Finney Lane
Ketchikan, Alaska 99901



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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.

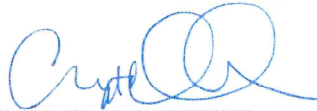
Thank you for your consideration.

Sincerely,



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

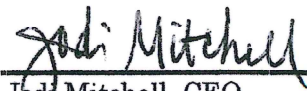
The undersigned support the Southeast Alaska Power Agency's comprehensive comments in this letter regarding the USDA's Notice of Intent to prepare an Environmental Impact Statement for Land Management Plan Direction for Old-Growth Forest Conditions across the National Forest System:



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



Alec Mesdag, CEO
Alaska Electric Light & Power
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Jodi Mitchell, CEO
Inside Passage Electric Cooperative
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SOUTHEAST ALASKA POWER AGENCY

Date: March 19, 2025

To: Robert Siedman, P.E., CEO

From: Clay Hammer, Operations Manager

Subject: 2025 Cleveland Peninsula Transmission Line Brushing Contract

FISCAL NOTE:

\$881,000 budgeted in FY2025 Operating Budget (#571 2 0380) for ROW Clearing; Tyee Transmission Line

A Request for Proposals for the 2025 Cleveland Peninsula Transmission Line Brushing Contract was advertised on February 5, 2025. Five (5) bids were received on March 5, 2025 as follows:

Bidder Name	Location	Bid Amount
Rock-N-Road Construction Inc.	Petersburg, Alaska	\$260,876
Copper Ridge LLC	Ketchikan, Alaska	\$352,875
Finney Adventure Construction LLC	Juneau, Alaska	\$458,614
Gig Harbor Tree Service LLC	Gig Harbor, Washington	\$585,000
Carlos Tree Service, Inc.	Anchorage, Alaska	\$623,933

Proposals are evaluated on experience with Alaska generally, and SE Alaska in particular, safety program/record, schedule, capacity to respond to the work, competitive pricing, and completeness and quality of bid proposal documents.

Based upon evaluations of the bid, staff recommends award of the contract to Rock-N-Road Construction Inc. for the firm-fixed value of \$260,876 plus a 20% contingency of \$52,175 for danger/hazard tree removal.

Please consider the following suggested motion:

SUGGESTED MOTION

I move to authorize staff to enter into a contract with Rock-N-Road Construction Inc. for SEAPA's 2025 Cleveland Peninsula Transmission Line Brushing Contract for the firm-fixed value of \$260,876 and further authorize a 20% contingency of \$52,175 for danger/hazard tree removal for a total not-to-exceed amount of \$313,051.



SOUTHEAST ALASKA POWER AGENCY

Date: March 19, 2025

To: Robert Siedman, P.E., CEO

From: Clay Hammer, Operations Manager

Subject: 2025 Woronkofski Island Transmission Line Brushing Contract

FISCAL NOTE:

\$881,000 budgeted in FY2025 Operating Budget (#571 2 0380) for ROW Clearing; Tyee Transmission Line

A Request for Proposals for the 2025 Woronkofski Island Transmission Line Brushing Contract was advertised on February 5, 2025. Four (4) bids were received on March 5, 2025 as follows:

Bidder Name	Location	Bid Amount
Gig Harbor Tree Service LLC	Gig Harbor, Washington	\$92,500
Rock-N-Road Construction Inc.	Petersburg, Alaska	\$129,003
Carlos Tree Service, Inc.	Anchorage, Alaska	\$241,750
Finney Adventure Construction LLC	Juneau, Alaska	\$249,552

Proposals are evaluated on experience with Alaska generally, and SE Alaska in particular, safety program/record, schedule, capacity to respond to the work, competitive pricing, and completeness and quality of bid proposal documents.

Based upon evaluations of the bid, staff recommends award of the contract to Rock-N-Road Construction Inc. for the firm-fixed value of \$129,003 plus a 20% contingency of \$25,801 for danger/hazard tree removal.

Please consider the following suggested motion:

SUGGESTED MOTION

I move to authorize staff to enter into a contract with Rock-N-Road Construction Inc. for SEAPA's 2025 Woronkofski Island Transmission Line Brushing Contract for the firm-fixed value of \$129,003 and further authorize a 20% contingency of \$25,801 for danger/hazard tree removal for a total not-to-exceed amount of \$154,804.



SOUTHEAST ALASKA POWER AGENCY 457b Amendment

SUGGESTED MOTION

I move to adopt the amended Southeast Alaska Power Agency Deferred Compensation Plan effective January 1, 2025.

Federal SECURE 2.0 legislation introduced changes to retirement savings plans. While SEAPA's 457b governmental deferred compensation plan is typically updated every five years per statutory guidelines, SECURE 2.0 contains provisions that could offer notable benefits to employees. SEAPA collaborated with our governmental 457b consultant, Eisenhower Carlson, to update the plan and adopt the relevant SECURE 2.0 revisions.

A red-lined and a clean copy of SEAPA's 457b Deferred Compensation Plan are attached. An outline of the changes is listed below. Note that some sections have also been renumbered.

SECTION	REVISION
1.1	Effective date January 1, 2025.
1.16	"Required Beginning Date" (for Required Minimum Distributions) is now age 73.
3.2(a)	References the new Age 60-63 contribution clause.
3.2(b)	(new section) Higher Catch-up Contributions for Ages 60-63: Allows an increased catch-up contribution from the standard \$7,500 to \$11,250.
3.3	Pre-Retirement Catch-up Limitation: Defines how to calculate this limitation.
3.3(b)(1)	References the new Age 60-63 contribution clause.
5.3	Revises the age 73 requirement for Required Minimum Distributions (RMDs).
5.4	Death Benefit Distributions: New paragraph outlines 10-year limitation on distributions to beneficiaries.
5.8	Latest Distribution Date: Updated to age 73.
5.9	Distributions prior to Severance: Increases limit to \$5K to \$7K.

**SOUTHEAST ALASKA POWER AGENCY
DEFERRED COMPENSATION PLAN**

January 1, ~~2023~~2025

SOUTHEAST ALASKA POWER AGENCY DEFERRED COMPENSATION PLAN

The purpose of this Plan is to provide deferred compensation for Employees that elect to participate in the Plan. This Plan is intended to constitute an “Eligible Deferred Compensation Plan” within the meaning of §457(b) of the Internal Revenue Code, and was effective January 1, 2006. This restatement is effective January 1, ~~2023~~2025, except as otherwise provided below.

Article 1 DEFINITIONS

The following terms when used in this document have the meaning shown below:

- 1.1 “Account”: The Account maintained with respect to each Participant under the Trust which reflects the current value of the Participant's Deferrals, the earnings or loss of the Trust Fund allocable to the Participant, any transfers for the Participant's benefit, and any distributions made to the Participant or the Participant's Beneficiary. The Account includes any amount established under Article 6 for rollover contributions and plan-to-plan transfers received from a Participant, the Account established for a Beneficiary after a Participant's death, and any Account or Accounts established for an alternate payee (as defined in Code section 414(p)(8)) pursuant to a marital dissolution, property settlement agreement or otherwise necessary for proper administration of the Plan.
- 1.2 “Administrator”: The Employer, or the Committee if the Employer has designated one. The terms “Administrator” and “Plan Administrator” may be used interchangeably hereunder.
- 1.3 “Beneficiary”: The person(s) designated by the Participant to receive distributions from the Participant's Account after the Participant's death as provided in Section 2.9.
- 1.4 “Code”: The Internal Revenue Code of 1986, as amended.
- 1.5 “Committee”: A Committee composed of one or more individuals appointed by the Employer to function as the Plan Administrator as described in Article 8.
- 1.6 “Compensation”: All wages paid by the Employer to an Employee as defined in Code section 3401(a) plus amounts otherwise excludible from wages due to salary reduction elections under Code sections 125, 132(f), 401(k), 403(b), or 457(b) (including an election to defer Compensation under Article 2).
 - (a) Effective January 1, 2006, Deferrals are permitted from an amount received following Severance from Service only if the amount is characterized as Post- Severance Compensation as defined in Section 1.6(b).
 - (b) Post-Severance Compensation includes the amounts described in (i) and (ii) below, paid after a Participant's Severance from Service with the Employer, but only to the extent such amounts are included in the final paycheck paid to the Participant at the end of the pay

period that includes the Participant's date of Severance from Service and are paid by the later of 2½ months after Severance from Service or the end of the calendar year that includes the date of such Severance from Service.

- (i) Post-Severance Compensation includes regular pay after Severance from Service if (a) the payment is regular compensation for services during the Participant's regular working hours, or compensation for services outside the Participant's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments; and (b) the payment would have been paid to the Participant prior to a Severance from Service if the Participant had continued in employment with the Employer.
 - (ii) Post-Severance Compensation includes leave cashouts if those amounts would have been included in the definition of Compensation if they were paid prior to the Participant's Severance from Service, and the amounts are payment for unused accrued bona fide sick, vacation, or other leave, but only if the Participant would have been able to use the leave if employment had continued. In addition, Post-Severance Compensation includes payments of deferred compensation if the compensation would have been included in the definition of Compensation if it had been paid prior to the Participant's Severance from Service, and such compensation is received pursuant to a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid at the same time if the Participant had continued in employment with the Employer and only to the extent that the payment is includible in the Participant's gross income.
 - (c) Any payment of Compensation paid after Severance from Service that is not described in Section 1.6(b) above is not Post-Severance Compensation, even if payment is made by the later of 2½ months after Severance from Service or by the end of the calendar year that includes the date of such Severance from Service.
- 1.7 “Deferral”: The amount credited to a Participant's Account due to the Participant's Salary Deferral Agreement that defers receipt of a portion of the Participant's current Compensation under the Plan.
- 1.8 “Salary Deferral Agreement”: The signed Agreement between the Employer and an Employee, including any amendments thereto, that specifies the amount of Salary Deferrals and any Investment Option selections made by the Employee. Each Salary Deferral Agreement or amendment thereto shall be made or confirmed in writing using a form and under procedures established by the Employer. The Employee agrees to the terms and conditions of this Plan by executing a Salary Deferral Agreement.
- 1.9 “Eligible Deferred Compensation Plan”: A Plan that at all times constitutes an "eligible deferred compensation plan" within the meaning of Code section 457(b).
- 1.10 “Employee”: Any individual who receives wages as a common-law employee of the Employer. The term “Employee” shall not include a person who is classified by the Employer as an independent contractor, or a person who is not treated as an employee for purposes of withholding

federal employment taxes. If an individual is subsequently reclassified as an Employee by a court, the Internal Revenue Service or any other governmental agency or authority (including any reclassification in settlement of any claim or action relating to such individual's employment status), such individual shall not be eligible to enter the Plan by reason of such reclassification until the date of final determination on such reclassification.

- 1.11 "Employer": Southeast Alaska Power Agency.
- 1.12 "Investment Option": One of the available alternatives for crediting investment earnings to a Participant's Account, which shall be based upon the performance of one or a combination of the investment funds maintained under the Trust Fund.
- 1.13 "Normal Retirement Age": Age 62.
- 1.14 "Participant": Any Employee or former Employee from whom the Plan has received a Salary Deferral Agreement and who has not received a distribution of the Participant's entire Account.
- 1.15 "Plan": Southeast Alaska Power Agency Deferred Compensation Plan
- ~~1.16~~ "Required Beginning Date": ~~The later of April 1st of the Year following the Year of a Participant's attainment of age 73 or Severance from Service. If a Participant attained age 70 ½ prior to January 1, 2020, then the reference to age 72 in the preceding sentence shall be adjusted to read "age 70 ½".~~
- 1.16 "Required Beginning Date": The later of April 1st of the Year following the Year of a Participant's attainment of age 73 or Severance from Service.
- 1.17 "Severance from Service": The cessation of Employee's active employment with the Employer due to the Employee's death, retirement or voluntary or involuntary termination of service, as further defined in Treasury Regulations 1.457-6(b)(1).
- 1.18 "Transfer": An amount credited to an Account due to a plan-to-plan transfer from another Eligible Deferred Compensation Plan.
- 1.19 "Trust Agreement": The written agreement (or declaration) made by and between the Employer and the Trustee under which the Trust Fund is maintained pursuant to Code § 457(g).
- ~~1.19~~ 1.20 "Trust Fund": The Trust Fund created under and subject to the Trust Agreement.
- ~~1.20~~ 1.21 "Trustee": The Trustee(s) duly appointed under the Trust Agreement.
- ~~1.21~~ 1.22 "Valuation Date": Each business day that the New York Stock Exchange is open for trading, except for days that the Trust Fund cannot be valued due to circumstances beyond the control of the Trustee, Administrator or any Investment Option provider.
- ~~1.22~~ 1.23 "Plan Year": A calendar year ending every December 31st.

Article 2 PARTICIPATION AND CONTRIBUTIONS

~~2.1~~ Eligibility. Each Employee (unless otherwise excluded from participation) shall be eligible to participate in the Plan and defer Compensation on the first day of the month on or after the date the Employee completes thirty (30) consecutive days of employment as calculated from the Employee's "date of hire." An eligible Employee shall become a Participant on the first day of the month following the date the Employee files a Salary Deferral Agreement pursuant to Section 2.2. Notwithstanding the foregoing, an Employee will be treated as an "Excluded Employee" if the Employee is (a) a part-time employee; (b) a temporary employee; (c) a Leased Employee within the meaning of Code

§414(n); or (d) an Employee covered by a collective bargaining agreement, unless the agreement provides for participation in the Plan. An Employee will be considered to be a "part-time" Employee if the Employee is regularly scheduled to work less than thirty- two (32) hours per week for any indefinite period for the Employer under its payroll practices and procedures. An Employee will be considered to be a "temporary" Employee if the Employee is either part-time or full-time, but expected to work less than 1,000 Hours of Service per year, and designated on the Employer's payroll practices and procedures as a "temporary" Employee. If an Employee is designated as either a "part-time" or a "temporary" Employee, and later changes their status to a regular Employee of the Employer, the individual will become eligible to enter the Plan on the first day of the month immediately following the change in designation on the Employer's payroll practices and procedures. Similarly, if an individual changes their status from an Independent Contractor to a regular Employee of the Employer, the individual will be eligible to enter the Plan on the first day of the month immediately following the change in status on the Employer's payroll practices and procedures.

~~2.2~~ Election Required for Participation. An Employee may elect to become a Participant by executing a Salary Deferral Agreement and filing it with the Plan Administrator. Any such Salary Deferral Agreement shall remain in effect until a new Salary Deferral Agreement is filed under section 2.5 or the Participant has a Severance from Service. The Participant's Salary Deferral Agreement shall specify whether the Participant's Salary Deferrals are to be made on a "pre-tax" basis or an "after-tax" basis, or a combination of each. After-tax contributions under the Plan must comply with the rules under Code §402A as "designated Roth contributions," and the Plan shall establish separate accounting for such amounts for each Employee and any earnings properly allocable to the Roth contributions, as well as maintaining separate recordkeeping with respect to each

such amount. The Plan Administrator may establish a minimum and maximum Salary Deferral amount and may change such amounts from time to time.

~~2.3~~~~2.1~~ Information Provided by the Participant. Each Employee enrolling in the Plan must provide to the Plan Administrator at the time of initial enrollment, and later if there are any changes, any information necessary or advisable for the Plan Administrator to administer the Plan, including, without limitation, the amount of the Salary Deferral, the Participant's Investment Options and whether the Employee is a participant in any other eligible deferred compensation plan or plans.

~~2.4~~~~2.2~~ Contributions Made Promptly. The Employer shall promptly transfer Salary Deferrals from the Participant to the Trust Fund. For this purpose, Salary Deferrals shall be treated as contributed

promptly if the Employer makes the contribution to the Trust Fund as soon as administratively practicable, but in no event later than 15 business days following the calendar month in which the amount would otherwise have been paid to the Participant.

~~2.52.3~~ Amendment of Salary Deferral Agreement. Subject to rules established by the Employer and other provisions of the Plan, a Participant may at any time revise their Salary Deferral Agreement and change the amount of their Salary Deferrals or their Investment Option(s). Any change in the Salary Deferral amount must be made prior to the payroll reporting cut-off date and shall take effect as of the first day of the next following payroll period or as soon as administratively practicable, if later. A change in the Participant's Investment Option(s) shall take effect as soon as administratively practicable.

~~2.62.4~~ Leave of Absence. Unless a Salary Deferral Agreement is otherwise revised, if a Participant is absent from work by leave of absence, Salary Deferrals under the Plan shall continue to the extent that the Participant's Compensation continues.

~~2.72.5~~ Disability. A disabled Participant may make Salary Deferrals during any portion of the period of the Participant's Disability to the extent that the Participant has actual Compensation (not imputed Compensation and not Disability benefits) from which to make Salary Deferrals to the Plan and, subject to the Post-Severance Compensation rules in Section 1.6(b), has not had a Severance from Service.

~~2.82.6~~ Investment Options. Upon enrollment, the Participant shall designate the Investment Option(s) to which the Participant's Salary Deferrals are to be allocated. A Participant may thereafter reallocate the Participant's Account among the then-available Investment Options. The Plan Administrator and any Investment Option provider may establish limitations and procedures regarding minimum and maximum amounts or percentages that may be allocated among Investment Options, and the timing and frequency of reallocations.

~~2.92.7~~ Beneficiary Designation. Upon enrollment, the Participant may designate, in writing, a Beneficiary to receive distributions from the Participant's Account under the Trust Fund in the event of the Participant's death. A Participant may change a designated Beneficiary at any time, provided that an amended Beneficiary designation shall be effective only if it is signed by the Participant and delivered to the Plan Administrator (or post-marked for delivery) prior to the Participant's death. A Participant may designate any person or persons as a Beneficiary. Unless otherwise provided in the Beneficiary designation form, each designated Beneficiary shall be entitled to equal shares of the Account payable after the Participant's death. If the Participant fails to designate a Beneficiary, or if no designated Beneficiary survives the Participant, then the Participant's surviving spouse shall be the Beneficiary, but if there is no surviving spouse then the Participant's estate shall be the Beneficiary. A divorce decree, or a decree of legal separation, will revoke the Participant's Beneficiary designation, if any, of the Participant's spouse as a Beneficiary under the Plan unless: (a) the decree or a QDRO provides otherwise; or (b) the Participant executes a new Beneficiary form confirming the former spouse as the Participant's properly designated Beneficiary.

~~2.102.8~~ Employer Contributions under the Plan. The Employer may, in its discretion, make additional contributions in the form of "matching" contributions or "nonelective" Employer contributions,

with respect to any Participant, resulting in additional contributions to the Account of the Participant. Any such amounts shall be treated as Employer contributions and shall be subject to the overall contribution limits of Article 3.

Article 3 LIMITATIONS ON AMOUNTS DEFERRED

3.1 General Limitation. Except as provided in Sections 3.2 or 3.3, a Participant's Salary Deferrals plus any Employer contributions for a Year shall not exceed the lesser of:

- (a) \$15,000 as adjusted by Code section 457(e)(15)(B) (~~\$2023~~,500 in ~~2022~~2025), or
- (b) 100% of the Participant's Compensation for the Year (determined after any required federal, state or local tax or other withholding).

~~3.2~~ (a) Age 50 Catch-up Contributions. A Participant who will attain age 50 or more by the end of the Year is permitted to defer up to an additional \$5,000, as adjusted by Code section 414(v) (~~\$67~~,500 in ~~2022~~2025), above the limitation in Section 3.1(a) on either a pre-tax basis or as a Roth after-tax Salary Deferral Catch-Up Contribution. If, for any taxable year, an eligible Employee makes a Catch-Up Contribution under Section 3.3 (below), the Employee is not eligible to make an age 50 Catch-Up Contribution or the Age 60 to 63 contribution in Section 3.2(b). under this Section 3.2. A catch-up eligible Participant in each taxable year is entitled to the greater of the amount determined under Section 3.2 or 3.3, in addition to the Normal General Limitation set forth in Section 3.1 (above).

(b) Higher Catch-Up Contributions for Ages 60-63. Notwithstanding the standard level of catch-up contributions described in the preceding paragraph (\$7,500 in 2025), the SECURE Act 2.0 increased the available level of catch-up contributions for active Participants who attain ages 60, 61, 62, or 63 during the current calendar year in order to increase their catch-up contributions to the greater of (a) \$10,000, or (b) 150% of the annually announced standard level of catch-up contributions that would ordinarily apply to the Participant at age 50. As an example, if the standard catch-up level for a given year is announced by the IRS to be \$7,500, an individual who has attained age 50 (or older) could contribute \$7,500 as a catch-up contribution as described in the preceding paragraph, while another Participant age 60, 61, 62, or 63 could contribute a catch-up contribution of \$11,250 during that same calendar year (i.e., \$7,500 x 150% = \$11,250). These increased catch-up contributions are effective as of January 1, 2025 and will be increased for cost-of-living adjustments as announced by the IRS from time to time.

~~3.2~~

3.3 Pre-Retirement Catch-up Limitation. If the applicable Year is one of a Participant's last three Years ending before the Year in which the Participant attains Normal Retirement Age and the amount determined under this Section 3.3 exceeds the amount computed under Sections 3.1 and 3.2, then the Salary Deferral limit under this Article 3 for the Year shall be the lesser of: ~~An amount equal to two times the Section 3.1~~

- ~~(a)~~ — (a) ~~an amount equal to two times the Section 3.1(a) amount~~ for such Year; or
- ~~(b)~~ (b) The sum of:

- (1) An amount equal to (A) the Code section 457(b)(2) limit for the current Year plus each prior Year beginning after December 31, 2001 during which the Participant was an Employee, minus (B) the aggregate amount of Compensation that the Participant deferred under the Plan(s) during such Years (disregarding any deferrals allowed under an Age 50 or Age 60 to 63 Catch-up Contribution provision), plus
- (2) An amount equal to (A) the aggregate limit referred to in Code section 457(b)(2) for each prior Year beginning after December 31, 1978 and before January 1, 2002 during which the Participant was an Employee (determined without regard to Sections 3.2 and 3.3), minus (B) the aggregate contributions to Pre-2002 Coordination Plans for such Years.

However, the Deferral can never exceed the Participant's Compensation less any required withholdings for that Plan Year.

3.3 Special Rules. For purposes of this Article 3, the following rules shall apply:

- (a) Participant Covered By More Than One Eligible Plan. If the Participant is or has been a participant in one or more other Eligible Deferred Compensation Plans, then this Plan and all such other plans shall be considered as one plan for purposes of applying the foregoing limitations of this Article 3. For this purpose, the Administrator shall take into account any other such eligible plan maintained by the Employer and shall also take into account any other such eligible plan for which the Administrator receives from the Participant sufficient information concerning the Participant's participation in such other plan.
- (b) Pre-Participation Years. In applying Section 3.3, a Year shall be taken into account only if (i) the Participant was eligible to participate in the Plan during all or a portion of the Year and (ii) Compensation deferred, if any, under the Plan during the Year was subject to the limitation described in Section 3.1(a) or any other plan ceiling required by Code section 457(b).
- (c) Pre-2002 Coordination Years. For purposes of Section 3.3(b)(2)(B), "contributions to Pre-2002 Coordination Plans" means any employer contribution, salary reduction or elective contribution under any other Eligible Deferred Compensation Plan, or a salary reduction or elective contribution under any Code section 401(k) qualified cash or deferred arrangement, Code section 402(h)(1)(B) simplified employee pension plan, Code section 403(b) annuity contract, Code section 408(p) simple retirement account, or under any plan for which a deduction is allowed because of a contribution to an organization described in Code section 501(c)(18), including plans, arrangements or accounts maintained by the Employer or any employer for whom the Participant performed services. However, the contributions for any Year are only taken into account for purposes of Section 3.3(b)(2)(B) to the extent that the total of such contributions does not exceed the aggregate limit referred to in Code section 457(b)(2) for that Year.
- (d) Disregard Excess Deferral. For purposes of Sections 3.1, 3.2 and 3.3, an individual is

treated as not having deferred compensation under a plan for a prior taxable year to the extent excess Salary Deferrals under the plan are distributed, as described in Section 3.5.

- 3.4 Correction of Excess Deferrals. If the Salary Deferral on behalf of a Participant for any Year exceeds the limitations described above, or the Salary Deferral on behalf of a Participant for any Plan Year exceeds the limitations described above when combined with other amounts deferred by the Participant under another Eligible Deferred Compensation Plan for which the Participant provides information that is accepted by the Administrator, then the Salary Deferral, to the extent in excess of the applicable limitation (adjusted for any income or loss in value, if any, allocable thereto), shall be distributed to the Participant.
- 3.5 Protection of Persons Who Serve in a Uniformed Service. An Employee whose employment is interrupted by qualified military service or who is on a leave of absence for qualified military service under Code section 414(u) may elect to make additional Deferrals upon resumption of employment with the Employer equal to the maximum Salary Deferrals that the Employee could have elected during that period if the Employee's employment with the Employer had continued (at the same level of Compensation) without the interruption or leave, reduced by the Salary Deferrals, if any, actually made for the Employee during the period of the interruption or leave. This right applies for five years following the resumption of employment (or, if sooner, for a period equal to three times the period of the interruption for military leave).

In the case of a death occurring on or after January 1, 2007, if a Participant dies while performing qualified military service (as defined in Code section 414(u)), the Participant's Beneficiary is entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan as if the Participant had resumed employment and then terminated employment on account of death. Moreover, the Plan will credit the Participant's qualified military service as service for vesting purposes, as though the Participant had resumed employment under USERRA immediately prior to the Participant's death.

Article 4 PLAN LOANS

4.1 Loans. A Participant who is an Employee may apply for and receive a loan from their Account as provided in this Article 4. Any such loan may not be for an amount less than \$1,000. No more than two loans may be outstanding at any time.

4.14.2 Maximum Loan Amount. No loan to a Participant hereunder may exceed the lesser of:

- (a) \$50,000, reduced by the greater of (i) the outstanding balance on any loan from the Plan to the Participant on the date the loan is made or (ii) the highest outstanding balance on loans from the Plan to the Participant during the one-year period ending on the day before the date the loan is approved by the Administrator (not taking into account any payments made during such one-year period), or
- (b) one-half of the value of the Participant's Account as of the Valuation Date immediately preceding the date on which such loan is approved by the Administrator.

4.24.3 Terms of Loan. The terms of the loan shall:

- (a) require level amortization with payments not less frequently than each payroll period throughout the repayment period, except that alternative arrangements for repayment may apply in the event that the borrower is on an bona fide unpaid leave of absence for a period not to exceed one year for leaves other than a qualified military leave within the meaning of Code section 414(u) or for the duration of a leave which is due to qualified military service;
- (b) require that the loan be repaid within five years; and
- (c) provide for interest at a rate equal to one percentage point (1%) above the prime rate as published in the *Wall Street Journal* or other nationally recognized newspaper that publishes the prime rate daily on the first business day of the month in which the loan is approved by the Plan Administrator.

4.34.4 Security for Loan; Default.

- (a) *Security.* Any loan to a Participant shall be secured by the Participant's pledge of the portion of the Participant's Account invested in such loan.
- (b) *Default.* If a Participant fails to make a loan payment when due, a default on the loan shall occur. If the default is not cured within 90 days, the Administrator shall offset the portion of the Participant's interest in the Plan held as security for the loan in satisfaction of the loan. The Plan Administrator shall not be required to accept any post-offset loan payments from the Participant.

4.5 Notwithstanding anything elsewhere in the Plan to the contrary, in the event a loan is outstanding hereunder on the date of a Participant's death, The Participant's estate shall be the Beneficiary as to the portion of the Participant's interest in the Plan invested in such loan (with the Beneficiary or Beneficiaries as to the remainder of the Participant's interest in the Plan to be determined in accordance with otherwise applicable provisions of the Plan). Repayment. The Participant shall be required, as a condition to receiving a loan, to enter into an irrevocable salary reduction repayment agreement authorizing the Employer to take payroll deductions from the Participant's Compensation as long as the Participant is an Employee of the Employer and to transfer such payroll deduction amounts to the Trustee in payment of the loan's principal plus interest. Repayments of a loan shall be made by payroll deduction of equal amounts (comprised of both principal and interest) from each paycheck, with the first such deduction to be made as soon as practicable after the loan funds are disbursed; provided however, that a Participant may prepay all or any portion of the outstanding balance of a loan at any time; and provided, further, that if any payroll deductions cannot be made in full because a Participant is on an unpaid leave of absence or is no longer employed or the Participant's paycheck is insufficient for any other reason, the Participant shall pay directly to the Plan Administrator the full amount that would have been deducted from the Participant's paycheck, with such payment to be received by the Plan Administrator by the last business day of the calendar month in which the amount would have been deducted.

4.4

Article 5 BENEFIT DISTRIBUTIONS

- 5.1 Benefit Distributions At Retirement or Other Severance from Service. Upon retirement or other Severance from Service (other than due to death), a Participant is entitled to receive a distribution of the Participant's Account under any form of distribution permitted under Section 5.3, commencing at the date elected under Section 5.2. If a Participant does not elect a distribution, the Plan Administrator shall commence distributions in accordance with Sections 5.5, 5.8 or 5.9. The distribution shall be paid as soon as practicable following Normal Retirement Age or, if later, following retirement or other Severance from Service and payment shall be made in annual installments of the minimum payments described in Section 5.3(b).
- 5.2 Election of Benefit Commencement Date. A Participant may elect to receive a distribution of the Participant's Account at any time after retirement or other Severance from Service by providing a notice to the Plan Administrator at least 30 days before the date on which the distribution is to occur. In addition, effective as of January 1, 2023, a Participant may request an "in-service" withdrawal of all or any portion of the Participant's Account upon attainment of age 59 ½, see also Section 5.11. In no event may a Participant designate a distribution date later than the date described in Section 1.16.
- 5.3 Forms of Distribution. A Participant entitled to a distribution under this Article 5 may elect to receive payment in any of the following forms of distribution:
- (a) a lump sum payment of the total Account, or
 - (b) annual installment payments to the Participant but only if necessary to satisfy the Required Minimum Distribution ("RMD") rules under Section 1.16 and Article 5 of the Plan (and Code §§401(a)(9) and 457(d)(2)), if the Participant is subject to the RMD rules at the time of a distribution date. If the Participant attains age ~~70 ½~~ 73 on or after January 1, 2020, Section 114 of the SECURE Act will apply, and the Participant's first RMD must be taken by the later of April 1 of the calendar year following the calendar year in which the Participant attains age ~~72~~ 73, or when the Participant retires, as determined under Code § 401(a)(9)(C)(i)(II). ~~If the Participant attains age 70 ½ prior to the effective date of the SECURE Act, the pre-SECURE Act rules will apply and the Participant's first RMD must be taken by the later of April 1 of the calendar year following the calendar year in which the Participant attains age 70 ½, or when the Participant retires.~~
 - (c) Effective as of January 1, 2019, unless the Participant has attained the Participant's Required Beginning Date under Section 1.16, then the Participant's sole form of distribution shall be as a lump sum under Section 5.3(a). If the Participant is subject to the RMD rules, the Participant can elect distribution of a greater amount (not to exceed the amount of the remaining Account) in lieu of the amount calculated using the RMD rules.
- 5.4 Death Benefit Distributions. No later than 60 days after the last day of the Year of the Participant's death, the Participant's Account shall be paid to the Beneficiary in a lump sum. If a Participant has not designated a Beneficiary, or if no designated Beneficiary is living on the date of distribution, the Account shall be distributed to the Participant's estate in a lump sum

distribution as soon as administratively feasible following the Participant's death. In no event may the Plan be modified or amended to extend any RMD payments beyond the ten (10) year limitation described under the SECURE Act of 2019, unless payment is to be made to an "Eligible Designated Beneficiary" within the meaning of Code §401(a)(9), as defined below.

5.4 In general, your designated beneficiary must receive payment of all benefit payments within a 10-year period unless your designated beneficiary is an "Eligible Designated Beneficiary". An Eligible Designated Beneficiary is defined as any "designated beneficiary" who is (i) the surviving spouse of a Participant; (ii) a minor child of the Participant; (iii) a disabled or chronically ill individual; or (iv) an individual who is not more than 10 years younger than the Participant. The determination of whether a designated beneficiary is an Eligible Designated Beneficiary is made at the time of the Participant's death. If an Eligible Designated Beneficiary dies before the Participant's entire remaining benefits are distributed, then the remainder of such interest must be distributed within 10 years of the death of the Eligible Designated Beneficiary.

5.5 Account Balances of \$1,000 or Less. If the amount of a Participant's Account is not in excess of \$1,000 on the date of the Participant's Severance from Service or death, then payment shall be made to the Participant (or to the Beneficiary if the Participant is deceased) in a lump sum equal to the Participant's Account as soon as practicable following the Participant's retirement, death, or other Severance from Service. Section 5.9 (below) has separate rules for in-service withdrawals prior to a Participant's Severance from Service with the Employer.

5.6 Amount of Account. Except as provided in Section 5.3(b), the amount of any payment under this Article 5 shall be based on the amount of the Account on the preceding Valuation Date on or immediately before the distribution date.

5.7 Revocation of Prior Election. Any election made under this Article 5 may be revoked at any time before the distribution commencement date.

5.8 Latest Distribution Date. Any distribution under this Article 5 shall begin before the later of (a) April 1 following the Year in which the Participant attains age ~~72-73~~ or (b) April 1 following the Year in which the Participant retires or otherwise has a Severance from Service (defined herein as the Participant's "Required Beginning Date"). The initial distribution must be at least equal to the annual installment payment for the Year that the Participant has a Severance from Service or attained age ~~72-73~~ determined under Code Section 401(a)(9) and an amount equal to the annual installment payment for the Year after such severance or attainment of age ~~72-73~~ determined under Code Section 401(a)(9) must also be paid before the end of such Year after the severance or attainment of age ~~7273~~.

5.9 Distributions Prior to Severance from Service.

(a) In-Service Withdrawals Available at 59½. In accordance with changes under the SECURE Act of 2019, effective as of the 2023 Plan Year, and for each Plan Year thereafter, a Participant may elect to receive an "in-service" withdrawal of all or any portion of their Account on or after attaining age 59 ½, provided that this Plan continues to be sponsored by an Employer described in Code § 457(e)(1)(A) as a Governmental Employer sponsoring the Plan.

~~(b)~~ Certain Accounts of \$57,000 or Less. The Administrator may distribute a Participant's Account in a lump sum at any time (including an in-service withdrawal) if ~~(ia)~~ the Account does not exceed \$57,000, ~~(ib)~~ the Participant has not previously received a distribution of the total amount payable to the Participant under this Section 5.9 and _

~~(e)~~ ~~(iii)~~ no Salary Deferral has been made with respect to the Participant during the two--year period ending immediately before the date of distribution.

5.10 Rollover Distributions.

- (a) A Participant, the surviving spouse of a Participant (or a Participant's former spouse who is the alternate payee under a domestic relations order, as defined in section 414(p) of the Code) or for distributions after 2009 a Beneficiary who is entitled to an eligible rollover distribution may elect, at the time and in the manner prescribed by the Plan Administrator, to have all or any portion of the distribution paid directly to an eligible retirement plan specified by the recipient as a direct rollover.
- (b) For purposes of this Section 5.10, an "eligible rollover distribution" means any distribution of all or any portion of a Participant's Account, except that an eligible rollover distribution does not include (i) any RMD payment under Section 5.3(b) or (ii) for any other distribution, the portion, if any, of the distribution that is a Required Minimum Distribution under section 401(a)(9). In addition, an eligible retirement plan means an individual retirement account described in Code section 408(a), an individual retirement annuity described in Code section 408(b), a qualified trust described in Code section 401(a), an annuity plan described in Code section 403(a) or 403(b), or an eligible governmental plan described in Code section 457(b), that accepts the eligible rollover distribution. For distributions made after December 31, 2007, a Participant may elect to roll over directly an eligible rollover distribution to a Roth IRA described in Code section 408A(b).
- (c) For any distribution notice issued in Years beginning after December 31, 2006, any reference to the 90-day maximum notice period prior to distribution in applying the notice requirements of Code section 402(f) (the rollover notice relating to an eligible rollover distribution), shall be extended to be 180 days.
- (d) For distributions after December 31, 2009, a non-spouse Beneficiary who is a "designated beneficiary" under Code section 401(a)(9)(E) and the regulations thereunder, by a direct trustee-to-trustee transfer ("direct rollover"), may roll over all or any portion of a distribution to an individual retirement account ("IRA") that the Beneficiary establishes for purposes of receiving the distribution. In order to be able to roll over the distribution, the distribution otherwise must satisfy the definition of an eligible rollover distribution. If the Participant's Beneficiary is a trust, the Plan may make a direct rollover to an individual retirement account on behalf of the trust, provided the trust satisfies the requirements to be a designated beneficiary within the meaning of Code section 401(a)(9)(E). A non-spouse Beneficiary may not roll over an amount which is a Required Minimum Distribution ("RMD"), as determined under applicable Treasury regulations

and other Revenue Service guidance.

Article 6 ROLLOVERS AND TRANSFERS

6.1 Eligible Rollover Contributions to the Plan.

- (a) A Participant who is an Employee and who is entitled to receive an eligible rollover distribution from another eligible retirement plan may request to have all or a portion of the eligible rollover distribution paid to this Plan and deposited into the Trust Fund. The Plan Administrator may require such documentation from the distributing plan as it deems necessary to accomplish the rollover in accordance with Code section 402 and to confirm that such plan is an “eligible retirement plan” within the meaning of Code section 402(c)(8)(B).
- (b) For purposes of Section 6.1(a), an eligible rollover distribution means any distribution of all or any portion of a Participant’s benefit under another eligible retirement plan, except that an eligible rollover distribution does not include: (1) any installment payment for a period of 10 years or more or based on the life expectancy of the individual or the joint lives of the individual and the individual’s designated beneficiary, (2) any distribution made as a result of an unforeseeable emergency or other distribution which is made upon hardship of the individual, or (3) for any other distribution, the portion, if any, of the distribution that is an RMD under Code section 401(a)(9), as described in Code section 402(c)(4). An eligible retirement plan means an individual retirement account described in Code section 408(a), an individual retirement annuity described in Code section 408(b), a qualified trust described in Code section 401(a), an annuity plan described in Code section 403(a) or 403(b), or an eligible governmental plan described in Code section 457(b), that accepts the eligible rollover distribution.

6.2 The Plan shall establish and maintain for the Participant a separate account for any eligible rollover distribution paid to the Plan from any eligible retirement plan that is not an eligible governmental plan under Code section 457(b).

6.3 Plan-to-Plan Transfers to Plan. The Administrator may permit a Participant who participated in another eligible governmental plan under Code section 457(b) to transfer assets to the Plan as provided in this Section 6.2. Such a transfer is permitted only if the other plan provides for the direct transfer of each Participant's interest therein to the Plan and the Participant is an Employee on the date of the transfer. The Administrator may require in its sole discretion that the transfer be in cash or other property acceptable to the Administrator. The Administrator may require such documentation from the other plan as it deems necessary to effectuate the transfer in accordance with section 457(e)(10) of the Code and Treasury Regulations 1.457-10(b) and to confirm that the other plan is an eligible governmental plan as defined in Treasury Regulations 1.457-2(f). The amount so transferred shall be credited to the Participant's Account and shall be held, accounted for, administered and otherwise treated in the same manner as a Deferral by the Participant under the Plan, except that the transferred amount shall not be considered a Deferral in determining the maximum Deferral under Article 3.

6.4 Plan-to-Plan Transfers from the Plan.

- (a) The Plan Administrator may permit a Participant or Beneficiary to elect to have all or any portion of their Account under this Plan transferred to another eligible governmental plan within the meaning of Code section 457(b) and Treasury Regulations 1.457-2(f). A transfer is permitted under this Section 6.3(a) for a Participant only if the Participant has had a Severance from Service and is an employee of an entity that maintains the other eligible governmental plan. Further, a transfer is permitted under this Section 6.3(a) only if the other eligible governmental plan provides for the acceptance of plan-to-plan transfers with respect to the Participant and the Participant has an account balance under the other plan immediately after the transfer at least equal to the amount transferred.
- (b) Upon the transfer of assets under this Section 6.3, the Plan's liability to pay benefits to the Participant or Beneficiary under this Plan shall be discharged to the extent of the amount so transferred for the Participant or Beneficiary. The Plan Administrator may require such documentation from the receiving plan as it deems appropriate or necessary to comply with this Section 6.3 (for example, to confirm that the receiving plan is an eligible governmental plan under paragraph (a) of this Section 6.3, and to assure that the transfer is permitted under the receiving plan) or to effectuate the transfer pursuant to Treasury Regulation 1.457-10(b).

Article 7 TRUST FUND

- 7.1 Trust Fund. All Deferrals, all property and rights purchased with such amounts, and all income attributable to such amounts, property, or rights shall be held and invested in the Trust Fund in accordance with this Plan and the Trust Agreement. The Trust Fund, and any subtrust established under the Plan, shall be established pursuant to a written agreement that constitutes a valid trust under the laws of the State of Alaska and complies with Code section 457(g). The Trustee shall ensure that all investments, amounts, property, and rights held under the Trust Fund are held for the exclusive benefit of Participants and their Beneficiaries or defraying reasonable expenses of the Plan or of the Trust Fund. It shall be impossible, prior to the satisfaction of all liabilities with respect to Participants and their Beneficiaries, for any part of the assets and income of the Trust Fund to be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries.

Article 8 PLAN ADMINISTRATION

- 8.1 Powers and Responsibilities of the Plan Administrator. The Plan Administrator has the full power and responsibility to administer the Plan in all of its details, subject, however, to the applicable requirements of the Code. The Administrator's powers and responsibilities include, but are not limited to, the following:
- (a) To make, amend and enforce such rules, regulations, forms and procedures as it deems necessary or proper for the efficient administration of the Plan;
 - (b) The discretionary authority to construe and interpret the Plan, its interpretation to be final and conclusive on all persons claiming benefits under the Plan;

- (c) To decide all questions concerning the Plan and the eligibility of any Employee to participate in or receive benefits from the Plan;
- (d) To administer the claims and review procedures specified in Section 8.2;
- (e) To compute the amount and authorize payment of benefits to any Participant, former Participant or Beneficiary in accordance with the provisions of the Plan;
- (f) To determine the person or persons to whom such benefits will be paid, with benefits being paid only if the Administrator decides in its discretion that the Participant or Beneficiary is entitled to them;
- (g) To appoint such agents, legal counsel, accountants, administrators and consultants as may be required to assist in administering the Plan;
- (h) By written instrument, to allocate and delegate its responsibilities; and
- (i) To make all other determinations deemed necessary or advisable for the administration of the Plan.

8.2 Claims and Review Procedures. If a Participant, Beneficiary or their representative believes the Administrator has incorrectly calculated or failed to pay a benefit to the Participant or Beneficiary, the Participant, Beneficiary or their representative will have sixty (60) days from the receipt of the original distribution or denial of payment to appeal the Administrator's decision. This appeal must be in writing and sent to the Administrator. The Participant, or the Participant's representative, has the right to review (upon request and at no charge) all documents and other information relevant to any claim and to submit written comments, documents and other information relating to the claim. The Administrator will notify Participant or the Participant's representative in writing of its decision within sixty (60) days after it receives the appeal, unless special circumstances require an extension of up to sixty (60) more days, in which case Participant or the Participant's representative will be notified in writing of the extension, the special circumstances requiring the extension and the date by which the Administrator expects to render its decision. If the appeal is denied, the Plan Administrator will give Participant or the Participant's representative written notice explaining the Plan Administrator's actions.

The Participant shall have one year from the date the notice of the denial of the appeal to commence any action seeking judicial review of the denied claim, and cannot bring any action until exhausting this Claims Review Procedure. Failure to bring such an action within that period shall bar the claim.

8.3 Plan's Administrative Costs. The Employer shall pay all reasonable costs and expenses (including legal, accounting, and employee communication fees) incurred by the Plan Administrator or the Trustee in administering the Plan and Trust Fund.

Article 9 MISCELLANEOUS

- 9.1 Non-Assignability. Except as provided in statute or Section 9.2 and 9.4 the interests of each Participant or Beneficiary under the Plan are not subject to the claims of the Participant's or Beneficiary's creditors; and neither the Participant nor any Beneficiary shall have any right to sell, assign, transfer, or otherwise convey the right to receive any payments hereunder or any interest under the Plan, which payments and interest are expressly declared to be non-assignable and non-transferable.
- 9.2 Domestic Relation Orders. Notwithstanding Section 9.1, if the Plan Administrator determines that a judgment, decree or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, or the marital property rights of a spouse or former spouse, child, or other dependent of a Participant is made pursuant to the domestic relations law of any State in accordance with Code section 414(p) ("domestic relations order"), then the amount of the Participant's Account shall be paid in the manner and to the person or persons so directed in the domestic relations order. Such payment shall be made without regard to whether the Participant is eligible for a distribution of benefits under the Plan. The Plan Administrator shall establish reasonable procedures for determining the status of any such decree or order and for making distribution pursuant to the domestic relations order.
- Effective April 6, 2007, an order will not fail to be a domestic relations order solely because the order is issued after, or revises, another domestic relations order, or because of the time at which the order is issued, including issuance after the annuity starting date or after the Participant's death.
- 9.3 Unforeseeable Emergency. In the event of a Participant's unforeseeable emergency, the Plan Administrator may make a distribution to a Participant who has not incurred a Severance from Employment (or who has incurred a Severance but will not begin to receive payments until some future date). In the event of an unforeseeable emergency, the Plan Administrator also may accelerate payments to a Participant or to a Beneficiary. The Plan Administrator will establish a policy for determining whether an unforeseeable emergency exists. An unforeseeable emergency is a severe financial hardship of a Participant or Beneficiary resulting from: (1) illness or accident of the Participant, the Beneficiary, or the Participant's or Beneficiary's spouse or dependent (as defined in Code §152(a)); (2) loss of the Participant's or Beneficiary's property due to casualty; (3) the need to pay for the funeral expenses of the Participant's or Beneficiary's spouse or dependent (as defined in Code §152(a); or (4) other similar extraordinary and unforeseeable circumstances arising from events beyond the Participant's or Beneficiary's control. The Plan Administrator will not pay the Participant or the Beneficiary more than the amount reasonably necessary to satisfy the emergency need, which may include amounts necessary to pay taxes or penalties on the distribution. The Plan Administrator will not make payment to the extent the Participant or Beneficiary may relieve the financial hardship by cessation of deferrals under the Plan, through insurance or other reimbursement, or by liquidation of the individual's assets to the extent such liquidation would not cause severe financial hardship.
- 9.4 IRS Levy. Notwithstanding Section 9.1, the Administrator may pay from a Participant's or Beneficiary's Account the amount that the Administrator finds is lawfully demanded under a levy issued by the Internal Revenue Service with respect to that Participant or Beneficiary or is sought to be collected by the United States Government under a judgment resulting from an unpaid tax assessment against the Participant or Beneficiary.
- 9.5 Mistaken Contributions. If any contribution (or any portion of a contribution) is made to the Plan

by a good faith mistake of fact, then within one year after the payment of the contribution, and upon receipt in good order of a proper request approved by the Plan Administrator, the amount of the mistaken contribution (adjusted for any income or loss in value, if any, allocable thereto) may be returned directly to the Participant or, to the extent required or permitted by the Plan Administrator, to the Employer.

- 9.6 Payments to Minors and Incompetents. In the event the Plan Administrator determines, on the basis of medical reports or other evidence satisfactory to the Plan Administrator, that a Participant or Beneficiary entitled to payment of all or any portion of the Account is incapable of handling their affairs by reason of minority, illness, infirmity or other incapacity, the Plan Administrator may direct the Trustee to disburse any such payments to a person or institution designated by a court which has jurisdiction over the Participant or Beneficiary or a person or institution otherwise having the legal authority under state law for the care and control the Participant or Beneficiary. The receipt by such person or institution of any such payments, and any such payment to the extent thereof, shall discharge the Plan, the Plan Administrator and Trustee's liability for the payment of the Account to such recipient.
- 9.7 Procedure When Distributee Cannot Be Located. The Plan Administrator shall make all reasonable attempts to determine the identity and address of a Participant or a Participant's Beneficiary entitled to benefits under the Plan. For this purpose, a reasonable attempt means (a) the mailing by certified mail of a notice to the last known address shown on the Employer's or the Plan Administrator's records, (b) notification sent to the Department of Labor (under their program to identify payees under retirement plans), and (c) the payee has not responded within six months. If the Plan Administrator is unable to locate such a person entitled to benefits hereunder, or if there has been no claim made for such benefits, the Plan Administrator may distribute the Account by creating an individual retirement account pursuant to Labor Regulations 2550.404a-2 or by payment to the Department of Labor ("DOL") under Field Assistance Bulletin 2014-01.
- 9.8 Limitation of Rights. Neither the establishment of the Plan or Trust Fund, nor any amendment thereof, nor the creation of any fund or Account, nor the payment of any benefits, will be construed as giving to any Participant or other person any legal or equitable right against the Employer, the Plan Administrator or Trustee, except as provided herein; and in no event will the terms of employment or service of any Participant be modified or in any way affected hereby.
- 9.9 Information between Employer and Trustee. The Employer agrees to furnish the Trustee with such information relating to the Plan and Trust as may be required to carry out the Trustee's duties hereunder, including without limitation information required under the Code and any regulations or other guidance issued thereunder.
- 9.10 Notices. Any notice or other communication in connection with this Plan shall be deemed delivered in writing if addressed as provided below and if either actually delivered at such address or, in the case of a letter, three business days shall have elapsed after the same shall have been deposited in the United States mails, first-class postage prepaid and certified:
- (a) If it is sent to the Employer or Administrator, it will be at the then-current business address of the Employer;

(b) If it is sent to a Participant or Beneficiary, it will be sent to the last known address in the records of the Plan or the Employer.

9.11 Governing Law. The Plan will be construed, administered and enforced in accordance with the Code and any regulations thereunder, and to the extent not preempted thereby, the laws of the state of Alaska (but not its conflicts of law provisions). Venue and jurisdiction for any action brought hereunder shall be in any court whose jurisdiction includes Ketchikan, Alaska.

9.12 Amendment. The Employer reserves the right to amend, modify or terminate the Plan without the consent of any Employee, Participant or Beneficiary. However, any such amendment, modification or termination shall not impair any Participant's right to benefits previously credited to a Participant's Account.

9.13 Severability. If any provision of this Plan is found by a court to be invalid or unenforceable, that provision shall be disregarded, and the remainder of the Plan shall continue to be fully effective and be construed as if the invalid provision had not been included.

Adopted this _____ day of _____, 2025, with an Effective Date of January 1, 2025.

SOUTHEAST ALASKA POWER AGENCY

By: _____

Title: _____

**SOUTHEAST ALASKA POWER AGENCY
DEFERRED COMPENSATION PLAN**

January 1, 2025

SOUTHEAST ALASKA POWER AGENCY DEFERRED COMPENSATION PLAN

The purpose of this Plan is to provide deferred compensation for Employees that elect to participate in the Plan. This Plan is intended to constitute an “Eligible Deferred Compensation Plan” within the meaning of §457(b) of the Internal Revenue Code, and was effective January 1, 2006. This restatement is effective January 1, 2025, except as otherwise provided below.

Article 1 DEFINITIONS

The following terms when used in this document have the meaning shown below:

- 1.1 “Account”: The Account maintained with respect to each Participant under the Trust which reflects the current value of the Participant's Deferrals, the earnings or loss of the Trust Fund allocable to the Participant, any transfers for the Participant's benefit, and any distributions made to the Participant or the Participant's Beneficiary. The Account includes any amount established under Article 6 for rollover contributions and plan-to-plan transfers received from a Participant, the Account established for a Beneficiary after a Participant's death, and any Account or Accounts established for an alternate payee (as defined in Code section 414(p)(8)) pursuant to a marital dissolution, property settlement agreement or otherwise necessary for proper administration of the Plan.
- 1.2 “Administrator”: The Employer, or the Committee if the Employer has designated one. The terms “Administrator” and “Plan Administrator” may be used interchangeably hereunder.
- 1.3 “Beneficiary”: The person(s) designated by the Participant to receive distributions from the Participant's Account after the Participant's death as provided in Section 2.9.
- 1.4 “Code”: The Internal Revenue Code of 1986, as amended.
- 1.5 “Committee”: A Committee composed of one or more individuals appointed by the Employer to function as the Plan Administrator as described in Article 8.
- 1.6 “Compensation”: All wages paid by the Employer to an Employee as defined in Code section 3401(a) plus amounts otherwise excludible from wages due to salary reduction elections under Code sections 125, 132(f), 401(k), 403(b), or 457(b) (including an election to defer Compensation under Article 2).
 - (a) Effective January 1, 2006, Deferrals are permitted from an amount received following Severance from Service only if the amount is characterized as Post- Severance Compensation as defined in Section 1.6(b).
 - (b) Post-Severance Compensation includes the amounts described in (i) and (ii) below, paid after a Participant's Severance from Service with the Employer, but only to the extent such amounts are included in the final paycheck paid to the Participant at the end of the pay

period that includes the Participant's date of Severance from Service and are paid by the later of 2½ months after Severance from Service or the end of the calendar year that includes the date of such Severance from Service.

- (i) Post-Severance Compensation includes regular pay after Severance from Service if (a) the payment is regular compensation for services during the Participant's regular working hours, or compensation for services outside the Participant's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments; and (b) the payment would have been paid to the Participant prior to a Severance from Service if the Participant had continued in employment with the Employer.
 - (ii) Post-Severance Compensation includes leave cashouts if those amounts would have been included in the definition of Compensation if they were paid prior to the Participant's Severance from Service, and the amounts are payment for unused accrued bona fide sick, vacation, or other leave, but only if the Participant would have been able to use the leave if employment had continued. In addition, Post-Severance Compensation includes payments of deferred compensation if the compensation would have been included in the definition of Compensation if it had been paid prior to the Participant's Severance from Service, and such compensation is received pursuant to a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid at the same time if the Participant had continued in employment with the Employer and only to the extent that the payment is includible in the Participant's gross income.
 - (c) Any payment of Compensation paid after Severance from Service that is not described in Section 1.6(b) above is not Post-Severance Compensation, even if payment is made by the later of 2½ months after Severance from Service or by the end of the calendar year that includes the date of such Severance from Service.
- 1.7 “Deferral”: The amount credited to a Participant's Account due to the Participant's Salary Deferral Agreement that defers receipt of a portion of the Participant's current Compensation under the Plan.
- 1.8 “Salary Deferral Agreement”: The signed Agreement between the Employer and an Employee, including any amendments thereto, that specifies the amount of Salary Deferrals and any Investment Option selections made by the Employee. Each Salary Deferral Agreement or amendment thereto shall be made or confirmed in writing using a form and under procedures established by the Employer. The Employee agrees to the terms and conditions of this Plan by executing a Salary Deferral Agreement.
- 1.9 “Eligible Deferred Compensation Plan”: A Plan that at all times constitutes an "eligible deferred compensation plan" within the meaning of Code section 457(b).
- 1.10 “Employee”: Any individual who receives wages as a common-law employee of the Employer. The term “Employee” shall not include a person who is classified by the Employer as an independent contractor, or a person who is not treated as an employee for purposes of withholding

federal employment taxes. If an individual is subsequently reclassified as an Employee by a court, the Internal Revenue Service or any other governmental agency or authority (including any reclassification in settlement of any claim or action relating to such individual's employment status), such individual shall not be eligible to enter the Plan by reason of such reclassification until the date of final determination on such reclassification.

- 1.11 "Employer": Southeast Alaska Power Agency.
- 1.12 "Investment Option": One of the available alternatives for crediting investment earnings to a Participant's Account, which shall be based upon the performance of one or a combination of the investment funds maintained under the Trust Fund.
- 1.13 "Normal Retirement Age": Age 62.
- 1.14 "Participant": Any Employee or former Employee from whom the Plan has received a Salary Deferral Agreement and who has not received a distribution of the Participant's entire Account.
- 1.15 "Plan": Southeast Alaska Power Agency Deferred Compensation Plan
- 1.16 "Required Beginning Date": The later of April 1st of the Year following the Year of a Participant's attainment of age 73 or Severance from Service.
- 1.17 "Severance from Service": The cessation of Employee's active employment with the Employer due to the Employee's death, retirement or voluntary or involuntary termination of service, as further defined in Treasury Regulations 1.457-6(b)(1).
- 1.18 "Transfer": An amount credited to an Account due to a plan-to-plan transfer from another Eligible Deferred Compensation Plan.
- 1.19 "Trust Agreement": The written agreement (or declaration) made by and between the Employer and the Trustee under which the Trust Fund is maintained pursuant to Code § 457(g).
- 1.20 "Trust Fund": The Trust Fund created under and subject to the Trust Agreement.
- 1.21 "Trustee": The Trustee(s) duly appointed under the Trust Agreement.
- 1.22 "Valuation Date": Each business day that the New York Stock Exchange is open for trading, except for days that the Trust Fund cannot be valued due to circumstances beyond the control of the Trustee, Administrator or any Investment Option provider.
- 1.23 "Plan Year": A calendar year ending every December 31st.

Article 2 PARTICIPATION AND CONTRIBUTIONS

- 2.1 Eligibility. Each Employee (unless otherwise excluded from participation) shall be eligible to participate in the Plan and defer Compensation on the first day of the month on or after the date the Employee completes thirty (30) consecutive days of employment as calculated from the Employee's "date of hire." An eligible Employee shall become a Participant on the first day of the month following the date the Employee files a Salary Deferral Agreement pursuant to Section 2.2. Notwithstanding the foregoing, an Employee will be treated as an "Excluded Employee" if the Employee is (a) a part-time employee; (b) a temporary employee; (c) a Leased Employee within the meaning of Code §414(n); or (d) an Employee covered by a collective bargaining agreement, unless the agreement provides for participation in the Plan. An Employee will be considered to be a "part-time" Employee if the Employee is regularly scheduled to work less than thirty- two (32) hours per week for any indefinite period for the Employer under its payroll practices and procedures. An Employee will be considered to be a "temporary" Employee if the Employee is either part-time or full-time, but expected to work less than 1,000 Hours of Service per year, and designated on the Employer's payroll practices and procedures as a "temporary" Employee. If an Employee is designated as either a "part-time" or a "temporary" Employee, and later changes their status to a regular Employee of the Employer, the individual will become eligible to enter the Plan on the first day of the month immediately following the change in designation on the Employer's payroll practices and procedures. Similarly, if an individual changes their status from an Independent Contractor to a regular Employee of the Employer, the individual will be eligible to enter the Plan on the first day of the month immediately following the change in status on the Employer's payroll practices and procedures.
- 2.2 Election Required for Participation. An Employee may elect to become a Participant by executing a Salary Deferral Agreement and filing it with the Plan Administrator. Any such Salary Deferral Agreement shall remain in effect until a new Salary Deferral Agreement is filed under section 2.5 or the Participant has a Severance from Service. The Participant's Salary Deferral Agreement shall specify whether the Participant's Salary Deferrals are to be made on a "pre-tax" basis or an "after-tax" basis, or a combination of each. After-tax contributions under the Plan must comply with the rules under Code §402A as "designated Roth contributions," and the Plan shall establish separate accounting for such amounts for each Employee and any earnings properly allocable to the Roth contributions, as well as maintaining separate recordkeeping with respect to each such amount. The Plan Administrator may establish a minimum and maximum Salary Deferral amount and may change such amounts from time to time.
- 2.3 Information Provided by the Participant. Each Employee enrolling in the Plan must provide to the Plan Administrator at the time of initial enrollment, and later if there are any changes, any information necessary or advisable for the Plan Administrator to administer the Plan, including, without limitation, the amount of the Salary Deferral, the Participant's Investment Options and whether the Employee is a participant in any other eligible deferred compensation plan or plans.
- 2.4 Contributions Made Promptly. The Employer shall promptly transfer Salary Deferrals from the Participant to the Trust Fund. For this purpose, Salary Deferrals shall be treated as contributed promptly if the Employer makes the contribution to the Trust Fund as soon as administratively practicable, but in no event later than 15 business days following the calendar month in which the amount would otherwise have been paid to the Participant.

- 2.5 Amendment of Salary Deferral Agreement. Subject to rules established by the Employer and other provisions of the Plan, a Participant may at any time revise their Salary Deferral Agreement and change the amount of their Salary Deferrals or their Investment Option(s). Any change in the Salary Deferral amount must be made prior to the payroll reporting cut-off date and shall take effect as of the first day of the next following payroll period or as soon as administratively practicable, if later. A change in the Participant's Investment Option(s) shall take effect as soon as administratively practicable.
- 2.6 Leave of Absence. Unless a Salary Deferral Agreement is otherwise revised, if a Participant is absent from work by leave of absence, Salary Deferrals under the Plan shall continue to the extent that the Participant's Compensation continues.
- 2.7 Disability. A disabled Participant may make Salary Deferrals during any portion of the period of the Participant's Disability to the extent that the Participant has actual Compensation (not imputed Compensation and not Disability benefits) from which to make Salary Deferrals to the Plan and, subject to the Post-Severance Compensation rules in Section 1.6(b), has not had a Severance from Service.
- 2.8 Investment Options. Upon enrollment, the Participant shall designate the Investment Option(s) to which the Participant's Salary Deferrals are to be allocated. A Participant may thereafter reallocate the Participant's Account among the then-available Investment Options. The Plan Administrator and any Investment Option provider may establish limitations and procedures regarding minimum and maximum amounts or percentages that may be allocated among Investment Options, and the timing and frequency of reallocations.
- 2.9 Beneficiary Designation. Upon enrollment, the Participant may designate, in writing, a Beneficiary to receive distributions from the Participant's Account under the Trust Fund in the event of the Participant's death. A Participant may change a designated Beneficiary at any time, provided that an amended Beneficiary designation shall be effective only if it is signed by the Participant and delivered to the Plan Administrator (or post-marked for delivery) prior to the Participant's death. A Participant may designate any person or persons as a Beneficiary. Unless otherwise provided in the Beneficiary designation form, each designated Beneficiary shall be entitled to equal shares of the Account payable after the Participant's death. If the Participant fails to designate a Beneficiary, or if no designated Beneficiary survives the Participant, then the Participant's surviving spouse shall be the Beneficiary, but if there is no surviving spouse then the Participant's estate shall be the Beneficiary. A divorce decree, or a decree of legal separation, will revoke the Participant's Beneficiary designation, if any, of the Participant's spouse as a Beneficiary under the Plan unless: (a) the decree or a QDRO provides otherwise; or (b) the Participant executes a new Beneficiary form confirming the former spouse as the Participant's properly designated Beneficiary.
- 2.10 Employer Contributions under the Plan. The Employer may, in its discretion, make additional contributions in the form of "matching" contributions or "nonelective" Employer contributions, with respect to any Participant, resulting in additional contributions to the Account of the Participant. Any such amounts shall be treated as Employer contributions and shall be subject to the overall contribution limits of Article 3.

Article 3 **LIMITATIONS ON AMOUNTS DEFERRED**

3.1 General Limitation. Except as provided in Sections 3.2 or 3.3, a Participant's Salary Deferrals plus any Employer contributions for a Year shall not exceed the lesser of:

- (a) \$15,000 as adjusted by Code section 457(e)(15)(B) (\$23,500 in 2025), or
- (b) 100% of the Participant's Compensation for the Year (determined after any required federal, state or local tax or other withholding).

3.2 (a) Age 50 Catch-up Contributions. A Participant who will attain age 50 or more by the end of the Year is permitted to defer up to an additional \$5,000, as adjusted by Code section 414(v) (\$7,500 in 2025), above the limitation in Section 3.1(a) on either a pre-tax basis or as a Roth after-tax Salary Deferral Catch-Up Contribution. If, for any taxable year, an eligible Employee makes a Catch-Up Contribution under Section 3.3 (below), the Employee is not eligible to make an age 50 Catch-Up Contribution or the Age 60 to 63 contribution in Section 3.2(b), under this Section 3.2. A catch-up eligible Participant in each taxable year is entitled to the greater of the amount determined under Section 3.2 or 3.3, in addition to the Normal General Limitation set forth in Section 3.1 (above).

(b) Higher Catch-Up Contributions for Ages 60-63. Notwithstanding the standard level of catch-up contributions described in the preceding paragraph (\$7,500 in 2025), the SECURE Act 2.0 increased the available level of catch-up contributions for active Participants who attain ages 60, 61, 62, or 63 during the current calendar year in order to increase their catch-up contributions to the greater of (a) \$10,000, or (b) 150% of the annually announced standard level of catch-up contributions that would ordinarily apply to the Participant at age 50. As an example, if the standard catch-up level for a given year is announced by the IRS to be \$7,500, an individual who has attained age 50 (or older) could contribute \$7,500 as a catch-up contribution as described in the preceding paragraph, while another Participant age 60, 61, 62, or 63 could contribute a catch-up contribution of \$11,250 during that same calendar year (i.e., \$7,500 x 150% = \$11,250). These increased catch-up contributions are effective as of January 1, 2025 and will be increased for cost-of-living adjustments as announced by the IRS from time to time.

3.3 Pre-Retirement Catch-up Limitation. If the applicable Year is one of a Participant's last three Years ending before the Year in which the Participant attains Normal Retirement Age and the amount determined under this Section 3.3 exceeds the amount computed under Sections 3.1 and 3.2, then the Salary Deferral limit under this Article 3 for the Year shall be the lesser of:

- (a) An amount equal to two times the Section 3.1(a) amount for such Year; or
- (b) The sum of:
 - (1) An amount equal to (A) the Code section 457(b)(2) limit for the current Year plus each prior Year beginning after December 31, 2001 during which the Participant was an Employee, minus (B) the aggregate amount of Compensation that the

Participant deferred under the Plan(s) during such Years (disregarding any deferrals allowed under an Age 50 or Age 60 to 63 Catch-up Contribution provision), plus

- (2) An amount equal to (A) the aggregate limit referred to in Code section 457(b)(2) for each prior Year beginning after December 31, 1978 and before January 1, 2002 during which the Participant was an Employee (determined without regard to Sections 3.2 and 3.3), minus (B) the aggregate contributions to Pre-2002 Coordination Plans for such Years.

However, the Deferral can never exceed the Participant's Compensation less any required withholdings for that Plan Year.

3.4 Special Rules. For purposes of this Article 3, the following rules shall apply:

- (a) Participant Covered By More Than One Eligible Plan. If the Participant is or has been a participant in one or more other Eligible Deferred Compensation Plans, then this Plan and all such other plans shall be considered as one plan for purposes of applying the foregoing limitations of this Article 3. For this purpose, the Administrator shall take into account any other such eligible plan maintained by the Employer and shall also take into account any other such eligible plan for which the Administrator receives from the Participant sufficient information concerning the Participant's participation in such other plan.
- (b) Pre-Participation Years. In applying Section 3.3, a Year shall be taken into account only if (i) the Participant was eligible to participate in the Plan during all or a portion of the Year and (ii) Compensation deferred, if any, under the Plan during the Year was subject to the limitation described in Section 3.1(a) or any other plan ceiling required by Code section 457(b).
- (c) Pre-2002 Coordination Years. For purposes of Section 3.3(b)(2)(B), "contributions to Pre-2002 Coordination Plans" means any employer contribution, salary reduction or elective contribution under any other Eligible Deferred Compensation Plan, or a salary reduction or elective contribution under any Code section 401(k) qualified cash or deferred arrangement, Code section 402(h)(1)(B) simplified employee pension plan, Code section 403(b) annuity contract, Code section 408(p) simple retirement account, or under any plan for which a deduction is allowed because of a contribution to an organization described in Code section 501(c)(18), including plans, arrangements or accounts maintained by the Employer or any employer for whom the Participant performed services. However, the contributions for any Year are only taken into account for purposes of Section 3.3(b)(2)(B) to the extent that the total of such contributions does not exceed the aggregate limit referred to in Code section 457(b)(2) for that Year.
- (d) Disregard Excess Deferral. For purposes of Sections 3.1, 3.2 and 3.3, an individual is treated as not having deferred compensation under a plan for a prior taxable year to the extent excess Salary Deferrals under the plan are distributed, as described in Section 3.5.

- 3.5 Correction of Excess Deferrals. If the Salary Deferral on behalf of a Participant for any Year exceeds the limitations described above, or the Salary Deferral on behalf of a Participant for any Plan Year exceeds the limitations described above when combined with other amounts deferred by the Participant under another Eligible Deferred Compensation Plan for which the Participant provides information that is accepted by the Administrator, then the Salary Deferral, to the extent in excess of the applicable limitation (adjusted for any income or loss in value, if any, allocable thereto), shall be distributed to the Participant.
- 3.6 Protection of Persons Who Serve in a Uniformed Service. An Employee whose employment is interrupted by qualified military service or who is on a leave of absence for qualified military service under Code section 414(u) may elect to make additional Deferrals upon resumption of employment with the Employer equal to the maximum Salary Deferrals that the Employee could have elected during that period if the Employee's employment with the Employer had continued (at the same level of Compensation) without the interruption or leave, reduced by the Salary Deferrals, if any, actually made for the Employee during the period of the interruption or leave. This right applies for five years following the resumption of employment (or, if sooner, for a period equal to three times the period of the interruption for military leave).

In the case of a death occurring on or after January 1, 2007, if a Participant dies while performing qualified military service (as defined in Code section 414(u)), the Participant's Beneficiary is entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan as if the Participant had resumed employment and then terminated employment on account of death. Moreover, the Plan will credit the Participant's qualified military service as service for vesting purposes, as though the Participant had resumed employment under USERRA immediately prior to the Participant's death.

Article 4 PLAN LOANS

- 4.1 Loans. A Participant who is an Employee may apply for and receive a loan from their Account as provided in this Article 4. Any such loan may not be for an amount less than \$1,000. No more than two loans may be outstanding at any time.
- 4.2 Maximum Loan Amount. No loan to a Participant hereunder may exceed the lesser of:
- (a) \$50,000, reduced by the greater of (i) the outstanding balance on any loan from the Plan to the Participant on the date the loan is made or (ii) the highest outstanding balance on loans from the Plan to the Participant during the one-year period ending on the day before the date the loan is approved by the Administrator (not taking into account any payments made during such one-year period), or
 - (b) one-half of the value of the Participant's Account as of the Valuation Date immediately preceding the date on which such loan is approved by the Administrator.
- 4.3 Terms of Loan. The terms of the loan shall:
- (a) require level amortization with payments not less frequently than each payroll period throughout the repayment period, except that alternative arrangements for repayment may

apply in the event that the borrower is on an bona fide unpaid leave of absence for a period not to exceed one year for leaves other than a qualified military leave within the meaning of Code section 414(u) or for the duration of a leave which is due to qualified military service;

- (b) require that the loan be repaid within five years; and
- (c) provide for interest at a rate equal to one percentage point (1%) above the prime rate as published in the *Wall Street Journal* or other nationally recognized newspaper that publishes the prime rate daily on the first business day of the month in which the loan is approved by the Plan Administrator.

4.4 Security for Loan; Default.

- (a) *Security.* Any loan to a Participant shall be secured by the Participant's pledge of the portion of the Participant's Account invested in such loan.
- (b) *Default.* If a Participant fails to make a loan payment when due, a default on the loan shall occur. If the default is not cured within 90 days, the Administrator shall offset the portion of the Participant's interest in the Plan held as security for the loan in satisfaction of the loan. The Plan Administrator shall not be required to accept any post-offset loan payments from the Participant.

4.5 Notwithstanding anything elsewhere in the Plan to the contrary, in the event a loan is outstanding hereunder on the date of a Participant's death, The Participant's estate shall be the Beneficiary as to the portion of the Participant's interest in the Plan invested in such loan (with the Beneficiary or Beneficiaries as to the remainder of the Participant's interest in the Plan to be determined in accordance with otherwise applicable provisions of the Plan).Repayment. The Participant shall be required, as a condition to receiving a loan, to enter into an irrevocable salary reduction repayment agreement authorizing the Employer to take payroll deductions from the Participant's Compensation as long as the Participant is an Employee of the Employer and to transfer such payroll deduction amounts to the Trustee in payment of the loan's principal plus interest. Repayments of a loan shall be made by payroll deduction of equal amounts (comprised of both principal and interest) from each paycheck, with the first such deduction to be made as soon as practicable after the loan funds are disbursed; provided however, that a Participant may prepay all or any portion of the outstanding balance of a loan at any time; and provided, further, that if any payroll deductions cannot be made in full because a Participant is on an unpaid leave of absence or is no longer employed or the Participant's paycheck is insufficient for any other reason, the Participant shall pay directly to the Plan Administrator the full amount that would have been deducted from the Participant's paycheck, with such payment to be received by the Plan Administrator by the last business day of the calendar month in which the amount would have been deducted.

Article 5 **BENEFIT DISTRIBUTIONS**

- 5.1 Benefit Distributions At Retirement or Other Severance from Service. Upon retirement or other Severance from Service (other than due to death), a Participant is entitled to receive a distribution of the Participant's Account under any form of distribution permitted under Section 5.3, commencing at the date elected under Section 5.2. If a Participant does not elect a distribution, the Plan Administrator shall commence distributions in accordance with Sections 5.5, 5.8 or 5.9. The distribution shall be paid as soon as practicable following Normal Retirement Age or, if later, following retirement or other Severance from Service and payment shall be made in annual installments of the minimum payments described in Section 5.3(b).
- 5.2 Election of Benefit Commencement Date. A Participant may elect to receive a distribution of the Participant's Account at any time after retirement or other Severance from Service by providing a notice to the Plan Administrator at least 30 days before the date on which the distribution is to occur. In addition, effective as of January 1, 2023, a Participant may request an "in-service" withdrawal of all or any portion of the Participant's Account upon attainment of age 59 ½, see also Section 5.11. In no event may a Participant designate a distribution date later than the date described in Section 1.16.
- 5.3 Forms of Distribution. A Participant entitled to a distribution under this Article 5 may elect to receive payment in any of the following forms of distribution:
- (a) a lump sum payment of the total Account, or
 - (b) annual installment payments to the Participant but only if necessary to satisfy the Required Minimum Distribution ("RMD") rules under Section 1.16 and Article 5 of the Plan (and Code §§401(a)(9) and 457(d)(2)), if the Participant is subject to the RMD rules at the time of a distribution date. If the Participant attains age 73 the Participant's first RMD must be taken by the later of April 1 of the calendar year following the calendar year in which the Participant attains age 73, or when the Participant retires, as determined under Code § 401(a)(9)(C)(i)(II).
 - (c) Effective as of January 1, 2019, unless the Participant has attained the Participant's Required Beginning Date under Section 1.16, then the Participant's sole form of distribution shall be as a lump sum under Section 5.3(a). If the Participant is subject to the RMD rules, the Participant can elect distribution of a greater amount (not to exceed the amount of the remaining Account) in lieu of the amount calculated using the RMD rules.
- 5.4 Death Benefit Distributions. No later than 60 days after the last day of the Year of the Participant's death, the Participant's Account shall be paid to the Beneficiary in a lump sum. If a Participant has not designated a Beneficiary, or if no designated Beneficiary is living on the date of distribution, the Account shall be distributed to the Participant's estate in a lump sum distribution as soon as administratively feasible following the Participant's death. In no event may the Plan be modified or amended to extend any RMD payments beyond the ten (10) year limitation described under the SECURE Act of 2019, unless payment is to be made to an "Eligible Designated Beneficiary" within the meaning of Code §401(a)(9), as defined below.

In general, your designated beneficiary must receive payment of all benefit payments within a 10-year period unless your designated beneficiary is an “Eligible Designated Beneficiary”. An Eligible Designated Beneficiary is defined as any “designated beneficiary” who is (i) the surviving spouse of a Participant; (ii) a minor child of the Participant; (iii) a disabled or chronically ill individual; or (iv) an individual who is not more than 10 years younger than the Participant. The determination of whether a designated beneficiary is an Eligible Designated Beneficiary is made at the time of the Participant’s death. If an Eligible Designated Beneficiary dies before the Participant’s entire remaining benefits are distributed, then the remainder of such interest must be distributed within 10 years of the death of the Eligible Designated Beneficiary.

- 5.5 Account Balances of \$1,000 or Less. If the amount of a Participant’s Account is not in excess of \$1,000 on the date of the Participant’s Severance from Service or death, then payment shall be made to the Participant (or to the Beneficiary if the Participant is deceased) in a lump sum equal to the Participant’s Account as soon as practicable following the Participant’s retirement, death, or other Severance from Service. Section 5.9 (below) has separate rules for in-service withdrawals prior to a Participant’s Severance from Service with the Employer.
- 5.6 Amount of Account. Except as provided in Section 5.3(b), the amount of any payment under this Article 5 shall be based on the amount of the Account on the preceding Valuation Date on or immediately before the distribution date.
- 5.7 Revocation of Prior Election. Any election made under this Article 5 may be revoked at any time before the distribution commencement date.
- 5.8 Latest Distribution Date. Any distribution under this Article 5 shall begin before the later of (a) April 1 following the Year in which the Participant attains age 73 or (b) April 1 following the Year in which the Participant retires or otherwise has a Severance from Service (defined herein as the Participant’s “Required Beginning Date”). The initial distribution must be at least equal to the annual installment payment for the Year that the Participant has a Severance from Service or attained age 73 determined under Code Section 401(a)(9) and an amount equal to the annual installment payment for the Year after such severance or attainment of age 73 determined under Code Section 401(a)(9) must also be paid before the end of such Year after the severance or attainment of age 73.
- 5.9 Distributions Prior to Severance from Service.
- (a) In-Service Withdrawals Available at 59½. In accordance with changes under the SECURE Act of 2019, effective as of the 2023 Plan Year, and for each Plan Year thereafter, a Participant may elect to receive an “in-service” withdrawal of all or any portion of their Account on or after attaining age 59 ½, provided that this Plan continues to be sponsored by an Employer described in Code § 457(e)(1)(A) as a Governmental Employer sponsoring the Plan.
 - (b) Certain Accounts of \$7,000 or Less. The Administrator may distribute a Participant’s Account in a lump sum at any time (including an in-service withdrawal) if (i) the Account does not exceed \$7,000, (ii) the Participant has not previously received a distribution of the total amount payable to the Participant under this Section 5.9 and (iii) no Salary

Deferral has been made with respect to the Participant during the two-year period ending immediately before the date of distribution.

5.10 Rollover Distributions.

- (a) A Participant, the surviving spouse of a Participant (or a Participant's former spouse who is the alternate payee under a domestic relations order, as defined in section 414(p) of the Code) or for distributions after 2009 a Beneficiary who is entitled to an eligible rollover distribution may elect, at the time and in the manner prescribed by the Plan Administrator, to have all or any portion of the distribution paid directly to an eligible retirement plan specified by the recipient as a direct rollover.
- (b) For purposes of this Section 5.10, an “eligible rollover distribution” means any distribution of all or any portion of a Participant's Account, except that an eligible rollover distribution does not include (i) any RMD payment under Section 5.3(b) or (ii) for any other distribution, the portion, if any, of the distribution that is a Required Minimum Distribution under section 401(a)(9). In addition, an eligible retirement plan means an individual retirement account described in Code section 408(a), an individual retirement annuity described in Code section 408(b), a qualified trust described in Code section 401(a), an annuity plan described in Code section 403(a) or 403(b), or an eligible governmental plan described in Code section 457(b), that accepts the eligible rollover distribution. For distributions made after December 31, 2007, a Participant may elect to roll over directly an eligible rollover distribution to a Roth IRA described in Code section 408A(b).
- (c) For any distribution notice issued in Years beginning after December 31, 2006, any reference to the 90-day maximum notice period prior to distribution in applying the notice requirements of Code section 402(f) (the rollover notice relating to an eligible rollover distribution), shall be extended to be 180 days.
- (d) For distributions after December 31, 2009, a non-spouse Beneficiary who is a “designated beneficiary” under Code section 401(a)(9)(E) and the regulations thereunder, by a direct trustee-to-trustee transfer (“direct rollover”), may roll over all or any portion of a distribution to an individual retirement account (“IRA”) that the Beneficiary establishes for purposes of receiving the distribution. In order to be able to roll over the distribution, the distribution otherwise must satisfy the definition of an eligible rollover distribution. If the Participant's Beneficiary is a trust, the Plan may make a direct rollover to an individual retirement account on behalf of the trust, provided the trust satisfies the requirements to be a designated beneficiary within the meaning of Code section 401(a)(9)(E). A non-spouse Beneficiary may not roll over an amount which is a Required Minimum Distribution (“RMD”), as determined under applicable Treasury regulations and other Revenue Service guidance.

Article 6 **ROLLOVERS AND TRANSFERS**

6.1 Eligible Rollover Contributions to the Plan.

- (a) A Participant who is an Employee and who is entitled to receive an eligible rollover distribution from another eligible retirement plan may request to have all or a portion of the eligible rollover distribution paid to this Plan and deposited into the Trust Fund. The Plan Administrator may require such documentation from the distributing plan as it deems necessary to accomplish the rollover in accordance with Code section 402 and to confirm that such plan is an “eligible retirement plan” within the meaning of Code section 402(c)(8)(B).
- (b) For purposes of Section 6.1(a), an eligible rollover distribution means any distribution of all or any portion of a Participant’s benefit under another eligible retirement plan, except that an eligible rollover distribution does not include: (1) any installment payment for a period of 10 years or more or based on the life expectancy of the individual or the joint lives of the individual and the individual’s designated beneficiary, (2) any distribution made as a result of an unforeseeable emergency or other distribution which is made upon hardship of the individual, or (3) for any other distribution, the portion, if any, of the distribution that is an RMD under Code section 401(a)(9), as described in Code section 402(c)(4). An eligible retirement plan means an individual retirement account described in Code section 408(a), an individual retirement annuity described in Code section 408(b), a qualified trust described in Code section 401(a), an annuity plan described in Code section 403(a) or 403(b), or an eligible governmental plan described in Code section 457(b), that accepts the eligible rollover distribution.

6.2 The Plan shall establish and maintain for the Participant a separate account for any eligible rollover distribution paid to the Plan from any eligible retirement plan that is not an eligible governmental plan under Code section 457(b).

6.3 Plan-to-Plan Transfers to Plan. The Administrator may permit a Participant who participated in another eligible governmental plan under Code section 457(b) to transfer assets to the Plan as provided in this Section 6.2. Such a transfer is permitted only if the other plan provides for the direct transfer of each Participant's interest therein to the Plan and the Participant is an Employee on the date of the transfer. The Administrator may require in its sole discretion that the transfer be in cash or other property acceptable to the Administrator. The Administrator may require such documentation from the other plan as it deems necessary to effectuate the transfer in accordance with section 457(e)(10) of the Code and Treasury Regulations 1.457-10(b) and to confirm that the other plan is an eligible governmental plan as defined in Treasury Regulations 1.457-2(f). The amount so transferred shall be credited to the Participant's Account and shall be held, accounted for, administered and otherwise treated in the same manner as a Deferral by the Participant under the Plan, except that the transferred amount shall not be considered a Deferral in determining the maximum Deferral under Article 3.

6.4 Plan-to-Plan Transfers from the Plan.

- (a) The Plan Administrator may permit a Participant or Beneficiary to elect to have all or any portion of their Account under this Plan transferred to another eligible governmental plan within the meaning of Code section 457(b) and Treasury Regulations 1.457-2(f). A transfer is permitted under this Section 6.3(a) for a Participant only if the Participant has had a Severance from Service and is an employee of an entity that maintains the other eligible governmental plan. Further, a transfer is permitted under this Section 6.3(a) only if the other eligible governmental plan provides for the acceptance of plan-to-plan transfers with respect to the Participant and the Participant has an account balance under the other plan immediately after the transfer at least equal to the amount transferred.
- (b) Upon the transfer of assets under this Section 6.3, the Plan's liability to pay benefits to the Participant or Beneficiary under this Plan shall be discharged to the extent of the amount so transferred for the Participant or Beneficiary. The Plan Administrator may require such documentation from the receiving plan as it deems appropriate or necessary to comply with this Section 6.3 (for example, to confirm that the receiving plan is an eligible governmental plan under paragraph (a) of this Section 6.3, and to assure that the transfer is permitted under the receiving plan) or to effectuate the transfer pursuant to Treasury Regulation 1.457-10(b).

Article 7 TRUST FUND

- 7.1 Trust Fund. All Deferrals, all property and rights purchased with such amounts, and all income attributable to such amounts, property, or rights shall be held and invested in the Trust Fund in accordance with this Plan and the Trust Agreement. The Trust Fund, and any subtrust established under the Plan, shall be established pursuant to a written agreement that constitutes a valid trust under the laws of the State of Alaska and complies with Code section 457(g). The Trustee shall ensure that all investments, amounts, property, and rights held under the Trust Fund are held for the exclusive benefit of Participants and their Beneficiaries or defraying reasonable expenses of the Plan or of the Trust Fund. It shall be impossible, prior to the satisfaction of all liabilities with respect to Participants and their Beneficiaries, for any part of the assets and income of the Trust Fund to be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries.

Article 8 PLAN ADMINISTRATION

- 8.1 Powers and Responsibilities of the Plan Administrator. The Plan Administrator has the full power and responsibility to administer the Plan in all of its details, subject, however, to the applicable requirements of the Code. The Administrator's powers and responsibilities include, but are not limited to, the following:
- (a) To make, amend and enforce such rules, regulations, forms and procedures as it deems necessary or proper for the efficient administration of the Plan;
 - (b) The discretionary authority to construe and interpret the Plan, its interpretation to be final and conclusive on all persons claiming benefits under the Plan;

- (c) To decide all questions concerning the Plan and the eligibility of any Employee to participate in or receive benefits from the Plan;
- (d) To administer the claims and review procedures specified in Section 8.2;
- (e) To compute the amount and authorize payment of benefits to any Participant, former Participant or Beneficiary in accordance with the provisions of the Plan;
- (f) To determine the person or persons to whom such benefits will be paid, with benefits being paid only if the Administrator decides in its discretion that the Participant or Beneficiary is entitled to them;
- (g) To appoint such agents, legal counsel, accountants, administrators and consultants as may be required to assist in administering the Plan;
- (h) By written instrument, to allocate and delegate its responsibilities; and
- (i) To make all other determinations deemed necessary or advisable for the administration of the Plan.

8.2 Claims and Review Procedures. If a Participant, Beneficiary or their representative believes the Administrator has incorrectly calculated or failed to pay a benefit to the Participant or Beneficiary, the Participant, Beneficiary or their representative will have sixty (60) days from the receipt of the original distribution or denial of payment to appeal the Administrator's decision. This appeal must be in writing and sent to the Administrator. The Participant, or the Participant's representative, has the right to review (upon request and at no charge) all documents and other information relevant to any claim and to submit written comments, documents and other information relating to the claim. The Administrator will notify Participant or the Participant's representative in writing of its decision within sixty (60) days after it receives the appeal, unless special circumstances require an extension of up to sixty (60) more days, in which case Participant or the Participant's representative will be notified in writing of the extension, the special circumstances requiring the extension and the date by which the Administrator expects to render its decision. If the appeal is denied, the Plan Administrator will give Participant or the Participant's representative written notice explaining the Plan Administrator's actions.

The Participant shall have one year from the date the notice of the denial of the appeal to commence any action seeking judicial review of the denied claim, and cannot bring any action until exhausting this Claims Review Procedure. Failure to bring such an action within that period shall bar the claim.

8.3 Plan's Administrative Costs. The Employer shall pay all reasonable costs and expenses (including legal, accounting, and employee communication fees) incurred by the Plan Administrator or the Trustee in administering the Plan and Trust Fund.

Article 9 MISCELLANEOUS

9.1 Non-Assignability. Except as provided in statute or Section 9.2 and 9.4 the interests of each Participant or Beneficiary under the Plan are not subject to the claims of the Participant's or Beneficiary's creditors; and neither the Participant nor any Beneficiary shall have any right to sell, assign, transfer, or otherwise convey the right to receive any payments hereunder or any interest under the Plan, which payments and interest are expressly declared to be non-assignable and non-transferable.

9.2 Domestic Relation Orders. Notwithstanding Section 9.1, if the Plan Administrator determines that a judgment, decree or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, or the marital property rights of a spouse or former spouse, child, or other dependent of a Participant is made pursuant to the domestic relations law of any State in accordance with Code section 414(p) ("domestic relations order"), then the amount of the Participant's Account shall be paid in the manner and to the person or persons so directed in the domestic relations order. Such payment shall be made without regard to whether the Participant is eligible for a distribution of benefits under the Plan. The Plan Administrator shall establish reasonable procedures for determining the status of any such decree or order and for making distribution pursuant to the domestic relations order.

Effective April 6, 2007, an order will not fail to be a domestic relations order solely because the order is issued after, or revises, another domestic relations order, or because of the time at which the order is issued, including issuance after the annuity starting date or after the Participant's death.

9.3 Unforeseeable Emergency. In the event of a Participant's unforeseeable emergency, the Plan Administrator may make a distribution to a Participant who has not incurred a Severance from Employment (or who has incurred a Severance but will not begin to receive payments until some future date). In the event of an unforeseeable emergency, the Plan Administrator also may accelerate payments to a Participant or to a Beneficiary. The Plan Administrator will establish a policy for determining whether an unforeseeable emergency exists. An unforeseeable emergency is a severe financial hardship of a Participant or Beneficiary resulting from: (1) illness or accident of the Participant, the Beneficiary, or the Participant's or Beneficiary's spouse or dependent (as defined in Code §152(a)); (2) loss of the Participant's or Beneficiary's property due to casualty; (3) the need to pay for the funeral expenses of the Participant's or Beneficiary's spouse or dependent (as defined in Code §152(a); or (4) other similar extraordinary and unforeseeable circumstances arising from events beyond the Participant's or Beneficiary's control. The Plan Administrator will not pay the Participant or the Beneficiary more than the amount reasonably necessary to satisfy the emergency need, which may include amounts necessary to pay taxes or penalties on the distribution. The Plan Administrator will not make payment to the extent the Participant or Beneficiary may relieve the financial hardship by cessation of deferrals under the Plan, through insurance or other reimbursement, or by liquidation of the individual's assets to the extent such liquidation would not cause severe financial hardship.

9.4 IRS Levy. Notwithstanding Section 9.1, the Administrator may pay from a Participant's or Beneficiary's Account the amount that the Administrator finds is lawfully demanded under a levy issued by the Internal Revenue Service with respect to that Participant or Beneficiary or is sought to be collected by the United States Government under a judgment resulting from an unpaid tax assessment against the Participant or Beneficiary.

- 9.5 Mistaken Contributions. If any contribution (or any portion of a contribution) is made to the Plan by a good faith mistake of fact, then within one year after the payment of the contribution, and upon receipt in good order of a proper request approved by the Plan Administrator, the amount of the mistaken contribution (adjusted for any income or loss in value, if any, allocable thereto) may be returned directly to the Participant or, to the extent required or permitted by the Plan Administrator, to the Employer.
- 9.6 Payments to Minors and Incompetents. In the event the Plan Administrator determines, on the basis of medical reports or other evidence satisfactory to the Plan Administrator, that a Participant or Beneficiary entitled to payment of all or any portion of the Account is incapable of handling their affairs by reason of minority, illness, infirmity or other incapacity, the Plan Administrator may direct the Trustee to disburse any such payments to a person or institution designated by a court which has jurisdiction over the Participant or Beneficiary or a person or institution otherwise having the legal authority under state law for the care and control the Participant or Beneficiary. The receipt by such person or institution of any such payments, and any such payment to the extent thereof, shall discharge the Plan, the Plan Administrator and Trustee's liability for the payment of the Account to such recipient.
- 9.7 Procedure When Distributee Cannot Be Located. The Plan Administrator shall make all reasonable attempts to determine the identity and address of a Participant or a Participant's Beneficiary entitled to benefits under the Plan. For this purpose, a reasonable attempt means (a) the mailing by certified mail of a notice to the last known address shown on the Employer's or the Plan Administrator's records, (b) notification sent to the Department of Labor (under their program to identify payees under retirement plans), and (c) the payee has not responded within six months. If the Plan Administrator is unable to locate such a person entitled to benefits hereunder, or if there has been no claim made for such benefits, the Plan Administrator may distribute the Account by creating an individual retirement account pursuant to Labor Regulations 2550.404a-2 or by payment to the Department of Labor ("DOL") under Field Assistance Bulletin 2014-01.
- 9.8 Limitation of Rights. Neither the establishment of the Plan or Trust Fund, nor any amendment thereof, nor the creation of any fund or Account, nor the payment of any benefits, will be construed as giving to any Participant or other person any legal or equitable right against the Employer, the Plan Administrator or Trustee, except as provided herein; and in no event will the terms of employment or service of any Participant be modified or in any way affected hereby.
- 9.9 Information between Employer and Trustee. The Employer agrees to furnish the Trustee with such information relating to the Plan and Trust as may be required to carry out the Trustee's duties hereunder, including without limitation information required under the Code and any regulations or other guidance issued thereunder.
- 9.10 Notices. Any notice or other communication in connection with this Plan shall be deemed delivered in writing if addressed as provided below and if either actually delivered at such address or, in the case of a letter, three business days shall have elapsed after the same shall have been deposited in the United States mails, first-class postage prepaid and certified:
- (a) If it is sent to the Employer or Administrator, it will be at the then-current business address of the Employer;

(b) If it is sent to a Participant or Beneficiary, it will be sent to the last known address in the records of the Plan or the Employer.

- 9.11 Governing Law. The Plan will be construed, administered and enforced in accordance with the Code and any regulations thereunder, and to the extent not preempted thereby, the laws of the state of Alaska (but not its conflicts of law provisions). Venue and jurisdiction for any action brought hereunder shall be in any court whose jurisdiction includes Ketchikan, Alaska.
- 9.12 Amendment. The Employer reserves the right to amend, modify or terminate the Plan without the consent of any Employee, Participant or Beneficiary. However, any such amendment, modification or termination shall not impair any Participant's right to benefits previously credited to a Participant's Account.
- 9.13 Severability. If any provision of this Plan is found by a court to be invalid or unenforceable, that provision shall be disregarded, and the remainder of the Plan shall continue to be fully effective and be construed as if the invalid provision had not been included.

Adopted this _____ day of _____, 2025, with an Effective Date of January 1, 2025.

SOUTHEAST ALASKA POWER AGENCY

By: _____

Title: _____

**NEW BUSINESS - AGENDA ITEM 8D
SEAPA FUNDING SCENARIOS/SYNOPSIS**

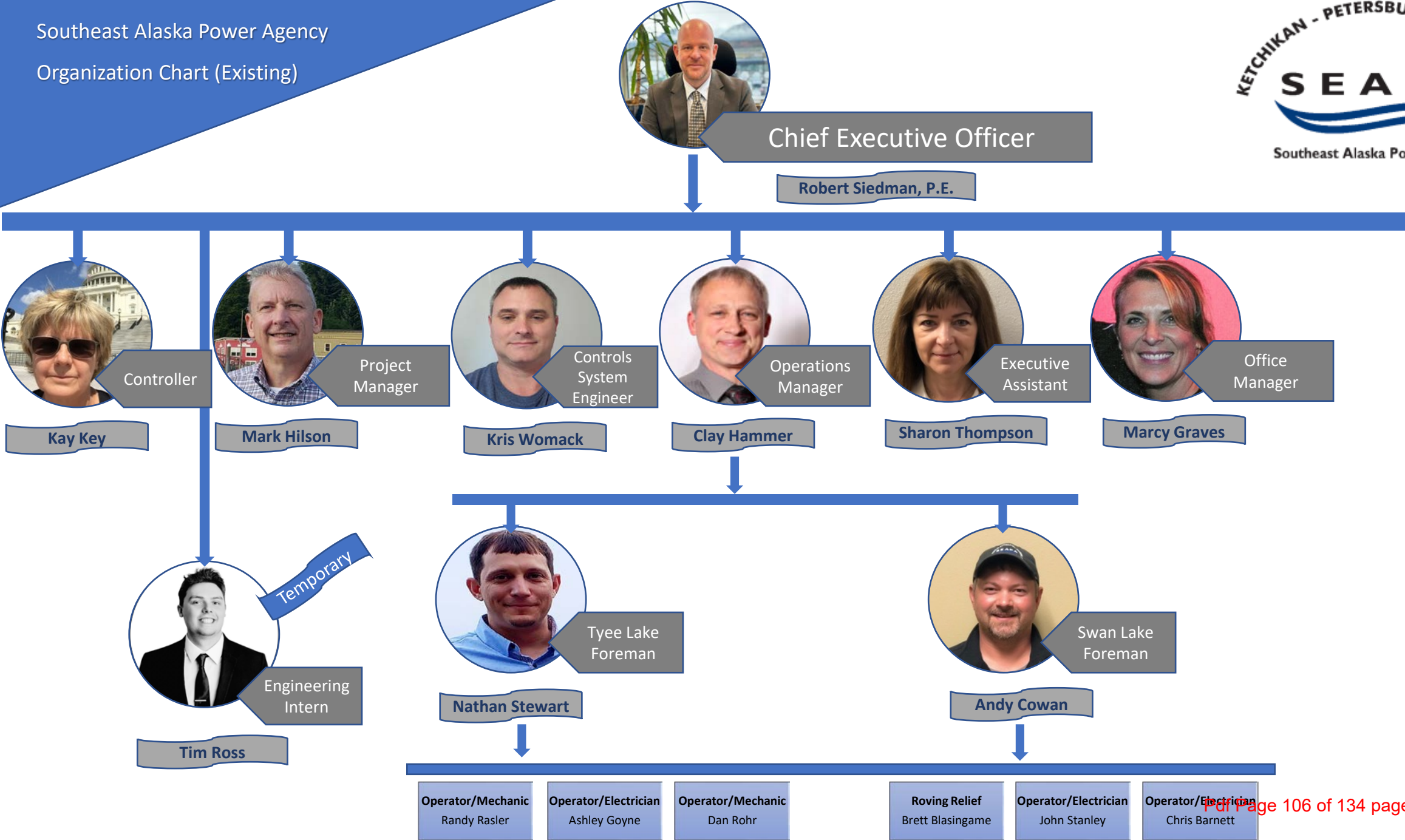
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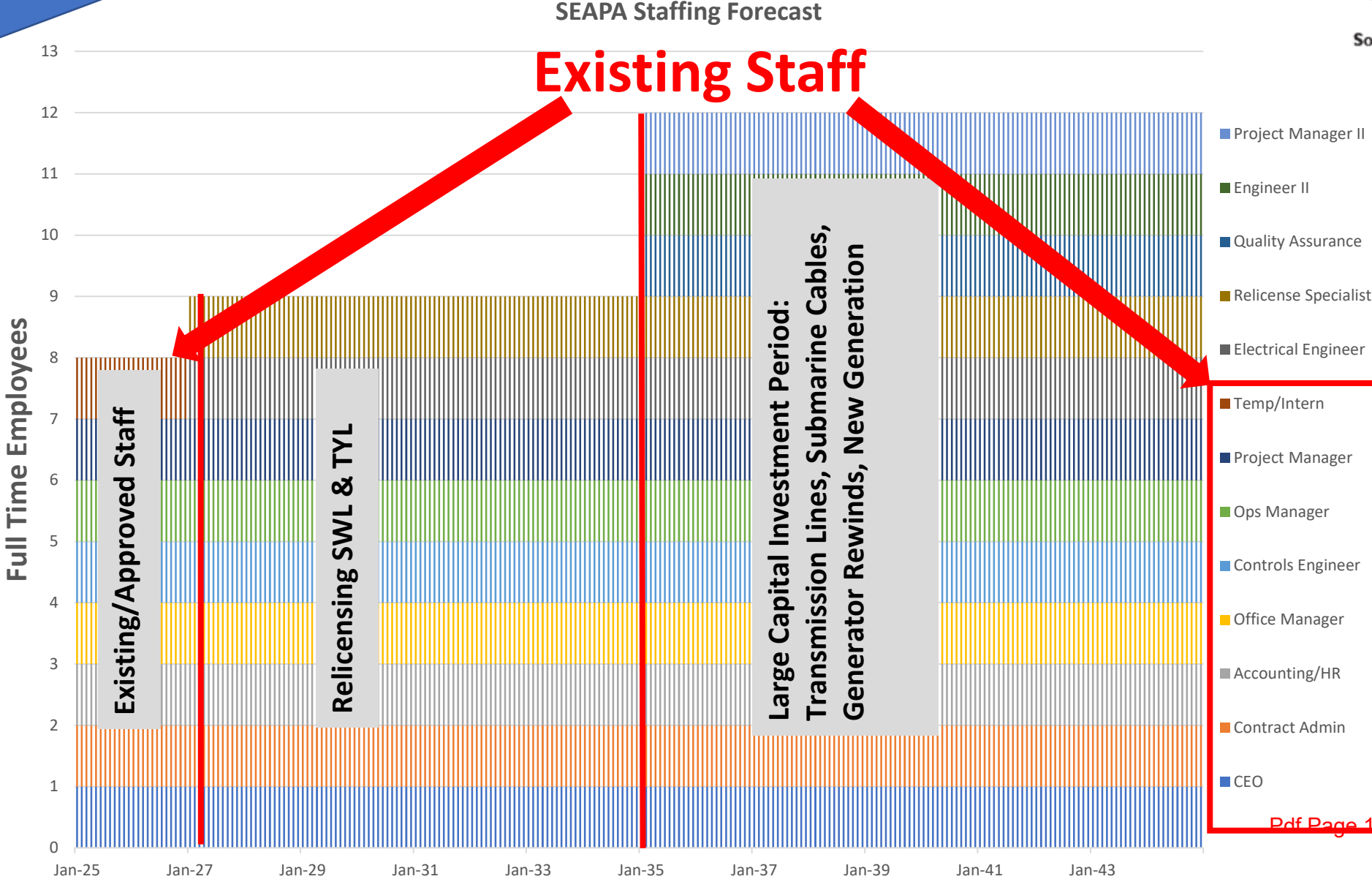
Southeast Alaska Power Agency Staffing 5-Year Outlook

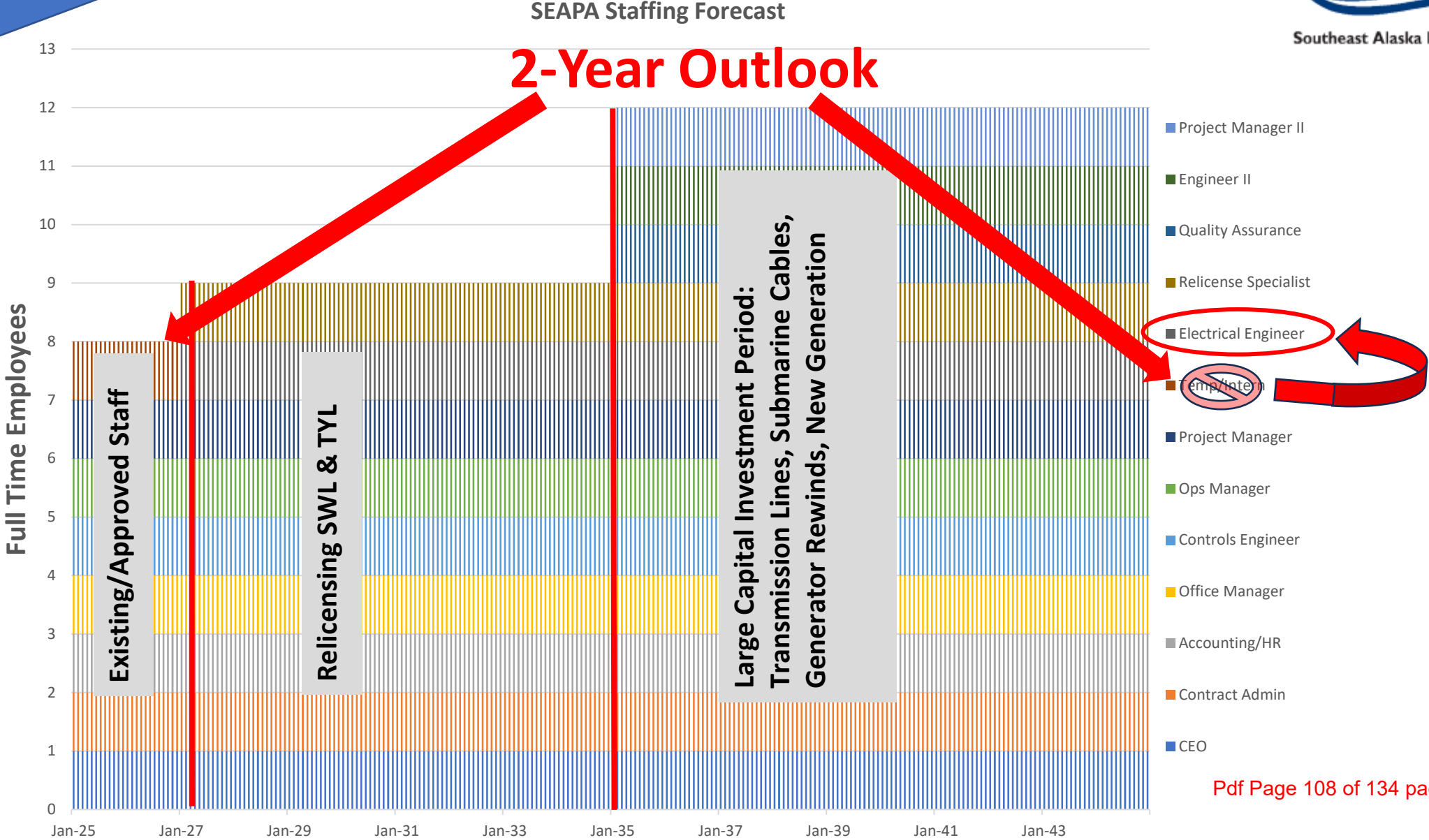
SEAPA



PDF Page 105 of 134 pages
Southeast Alaska Power Agency









SEAPA Staffing Forecast

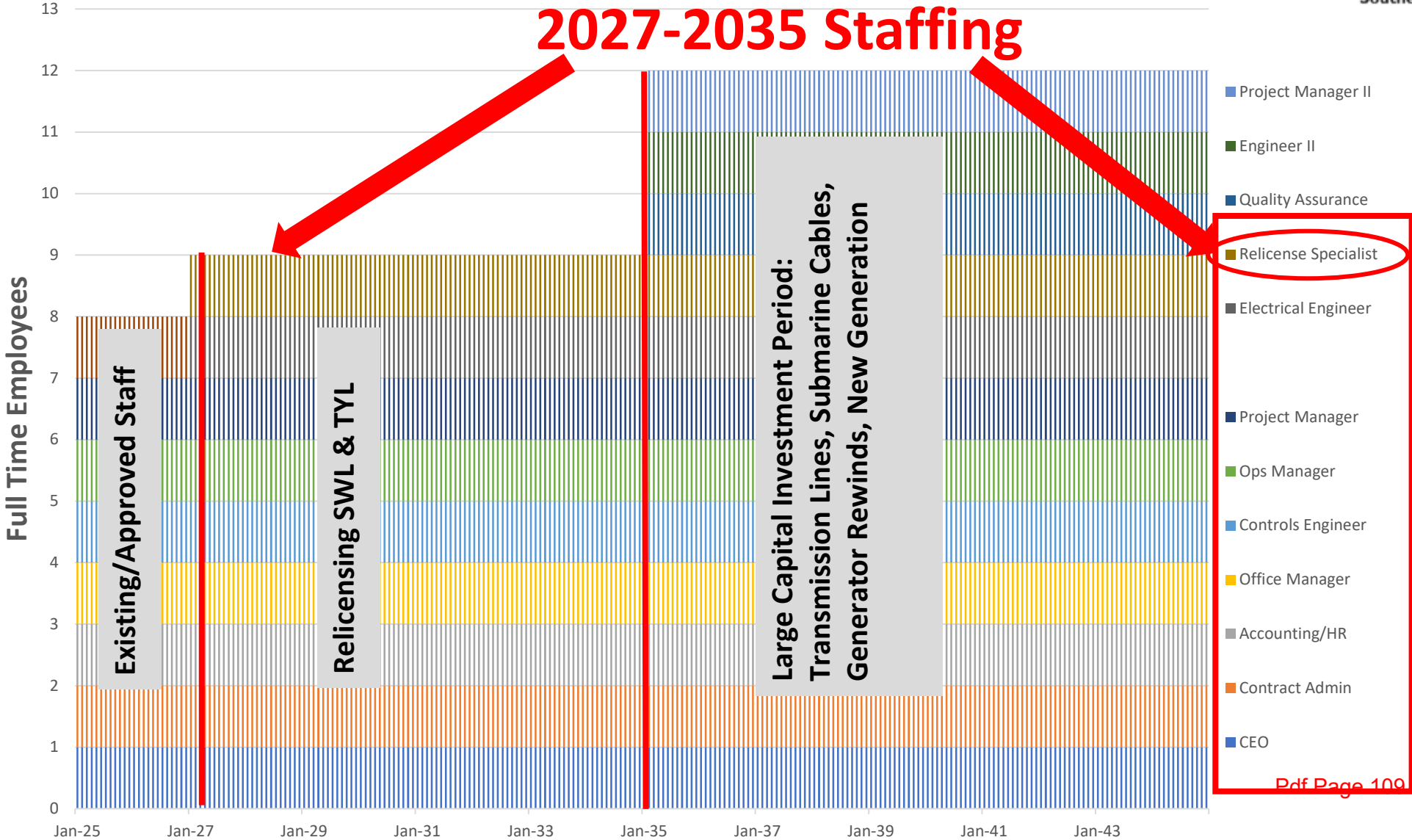
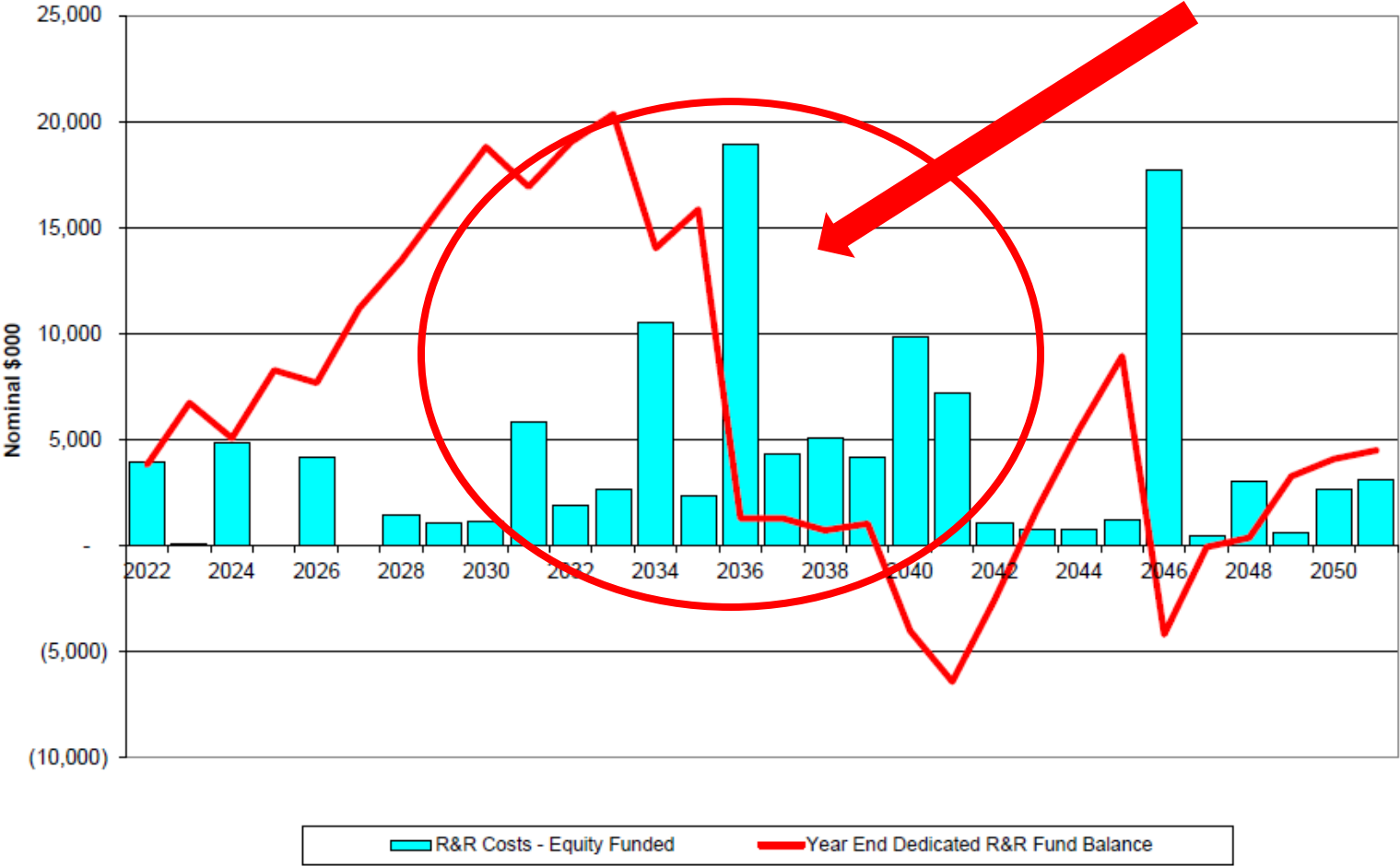
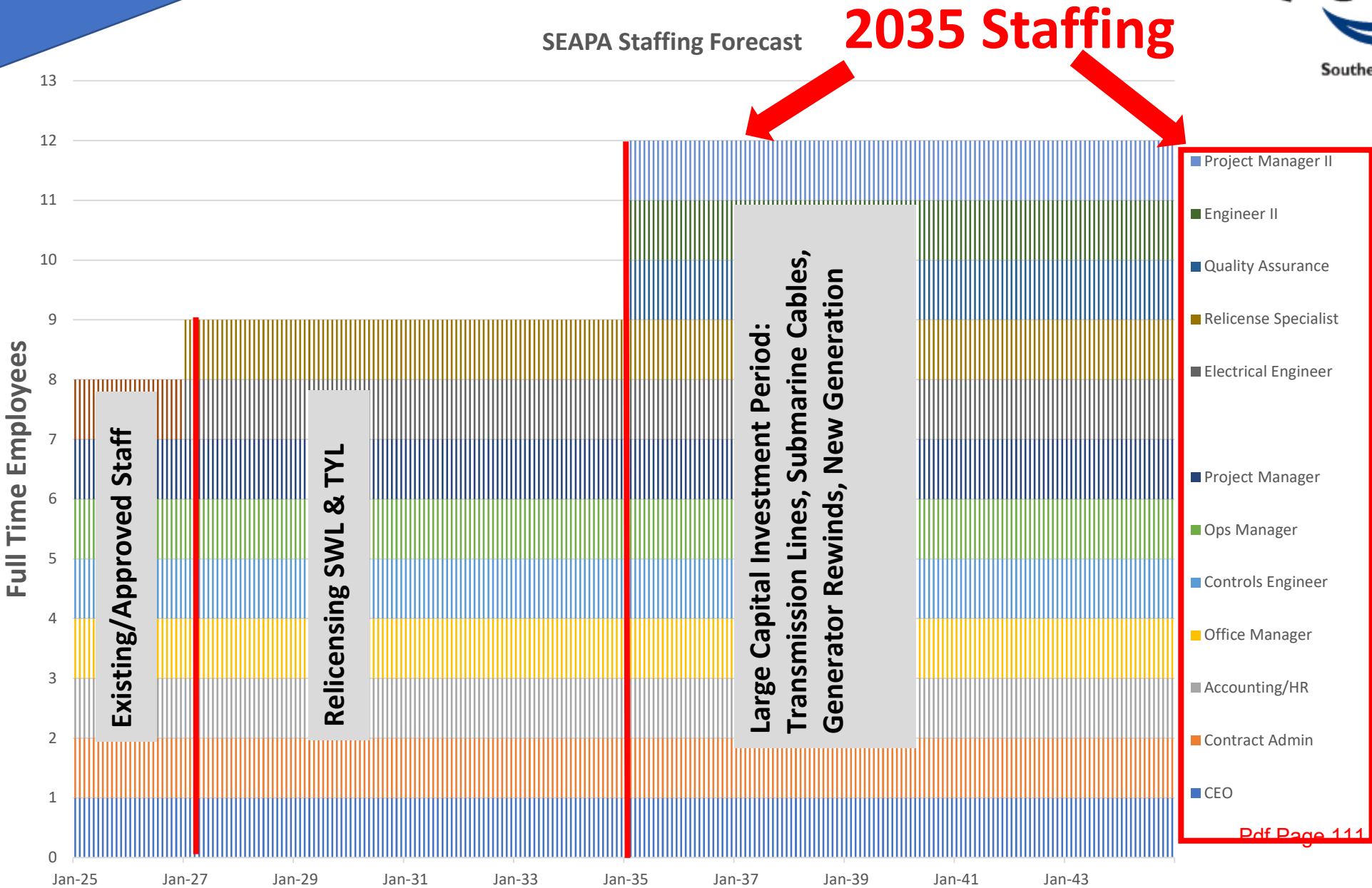
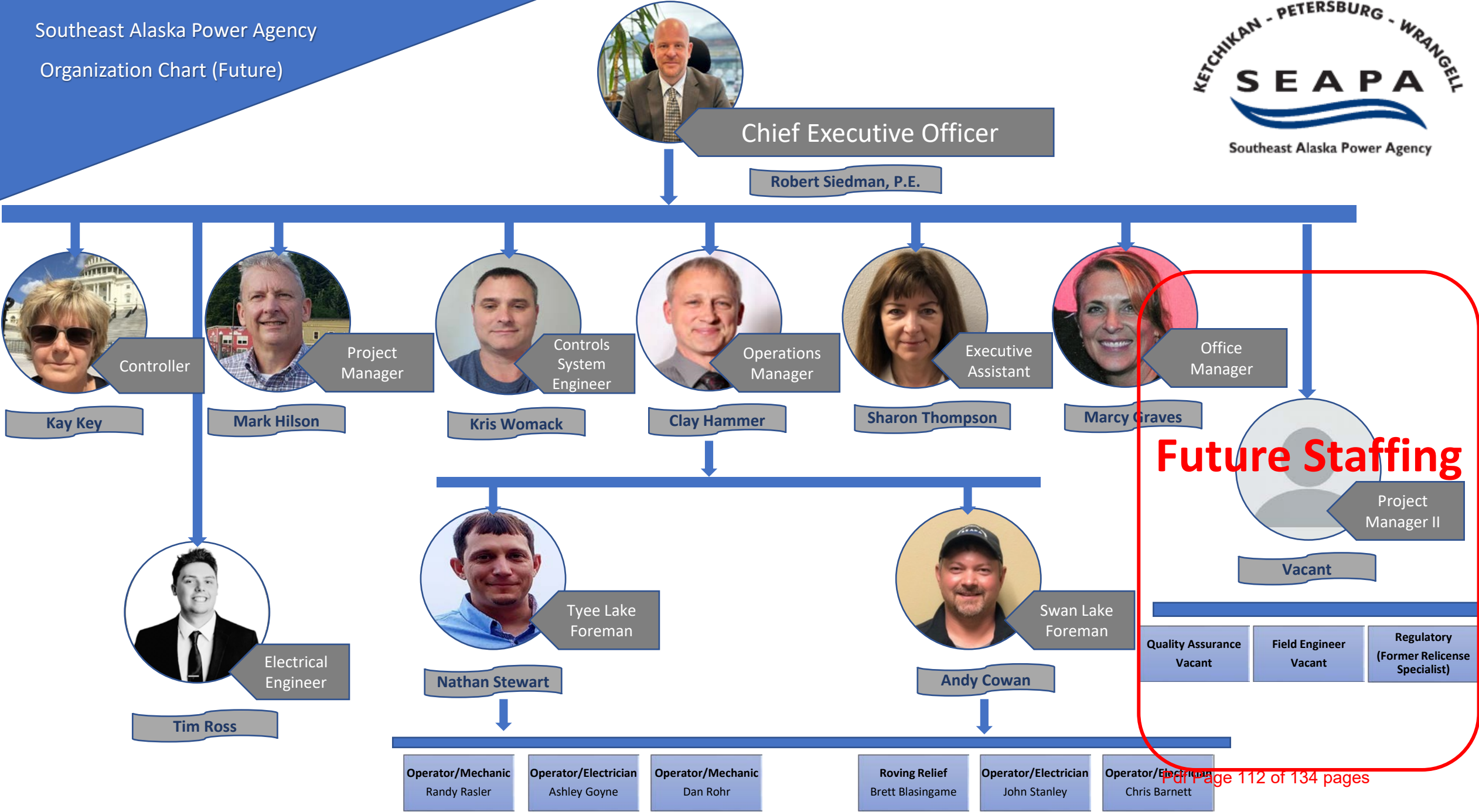


Figure 2
Projected Annual R&R Expenditures and Dedicated R&R Fund Balance (1)
Fiscal Years 2022 – 2051

Major Capital Investments











Chief Executive Officer

Robert Siedman, P.E.

Eligible to Retire

Eligible to Retire

Eligible to Retire



Controller

Kay Key



Project Manager

Mark Hilson



Controls System Engineer

Kris Womack



Operations Manager

Clay Hammer



Executive Assistant

Sharon Thompson



Office Manager

Marcy Graves



Engineering Intern

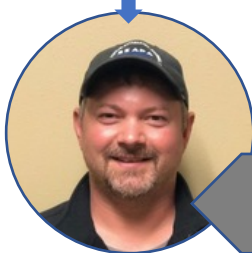
Tim Ross

Temporary



Tyee Lake Foreman

Nathan Stewart



Swan Lake Foreman

Andy Cowan

Operator/Mechanic
Randy Rasler

Operator/Electrician
Ashley Goyne

Operator/Mechanic
Dan Rohr

Roving Relief
Brett Blasingame

Operator/Electrician
John Stanley

Operator/Electrician
Chris Barnett

2-Year Succession Plan

#1 – Keep them happy

#2 – Document Process, Procedures, and Organization

#3 – Budget for Over hiring in FY26

#4 – Advertise Immediately after Retirement Dates Received



Remainder of Presentation for General Transparency of Existing Position Descriptions



Robert Siedman

Roles & Responsibilities

Job Summary:

The CEO is retained under contract with the Agency to supervise the Agency's general business activities and is based in the Agency's Ketchikan office. The CEO is responsible for all operational and strategic activities of SEAPA, including, but not limited to, selection of Agency contractors in accordance with the Procurement Policy [JAA Agreement §5(c)] compliance with FERC license requirements for each of the projects, and other Agency obligations under federal and state law, Agency contracts, licenses, and permits. The CEO assures that short and long-range goals are met, supervises all SEAPA employees who report to the CEO, and directs contractors, and consultants. The following specific duties have been defined by the Board. The CEO reports directly to the Board.

Duties/Responsibilities:

- Prepares annual SEAPA budget and submits it to the Agency's Board for approval, administers the budget after it goes into effect, and recommends budget revisions, as necessary, to the Board during the year.
- Prepares agendas for routine and special Board meetings, coordinates preparation and distribution of meeting materials and information.
- Makes recommendations to the Board on policy and other matters and act as the Agency's Legislative Liaison.
- Submits periodic and special financial and operational reports to the Board to keep them informed of the Agency's financial condition and conformance to financial plans and forecasts.
- Manages SEAPA's operations in accordance with the bylaws and policies of the Board and applicable federal, state and local laws and regulations.
- Directs and supervises SEAPA administration and staff including: (a) the selection, training, supervision, pay, and evaluation of Agency personnel; and (b) consultants and advisors.
- Coordinates SEAPA activities with the Purchasing Utilities, operating entities, other utilities, associations and public agencies, as appropriate.
- Develops and implements a system for the maintenance of SEAPA records.
- Routinely evaluates SEAPA revenues, expenses and capital program compared to projections and recommends to the Board, as far in advance as possible, any changes in wholesale rates necessary to maintain financial strength & stability to meet all requirements of lending and regulatory agencies.
- Administers Agency procurement and construction contracts; coordinates contract administration and engineering with utility members, consultants and advisors.
- Serves as the authorized spokesperson for SEAPA.
- Performs such other duties and functions as provided by SEAPA Bylaws and policies, and as directed by the SEAPA Board.



Mark Hilson

Roles & Responsibilities

Job Summary:

The Project Manager manages large capital projects, develops detailed project plans, coordinates people and processes to ensure SEAPA projects are delivered on time and produce desired results. The Project Manager has a background in engineering (Electrical, Mechanical or Civil) and has excellent business management, budgeting and analysis skills, and is the Agency's Chief Dam Safety Engineer.

Duties/Responsibilities:

- Manages all facets of assigned projects from concept through project close-out. Ensures scope, schedule, and budget objectives are met.
- Ensures SEAPA facilities are in compliance with local, state and federal environmental permits and regulations, and in particular with Federal Energy Regulatory Commission (FERC) requirements.
- Works collaboratively with Agency staff to develop RFPs, evaluate proposals, and implement professional services and contractor agreements.
- Ensures timely procurement of required materials for assigned projects and O&M activities.
- Manages professional service contracts and works closely with a variety of engineering and environmental consultants.
- Efficiently coordinates field activities to minimize impact to power deliveries.
- Participates in a weekly scheduling/planning call with member utilities.
- Fosters positive relations between management, SEAPA Board, union workforce, member utilities, contractors, and consultants.
- Assists in evaluation of O&M programs and recommends training needs, qualifications, and objectives for operators.
- Assists Agency staff obtain and maintain, as required for assigned areas, the compliance of licenses, permits, water rights, easements, and rights-of-way. Ensures workforce clearly understands responsibilities and follows through on required compliance deliverables.
- Develops and presents project updates for the Board of Directors. Represents the Agency at technical or public meetings and hearings, in system-wide O&M planning activities, and on committees with utilities as required.
- Participates in the Agency's annual budget process. Prepares cost projections, schedules, and status reports for assigned projects. Makes recommendations for new projects.



Kris Womack

Roles & Responsibilities

Job Summary:

The Control Systems Engineer maintains control systems, performs project management, and provides technical expertise to ensure the continued safe and reliable operation of SEAPA assets.

Duties/Responsibilities:

- Maintains PLC-based control systems and communications interfaces required to reliably operate SEAPA's generation and transmission facilities.
- Responsible for SCADA HMI configuration, graphical development, data historian, trending, OS patches, and security.
- Configures and maintains networking equipment (firewalls, routers, switches, VLAN, encryption, TCP/IP, UDP, VPN).
- Supports protective relay maintenance and testing, and remote terminal units (RTU's).
- Maintains security elements (facilities, networks, risk modeling/remediation, intrusion monitoring).
- Optimizes control systems (generators, turbines, auxiliary equipment, batteries, etc.).
- Integrates new equipment (design, configuration, testing, implementation).
- Performs routine control systems maintenance, updates, and upgrades.
- Supplements information technology (IT) technical resources.
- Troubleshoots problems, conducts root cause analysis, and implements engineered solutions.
- Proactively manages all facets of assigned projects from concept through project close-out.
- Ensures scope, schedule, and budget are clearly defined and objectives are met.
- Provides project management support to others (develops wiring diagrams, drawings, and engineering specifications for system modifications).
- Maintains positive and supportive working relationships, providing guidance and instruction to less experienced personnel.



Kay Key

Roles & Responsibilities

Job Summary:

The Controller oversees all accounting and finance functions for the Agency, including bookkeeping, accounting, and finance activities for all revenue and expenses derived from the sale of power and operation of the SEAPA-owned Tyee Lake, Swan Lake, and associated transmission lines and acts as the Agency's human resource manager.

Duties/Responsibilities:

- Organizes and prepares the annual fiscal budget for the Agency with input from SEAPA staff and plant operators.
- Prepares and distributes monthly financial reports.
- Assists CEO with presentations and explains financial and other reports to the Board of Directors.
- Projects cash flows to meet Agency obligations.
- Administers all payroll and benefits for Agency employees.
- Prepares management reports as requested.
- Manages the Agency's investments with assistance from CEO and third-party financial consultants.
- Reconciles all accounts monthly.
- Prepares for and manages the annual audit.
- Prepares and manages all grant reporting functions.
- Manages and timely submits Continuing Disclosure reports and certificates as required by the Agency's bond financing indentures.
- Maintains the Agency's accounting software.
- Maintains vendor files.
- Prepares and file required IRS reports and forms.
- Maintains job specific accounting and coordinates reports and results with appropriate SEAPA project managers.
- Maintains consultant accounting files and capital asset accounting files.
- Processes 'Net Billing' reports from utilities and monitor payments.



Sharon Thompson

Roles & Responsibilities

Job Summary:

The Executive Assistant / Contract Administrator provides administrative support to the CEO and other staff, performs contract administration for the Agency, coordinates logistics for the Agency and is the Agency's records custodian and board meeting clerk.

Duties/Responsibilities:

- Administrative support to the Chief Executive Officer, and all other Agency staff.
- Preparation and distribution of Board of Director meeting packets, Agendas, Minutes, Resolutions, and other reports as requested by the CEO.
- Reviews and edits CEO and staff reports.
- Performs clerk capacity to take roll call, record minutes, and participate as required for board meetings.
- Maintains official meeting minutes and resolution records and arranges proper meeting notification and posting of meetings.
- Secures policies of insurance through brokers and underwriters and updates SEAPA's insurance plan.
- Prepares complex correspondence, memoranda, and reports for staff from rough drafts to ensure completeness and accuracy, as necessary.
- Assists Dam Safety Officer with FERC compliance, and prepare correspondence to FERC, as necessary.
- Assists Operations Manager with Federal and State licenses and permits to maintain Operations.
- Prepares requests for proposals and administers the bid process.
- Perform independent research and prepare information for assigned special projects.
- Performs Contract Administrator duties, including preparation of contracts and task orders.
- Maintains contract files and monitor contract compliance.
- Maintains and updates Agency website content and performs records custodian duties.
- Maintains efficient office operation, including filing & retrieval systems and assists with risk management.
- Assists CEO with grant applications, updates FCC licenses, files EIA federal reports and maintains SAM's federal registry account.



Clay Hammer

Roles & Responsibilities

Job Summary:

The Operations Manager oversees the Operations and Maintenance at the Swan and Tyee Lake facility's, Transmission system and oversees the Agency's Vegetation Management Plan.

Duties/Responsibilities:

- Responsible for the successful operation and maintenance of the Agency's generation and transmission systems.
- Manages the optimum use of the agency's reservoirs to meet the wholesale demand of the local communities within the Agency's PSA.
- Water scheduling to meet system demand within the parameters of the PSA and the yearly Operations Plan.
- Participates in preparation of the annual budget, yearly work programs, cost estimates and other reports dealing with operations and maintenance.
- Oversees weekly scheduling/planning call with member utilities.
- Supervises and Manages the Agency's Union workers, Wrangell Warehouse, rolling stock and water vessels.
- Oversees the development and reporting of the monthly operations manager report.
- Performs Monthly inspections of the Swan Lake and Tyee Lake Facilities.
- Reports to the Dam Safety Engineer all findings of monthly inspections related to FERC.
- Assists Dam Safety Engineer as the Chief Dam Safety Coordinator with quarterly FERC DSSMR inspections.
- Reviews and assists Agency staff and contractors to maintain necessary licenses, permits, easements, and rights-of-way (ROW) for operation and maintenance and that terms of such instruments are complied with.
- Performs contract administration for the operations and maintenance of the projects; review and approval of various documents such as contracts, work orders, and change orders; interprets scope/scheduling of contract.
- Coordinates and oversees the Agency's Safety Program.
- Recommends training needs, qualifications, and objectives for the Agency Union Workforce.
- Develops and presents operations and maintenance updates for the Board of Directors.



Marcy Graves

Roles & Responsibilities

Job Summary:

The Office Manager manage the Ketchikan headquarters and will provide administrative support to the Controller and Executive Assistant, and other staff as necessary. Duties of each involve a wide range of activities and responsibilities.

Duties/Responsibilities:

- Management and oversight of Agency records from their creation to their eventual disposal.
- Compares sales and profit projections to actual figures and budgeted expenses to actual expenses.
- Makes or oversees any necessary adjustments to future projections and budgets.
- Organizes, converts, and integrates files for storage to ensure preservation of archives for the future.
- Coordinates and arranges all travel for Agency staff, board members, and consultants.
- Assists Executive Assistant with logistics for board and other SEAPA meetings.
- Processes all purchase orders.
- Purchases and maintains office inventory including kitchen items, and other purchases, as necessary.
- Arrange, track and coordinate shipping.
- Supports Controller with grant tracking, reconciling bank statements, processing invoices, accounts payable and payroll.
- Responsible for office errands, transport and disposal of inventory, answering phones and greeting visitors when needed.
- Updates, maintains and assists staff with locating drawings and associated databases.
- Logistics coordinator for all board and other SEAPA meetings and travel.
- Assists with coordination of vehicle maintenance.
- Manages and creates budgets for the Ketchikan headquarters building, office equipment and performs maintenance of the building and grounds.
- Assists staff as needed.

Temporary



Tim Ross



Roles & Responsibilities

Job Summary:

The Engineering Intern works with SEAPA staff on engineering and other miscellaneous tasks.

Duties/Responsibilities:

- Updates and modifies design and as-built drawings
- Maintains and administers an on-line electronic drawing database
- Procures material and technical services, and reviews asset inventories
- Assists with field inspections or data collection
- Enters data and tracks work orders, schedules and projects on a PC using Project and Excel
- Generates purchase orders and work orders using Word
- Assists in preparing submittals to the Federal Energy Regulatory Commission
- Assists in Capital projects
- Provides engineering assistance.



Nathan Stewart

Roles & Responsibilities

Job Summary:

The Tyee Lake Facility Foreman leads the operations and maintenance crew in the safe performance of duties associated with Tyee generation facilities, power lines, switchyards, and substations.

Duties/Responsibilities:

- Identifies and organizes O&M activities in close coordination with Operations Manager.
- Responsible for safe and efficient completion of all activities performed by the Tyee operations and maintenance crew.
- Keeps Operations Manager apprised of needs and concerns, especially pertaining to crew safety and efficiency.
- Provides regular progress reports to Operations Manager.
- Operates, maintains, and repairs hydroelectric generating facility systems and equipment.
- Issues and provides control of switching and tagging procedures for system clearances and hot line orders.
- Monitors and controls voltage, frequency, real and reactive power throughout system.
- Coordinates system operation with and between facility operators, municipal electric systems, and large power customers.
- Maintains records and operating logs on generating facility systems and equipment.
- Responsible for keeping all necessary equipment in good repair, removing unsafe equipment from use, and recommending replacement options.
- Generates, assigns, and completes scheduled preventative work orders.
- Responsible for ensuring necessary parts are timely ordered, received, and inventoried.
- Operates and maintains substations, switchyards, and submarine cable sites.
- Operates and maintains facility vehicles and heavy equipment.
- Assigns and performs unscheduled maintenance, troubleshooting, and repair on facility equipment.
- Maintains a positive and supportive working relationship with co-workers.
- Plans and coordinates travel logistics to and from the site.
- Schedules time for the crew and recommends schedule outlooks to the Operations Manager.
- Reviews and reports Tyee Lake budget to ensure operations and maintenance expenditures are within budget.



Andy Cowan

Roles & Responsibilities

Job Summary:

The Swan Lake Facility Foreman leads the operations and maintenance crew in the safe performance of duties associated with Swan generation facilities, power lines, switchyards, and substations.

Duties/Responsibilities:

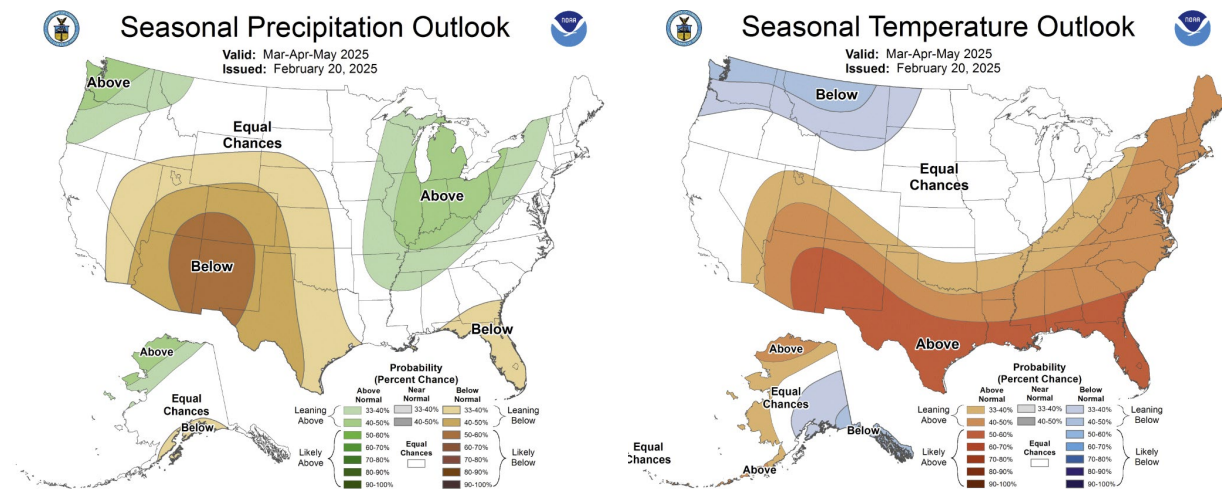
- Identifies and organizes O&M activities in close coordination with Operations Manager.
- Responsible for safe and efficient completion of all activities performed by the Swan operations and maintenance crew.
- Keeps Operations Manager apprised of needs and concerns, especially pertaining to crew safety and efficiency.
- Provides regular progress reports to Operations Manager.
- Operates, maintains, and repairs hydroelectric generating facility systems and equipment.
- Issues and provides control of switching and tagging procedures for system clearances and hot line orders.
- Monitors and controls voltage, frequency, real and reactive power throughout system when Swan is in ISOC.
- Coordinates system operation with and between facility operators, municipal electric systems, and large power customers.
- Maintains records and operating logs on generating facility systems and equipment.
- Responsible for keeping all necessary equipment in good repair, removing unsafe equipment from use, and recommending replacement options.
- Generates, assigns, and completes scheduled preventative work orders.
- Responsible for ensuring necessary parts are timely ordered, received, and inventoried.
- Operates and maintains substations, switchyards.
- Operates and maintains facility vehicles and heavy equipment.
- Assigns and performs unscheduled maintenance, troubleshooting, and repair on facility equipment.
- Maintains a positive and supportive working relationship with co-workers.
- Plans and coordinates travel logistics to and from the site.
- Schedules time for the crew and recommends schedule outlooks to the Operations Manager
- Reviews and reports Swan Lake budget to ensure operations and maintenance expenditures are within budget.

Date: March 20, 2025
To: SEAPA Board of Directors
From: Clay Hammer, SEAPA Operations Manager
Subject: Quarterly Operations Plan Update for March 27, 2025 Board Meeting

Operations Plan Update:

Weather predictions for Southeast Alaska in the Spring call for colder than average temperatures with an equal chance for average precipitation. This forecast has remained unchanged since December of 2024. Precipitation forecasts have consistently called for “Equal Chance of Normal” but on average it has been slightly less than average. The year-to-date precipitation for southern southeast Alaska has been 23 inches compared to an average value of 35 inches. This is 33 percent below what might be considered average for this time of year, which was mostly contributed to by a two-week dry spell in February. It is however prudent to note that in December 2024, the Ketchikan Airport recorded 27 inches of precipitation, which was significantly higher than average.

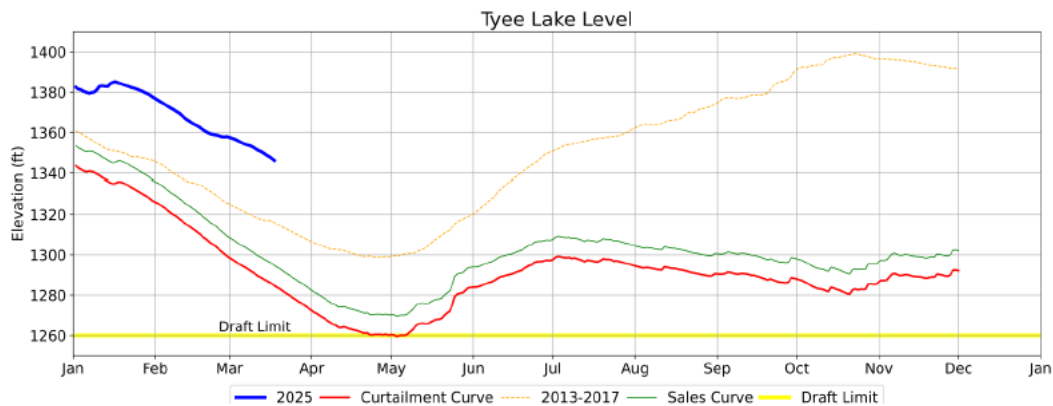
At this point in the season, snowpack in the Swan and Tyee Lake drainage basins is still increasing.



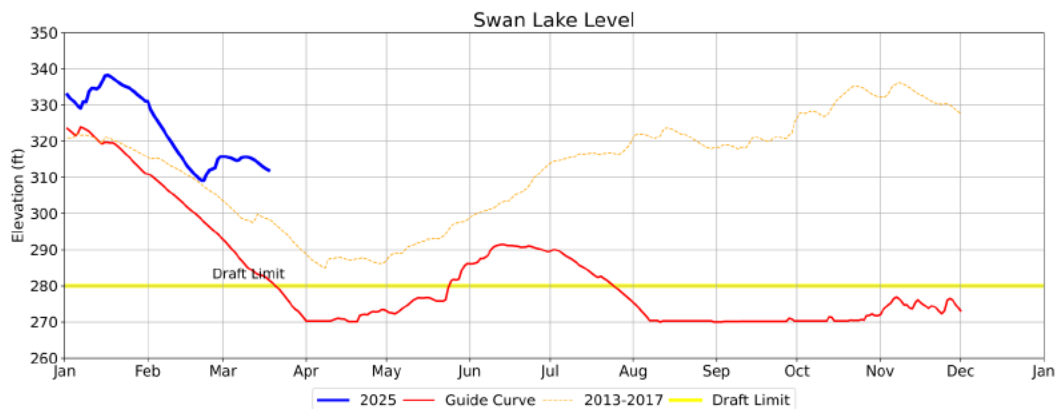
NOAA 3-Month outlook through April for precipitation and temperature. Recently updated, NOAA predicts an equal chance for average precipitation and a higher probability for below average temperatures for the Spring quarter.



Swan Lake (Top) and Tye Lake (Bottom) at current elevations



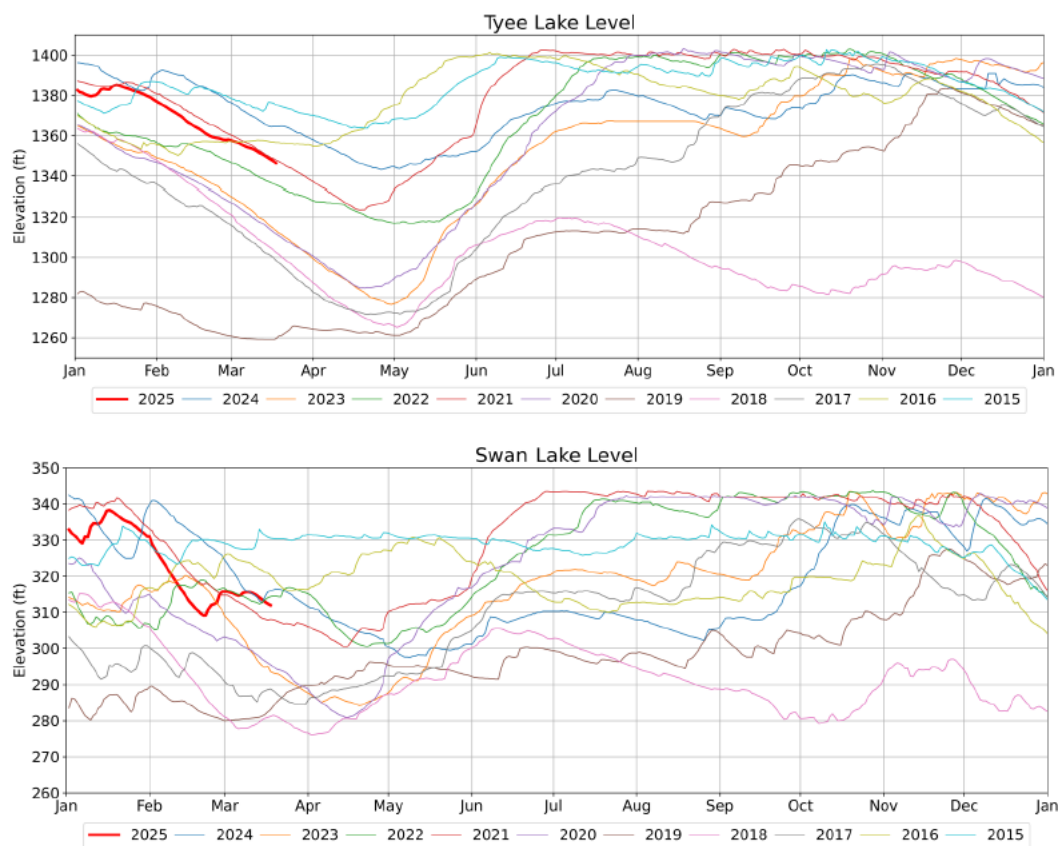
Tyee lake is currently at elevation 1346 feet and 65% full. That is 60 feet above the curtailment curve. By comparison this is 12 feet and 7% lower than we were at this same time last year. This is due, in part, to a cold La Nina weather pattern, which resulted in increased demand for heating loads. SEAPA's dispatch strategy in Q1 has been to generate additional power at Tyee to slow the draft rate at Swan Lake and keep the two lake level percentages as even as possible.



Swan lake is at elevation 312 feet and 57% full. This is the same elevation it was at this time last year. Though precipitation and inflows may be down slightly compared to last year, generation at Swan has been lower due to increased generation from Tyee. The net result is that Swan Lake elevations are the same as they were in March of 2024.

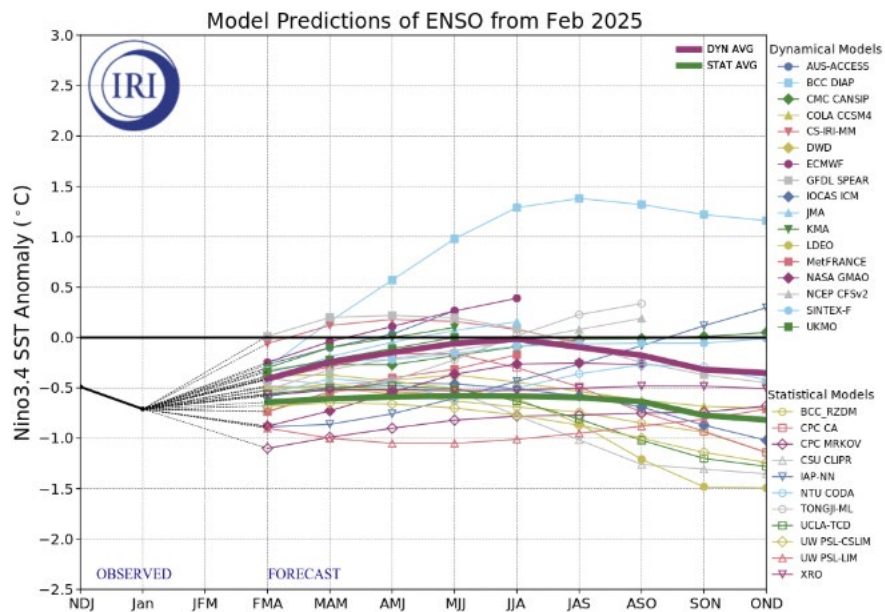
SEAPA's goal has been to meet load demands of its Member Utilities in the most reliable and efficient manner possible to minimize the potential for spilling at either hydro plant. This is done by effective management of lake elevations through dispatch of power from those locations. Both Tyee and Swan Lake are sized comparatively in terms of generation capacity however their respective reservoir sizes are significantly different. With 130 MWh of energy per year, Tyee lake holds twice as much potential energy as Swan lake, with 65 MWh of energy per year. When both plants are running near capacity with Winter

loads, Swan drafts much faster than Tye, which can make lake elevation management a challenge. To offset that difference in relative draft rates the agency has been maximizing output from Tye in an effort to keep both lakes close together from a percentage base perspective. To date, those efforts have paid off with both Swan and Tye lake coming in from the peak winter loads within 7% of each other.



Tye and Swan Lake 10-Year Elevation Graph

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Above are the first quarter ENSO predictions for 2025. Model predictions are from the International Research Institute (IRI) and Climate Prediction Centers (CPC). First quarter predictions are consistent with a transition from a La Nina weather condition to an ENSO Neutral weather condition in April. The models predict a return to La Nina after September and going into next winter.

Currently SEAPA is ready to meet the demands of the 2025 season. Staff continues to make every effort to minimize spill, maximize efficiency, and impound water where possible. This strategy should ensure that SEAPA's Member Utilities have maximum access to SEAPA's hydropower, which minimizes the potential for diesel power exposure in 2025.



SEAPA 2025 BOARD MEETING DATES

Date(s)	Weekday(s)	Location or Format	Comments
January 17	Friday	Electronic	2PM Special Meeting: Introductions of New Board Members and Election of Officers
March 27	Thursday	Ketchikan	9-5PM Regular Meeting
May 29	Thursday	Electronic	2PM Special Meeting proposed for consideration of award of Tyee 3 rd Turbine Procurement Contract
June 25-26	Wed-Thurs	Wrangell	25 th : 1-5PM; 26 th : 9AM-1PM Regular Meeting
August 19-20	Tues-Wed	Petersburg	19 th : 1-5PM; 20 th : 9AM-1PM Regular Meeting
October 30	Thursday	Ketchikan	Time: TBD - Special Meeting to be held in person for an executive session to evaluate the Agency's CEO and potential Work Shop
December 3	Wednesday	Ketchikan	9-5PM Regular Meeting: Highlight is FY2026 Budget

(See attached for additional information on 2025 meeting dates and events)

2025

January							February							March							April						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4							1							1			1	2	3	4	5
5	6	7	8	9	10	11	2	3	4	5	6	7	8	2	3	4	5	6	7	8	6	7	8	9	10	11	12
12	13	14	15	16	17	18	9	10	11	12	13	14	15	9	10	11	12	13	14	15	13	14	15	16	17	18	19
19	20	21	22	23	24	25	16	17	18	19	20	21	22	16	17	18	19	20	21	22	20	21	22	23	24	25	26
26	27	28	29	30	31		23	24	25	26	27	28		23	24	25	26	27	28	29	27	28	29	30			
														30	31												
May							June							July							August						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
				1	2	3	1	2	3	4	5	6	7			1	2	3	4	5						1	2
4	5	6	7	8	9	10	8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9
11	12	13	14	15	16	17	15	16	17	18	19	20	21	13	14	15	16	17	18	19	10	11	12	13	14	15	16
18	19	20	21	22	23	24	22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23
25	26	27	28	29	30	31	29	30						27	28	29	30	31			24	25	26	27	28	29	30
																					31						
September							October							November							December						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
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7	8	9	10	11	12	13	5	6	7	8	9	10	11	2	3	4	5	6	7	8	7	8	9	10	11	12	13
14	15	16	17	18	19	20	12	13	14	15	16	17	18	9	10	11	12	13	14	15	14	15	16	17	18	19	20
21	22	23	24	25	26	27	19	20	21	22	23	24	25	16	17	18	19	20	21	22	21	22	23	24	25	26	27
28	29	30					26	27	28	29	30	31		23	24	25	26	27	28	29	28	29	30	31			
														30													

SEAPA Board Meeting dates are highlighted in yellow.

2025

MEETING DATES / EVENTS

(Updated 03/14/2025)

JANUARY

Date	Organization / Event	Location
1 (W)	SEAPA Holiday (New Year's Day)	N/A
2	KTN Council Mtg	KTN
6	PSG Assembly Mtg	PSG
14	WRG Assembly Mtg	WRG
16	KTN Council Mtg	KTN
17 (Fri)	SEAPA Special (Annual) Bd Mtg 2-5PM ***Elect Officers***	Electronic
20	PSG Assembly Mtg	PSG
28	WRG Assembly Mtg	WRG

FEBRUARY

Date	Organization / Event	Location
3	PSG Assembly Mtg	PSG
4-6	APA Legislative Conference	Juneau
6	KTN Council Mtg	KTN
11	WRG Assembly Mtg	WRG
11-13	SE Conference-Mid Session Summit	Juneau
17 (M)	SEAPA Holiday (President's Day)	N/A
18	PSG Assembly Mtg	PSG
20	KTN Council Mtg	KTN
24-26	NW Hydro Association Conference	Seattle
25	WRG Assembly Mtg	WRG

MARCH

Date	Organization / Event	Location
3	PSG Assembly Mtg	PSG
6	KTN City Council Mtg	KTN
11	WRG Assembly Mtg	WRG
17	PSG Assembly Mtg	PSG
20	KTN Council Mtg	KTN
25	WRG Assembly Mtg	WRG
27 (Th)	SEAPA Regular Board Mtg	KTN
31	NHA Waterpower Week	Wash DC

APRIL

Date	Organization / Event	Location
1-2	NHA Waterpower Week	Wash DC
3	KTN Council Mtg	KTN
7	PSG Assembly Mtg	PSG
9	WRG Assembly Mtg	WRG
17	KTN Council Mtg	KTN
21	PSG Assembly Mtg	PSG
22	WRG Assembly Mtg	WRG
30	NWHA Technical Workshop	Kennewick WA

MAY

Date	Organization / Event	Location
1	NWHA Technical Workshop	Kennewick WA
1	KTN City Council Mtg	KTN
5	PSG Assembly Mtg	PSG
13	WRG Assembly Mtg	WRG
15	KTN Council Mtg	KTN
19	PSG Assembly Mtg	PSG
26 (M)	SEAPA Holiday (Memorial Day)	N/A
27	WRG Assembly Mtg	WRG
29	SEAPA Special Bd Mtg 2-3PM	Electronic

JUNE

Date	Organization / Event	Location
All Month	SEAPA Hydro Plants Shutdown	SWL/TYL/STI
2	PSG Assembly Mtg	PSG
3-5	APA Federal Legislative Conf	Wash DC
5	KTN Council Mtg	KTN
10	WRG Assembly Mtg	WRG
16	PSG Assembly Mtg	PSG
19	KTN Council Mtg	KTN
24	WRG Assembly Mtg	WRG
25 (W)	SEAPA Regular Bd Mtg 1PM-5PM	WRG
26 (Th)	SEAPA Regular Bd Mtg 9AM-12NOON	WRG

JULY

Date	Organization / Event	Location
3	KTN Council Mtg	KTN
4 (Fr)	SEAPA Holiday (Independence Day)	N/A
7	PSG Assembly Mtg	PSG
17	KTN Council Mtg	KTN
21	PSG Assembly Mtg	PSG
21-24	AEGIS Policyholders Conference	Boston
22	WRG Assembly Mtg	WRG

AUGUST

Date	Organization / Event	Location
4	PSG Assembly Mtg	PSG
7	KTN Council Mtg	KTN
18	PSG Assembly Mtg	PSG
19 (T)	SEAPA Regular Board Mtg 1PM-5PM	PSG
20 (W)	SEAPA Regular Board Mtg 9AM-1PM	PSG
21	KTN Council Mtg	KTN
26	WRG Assembly Mtg	WRG

2025 MEETING DATES / EVENTS

SEPTEMBER

Date	Organization / Event	Location
1 (M)	SEAPA Holiday (Labor Day)	N/A
2	PSG Assembly Mtg	PSG
4	KTN Council Mtg	KTN
9	WRG Assembly Mtg	WRG
15	PSG Assembly Mtg	PSG
16-18	Southeast Conference Annual Mtg	Sitka
18	KTN Council Mtg	KTN
23	WRG Assembly Mtg	WRG
23-26	APA Annual Meeting	Cordova

OCTOBER

Date	Organization / Event	Location
2	KTN Council Mtg	KTN
6	PSG Assembly Mtg	PSG
14	WRG Assembly Mtg	WRG
16	KTN Council Mtg	KTN
20	PSG Assembly Mtg	PSG
28	WRG Assembly Mtg	WRG
30 (Th)	SEAPA Special Board Mtg	KTN

NOVEMBER

Date	Organization / Event	Location
3	PSG Assembly Mtg	PSG
6	KTN Council Mtg	KTN
11 (Tu)	SEAPA Holiday (Veteran's Day)	N/A
12	WRG Assembly Mtg	WRG
17	PSG Assembly Mtg	PSG
20	KTN Council Mtg	KTN
25	WRG Assembly Mtg	WRG
27 (Th)	SEAPA Holiday (Thanksgiving)	N/A
28 (F)	SEAPA Holiday (Day After)	N/A

DECEMBER

Date	Organization / Event	Location
1	PSG Assembly Mtg	PSG
3 (Wed)	SEAPA Regular Board Mtg 9AM-5PM	KTN
4	KTN Council Mtg	KTN
TBD	Alaska Municipal League Annual Mtg	Anchorage
9	WRG Assembly Mtg	WRG
15	PSG Assembly Mtg	PSG
18	KTN Council Mtg	KTN
24 (W)	SEAPA Holiday (Christmas Eve)	N/A
25 (Th)	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