



SOUTHEAST ALASKA POWER AGENCY

August 27-28, 2026 Regular Board Meeting

AGENDA

Thursday, August 27, 2026		<i>Meeting held at:</i> Petersburg, Alaska Assembly Chambers ◆◆◆◆◆ For telephonic participation via Zoom dial: 1.888.475.4499 Meeting ID #840 1217 3851
12Noon	Lunch @ Petersburg Assembly Chambers	
1PM	Meeting Starts	
5PM	Meeting Recesses	
6PM	***Details to be Announced at Board Meeting**	
Friday, August 28, 2026		
8AM	Breakfast available at Petersburg Assembly Chambers	
9AM	Meeting Starts	
12PM	Lunch @ Petersburg Assembly Chambers	
1PM	Meeting Wrap Up	

1. **Call to Order**
 - A. Roll Call
 - B. Communications/Lay on the Table Items:
 - C. Disclosure of Conflicts of Interest
2. **Approval of the Agenda**
3. **Persons to be Heard**
4. **Review and Approve Minutes**
 - A. May 28, 2026 – Regular Meeting
5. **Financial Reports**
6. **CEO Report**
7. **Staff Reports**
 - A. Plant Operations Quarterly Report (*Hammer*)
 - B. Plant Operations Projects Report (*Hammer*)
 - C. Project Manager Report (*Hilson*)
 - D. Electric Controls Engineer (*Womack*)
8. **New Business**
 - A. Consideration of FY2025 Audited Financial Statements (Joy Merriner, Consultant)
 - B. Consideration of SEAPA's NRECA 2027 Employee Group Benefit Plans
 - C. 3rd Quarter Operations Plan Update
 - D. Consideration of Sole Source Contract Re Tyee 3rd Turbine Engineering During Construction
 - E. Executive Session Re Cyber & Financial Operations Security, and discussions re personnel
 - F. Reserved for Possible Action following Executive Session

9. 2026 Meeting Dates

- September 24, 2026 (Special Meeting)
- October 29, 2026 (Special Meeting)
- December 2, 2026 (Regular Meeting)

10. Discuss Future Topics

- Potential Growth Projections

11. Director Comments

12. Adjourn

Southeast Alaska Power Agency Regular Meeting Minutes

Location: Ketchikan, Alaska
Date: May 28, 2026
Time: 9 a.m. - 12:15 p.m. AKDT

Agenda Items

1) Call to Order

A. Roll Call.

Chairperson Lynn called the regular meeting to order at 9:00 a.m. AKDT on May 28, 2026. 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		Robert Briggs	IP	Swan Lake	Ketchikan
Dick Coose	IP	Shawn Hart	IP	Swan Lake	Ketchikan
Mason Villarma	IP	David Powell	IP	Tyee Lake	Wrangell
Patricia Gilbert	IP	David McHolland	IP	Tyee Lake	Wrangell
Bob Lynn	IP	Karl Hagerman	IP	Tyee Lake	Petersburg

Others in attendance electronically: Stephan Harbor (incoming Petersburg Board Director), and Jeremy Winkle and Chris Lum of McMillen, Inc.

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

Staff	Present Electronically (E) In Person (IP)	Staff	Present Electronically (E) In Person (IP)	Staff / Counsel	Present Electronically (E) In Person (IP)
Robert Siedman, P.E., CEO	IP	Clay Hammer, Ops. Mgr.	IP	Sharon Thompson, EA/CA	IP
Mark Hilson, P.E., Proj. Mgr.	IP	Kay Key, Controller	IP	Tim Ross, Engineering Intern	IP
Kris Womack, Elec. Cont. Eng.	IP	Marcy Graves, Ofc. Mgr.	IP	Joel Paisner, Counsel	IP

B. *Communications / Lay on the Table Items:* Mr. Siedman announced that his upcoming CEO Report will include presentation of a public relations video regarding congressionally directed spending, which was shared with Senator Murkowski's office.

C. Disclosure of Conflicts of Interest: None

2) Approval of the Agenda

The Chair requested a motion to approve the Agenda.

➤ Motion	M/S (Gilbert/Coose) to approve the Agenda as presented. The motion was approved unanimously by voice vote.	✓ Action 26-1247
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3) Persons to be Heard: None

4) Consideration of Approval of Minutes

- A. Minutes of Regular Meeting held on March 26, 2026
- B. Minutes of Special Meeting held on April 28, 2026



➤ Motion	M/S (Villarma/Coose) to approve the minutes of SEAPA's regular meeting held on March 26, 2026 and special meeting held on April 28, 2026. The motion was approved unanimously by polled vote.	✓ Action 26-1248
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5) Financial Reports

➤ Motion	M/S (Gilbert/Villarma) to accept year-to-date financial statements for April 2026 and disbursements for March, April, and May 2026, totaling \$8,554,111.42. Following the CEO's report on the Agency's current financial position and financial statements, and fielding questions and comments from directors, the motion was approved unanimously by polled vote.	✓ Action 26-1249
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6) Staff Reports

A. *Electric Controls Engineer (Womack)*

Mr. Womack provided the progress and next steps on several technical projects, including the Tyee Station Service and 15kV Switchgear, Ketchikan Substation Design, Tyee Third Turbine Design and Procurement, and the Wrangell Solar Project Design.

B. *Project Manager (Hilson)*

Mr. Hilson reported on several FERC-related projects, including the Swan Lake Structural Stability Analysis, the Tyee Third Turbine License Amendment, Swan Lake Relicensing, Dam Safety Surveillance Monitoring, and Tyee Lake Relicensing. He also detailed the progress and next steps for the Swan Lake Road Embankment Reconstruction, Cleveland Helipad Replacements, the Swan Lake Unit 1 Assessment and Uprate Study, and the Wrangell Solar site road work and battery energy storage system layout.

C. *Operations Manager Projects Report (Hammer)*

Mr. Hammer gave updates on replacing power poles on Structures 194 and 195 of the Swan/Bailey line, buying a crimper and die kit for Tyee Lake, and replacing a dump truck at Swan Lake. He reported that right-of-way clearing on 72 acres of the Swan-Tyee Intertie on the Cleveland Peninsula starts on June 10th. Contractors are also clearing paths on the North and South ends of the SEAPA system so maintenance crews have clear access during the annual outage. The meeting recessed at 10:31 a.m. and resumed at 10:45 a.m.

D. *Plant Operations Quarterly Report (Hammer)*

Mr. Hammer reported that quarterly inspections at SEAPA's Swan Lake and Tyee Lake hydroelectric plants were completed with up-to-date work orders. Crews continue to participate in ongoing safety and skills training, and there were no safety concerns or reportable injuries during the period. Plant maintenance updates included the completion of control room soundproofing, heat pump AC installation, a brake overhaul on the camp ATV, a water flow switch replacement, and the creation of a strainer cleaning station at Swan Lake. Maintenance at Tyee Lake included a grader heater core replacement, Argo maintenance, and extensive grounds work and road repairs following winter flood damage. Mr. Hammer closed with updates on reviewed and inspected substation and switchyard items.

7) CEO Report

Mr. Siedman shared updates on federal and state governmental affairs. He noted energy policy remains a top concern in Alaska as state leaders seek federal support to address current challenges, which highlights the importance of SEAPA's ongoing work on hydropower, grid resilience, renewable energy integration, and long-term infrastructure investments. SEAPA's government affairs activities provide a strong voice on issues affecting Alaska utilities. He outlined SEAPA's federal engagement strategy, positioning the organization to stay visible and aligned with evolving federal energy, infrastructure, and policy priorities, and provided updates on the status of the Renewable Energy Fund grant for the Grid Resiliency project, Section 247 Funding for the Tyee Third Turbine Project, and SEAPA's five-year strategic plan. Mr. Siedman reported on the highlights of his activities as a member of both the Alaska Energy Authority and

Alaska Power Association, and provided an update on personnel recruitment and retention. Mr. Siedman concluded his report by presenting a public relations video regarding congressionally directed spending, which was shared with Senator Murkowski's office.

8) New Business

A. Consideration of Sole Source Re Wrangell Switchyard Upgrade

➤ Motion	M/S (Villarma/Gilbert) to authorize staff to enter into a sole source contract with McMillen, Inc. for the Wrangell Switchyard Upgrade Contract, Feasibility Project #1830-015, for \$335,953 plus a 10% contingency of \$33,595 for unforeseen costs for the total not-to-exceed value of \$369,548, and increase the FY2026 feasibility budget by \$369,548 accordingly. The motion was approved unanimously by polled vote.	✓ Action 26-1250
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B. Consideration of Non-Operating Budget Increase

➤ Motion	M/S (Gilbert/Coose) to increase SEAPA's 2026 Nonoperating Expense budget by \$218,000. The motion was approved unanimously by polled vote.	✓ Action 26-1251
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C. Second Quarter Operations Plan Update

Mr. Hammer presented a summary of the results of snow surveys conducted in April, weather predictions for Southeast Alaska's summer quarter, and current lake elevations for Tyee and Swan Lake. He discussed SEAPA's core management strategy noting the Agency manages water and power by generating more electricity at Tyee than at Swan Lake because Tyee has more storage capacity (125GWh) than Swan Lake (75GWh). This strategy balances water levels and storage use across both lakes while meeting user needs and avoiding waste. He presented 2026 El Niño - Southern Oscillation (ENSO) predictions and reported that lake elevations are adequate due to early inflows.

9) 2026 Meeting Dates

There were no objections to the next meeting dates of August 27-28, 2026 in Petersburg.

10) Discuss Future Topics

There was discussion but no action taken on the following topics:

- SEAPA Solar Design in the Fall
- Revisiting the Investment Policy in 2026
- Results of 4R Plan Update
- Financing SEAPA Projects

11) Director Comments

Directors exchanged brief comments.

12) Adjourn

The Chair requested a motion to adjourn.

➤ Motion	M/S (Villarma/Gilbert) to adjourn the meeting. Following the Chair's request for a voice vote, the motion to adjourn was carried by voice vote with the 'ayes' prevailing.	✓ Action 26-1252
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The meeting adjourned at 12:15 p.m.

Signed:

Attest:

Secretary/Treasurer

Chairperson

Unapproved Draft



SOUTHEAST ALASKA POWER AGENCY FINANCIAL REPORTS

SUGGESTED MOTION

I move to accept year-to-date financial statements through June 2026 and disbursements for June and July 2026, totaling \$2,591,810.37.

Year-to-date financial statements through June 2026 are included in this packet, including the following reports:

- Financial Snapshot
- Statement of Financial Position (Balance Sheet)
 - ✓ Fund Allocation Graph
- Statement of Activities (P&L)
 - ✓ MWH Sales Graph (through July 2026)
- R&R Capital WIP Expenditures
- Disbursements (June and July 2026)
- Arbitrage 2026 report



JUNE 2026 YTD FINANCIAL SNAPSHOT

OPERATING REVENUE		JUN YTD	JUN Budget	JUN Prior Yr
Ketchikan		3,740,587	4,138,998	3,725,707
Petersburg		1,728,082	1,555,029	1,743,777
Wrangell		1,502,472	1,802,854	1,507,285
Total Power Sales		\$ 6,971,141	\$ 7,496,881	\$ 6,976,770
Whitman Displaced Sales		310,405	0	0
Total kWh Revenue		\$7,281,547	\$7,496,881	\$6,976,770
		-3% of YTD Budget		4% actual to prior year
OPERATING EXPENSE				
Hydro Facilities		\$ 1,267,334	\$ 1,517,570	\$ 1,204,058
Transmission		912,406	328,752	568,705
G&A		2,107,806	2,094,950	1,904,388
Total Operating Expense		\$ 4,287,547	\$ 3,941,272	\$ 3,677,151
		9% of YTD Budget		17% actual to prior year
NONOPERATING REVENUE/(EXPENSE)				
Nonoperating Revenue		\$ 314,630		\$ 891,466
Nonoperating Expense		3,254,070		3,072,992
Net NonOperating		\$ (2,939,440)		\$ (2,181,526)
CHANGE IN NET POSITION		\$54,560		\$1,118,093

R&R (CAPITAL) Expenditures

JUN YTD	Annual Budget	Capitalized 2026
\$ 8,314,338	\$ 18,495,545	\$ 337,863

FIRM MWH TREND

Year-to-Date MWH SALES			
Year	MWH		
Jun-26	95,495		
Jun-25	95,572		
Jun-24	105,860		
Jun-23	94,886		
Jun-22	89,198		

MWH Thousands

10 30 50 70 90 110

Year	MWH (Thousands)
Jun-26	95.5
Jun-25	95.6
Jun-24	105.9
Jun-23	94.9
Jun-22	89.2

STATEMENT OF FINANCIAL POSITION
as of June 30, 2026

Southeast Alaska
Power Agency

ASSETS

	Year To Date 06/30/26	Prior Year To Date 06/30/25	% Change	\$ Change
Current Assets				
Agency Funds				
Operating & Reserve Funds				
Operating Funds	10,597,520	10,452,766		
Reserve Funds	25,145,697	29,287,992		
Total Operating & Reserve Funds	35,743,216	39,740,758	(10) %	(\$3,997,542)
Restricted Trustee Funds				
2015 Series Bond Funds	-	556,673		2015 Series paid in full Jun 1
2021 Series Bond Funds	818,577	872,433		
2022 Series Bond Funds	526,771	506,744		
2026 Series Bond Funds	385,009	-		2026 Series issued Apr 14
Total Restricted Trustee Funds	1,730,357	1,935,850	(11) %	(\$205,493)
Restricted Other Funds				
USFS CD - STI	22,865	22,434		
Subordinate Debt 2026 LOC Fund	47,717	-		LOC interest payments/withdrawals
Total Restricted Other Funds	70,582	22,434	215 %	\$48,148
Total Agency Funds	37,544,155	41,699,043	(10) %	(\$4,154,887)
Other Current Assets				
Accounts Receivable	1,615,575	1,063,929	52 %	\$551,645
Accrued Interest Receivable	130,076	248,128	(48) %	(\$118,052)
Prepaid Fees	386,434	401,068		
Inventory Assets, net amortization	2,095,537	2,106,113		
Total Other Current Assets	4,227,621	3,819,238		
TOTAL CURRENT ASSETS	41,771,777	45,518,281	(8) %	(\$3,746,504)
Capital Assets				
R&R CWIP	13,418,081	2,939,969		... FERC Relicensing, 3rd Turbine
Capital Assets	205,537,462	204,696,893		
Accumulated Depreciation	(80,911,726)	(75,957,412)		
Total Capital Assets	138,043,816	131,679,450	5 %	\$6,364,366
Deferred Assets				
Feasibility Solar	-	74,542		... Converted to capital project
Feasibility Potential XFMRs PSG	-	1,912		
Feasibility WRG Switchyxd XFMR Study	91,541	-		
Feasibility Unit 1 Rewind-Uprate Study SWL	44,777	-		
2026 Gain on 2015 Refunding	(243,968)	-		... Amortized over life of bonds
Total Deferred Assets	(107,650)	76,454	(241) %	(\$184,104)
TOTAL ASSETS	179,707,942	177,274,185	1 %	\$2,433,757

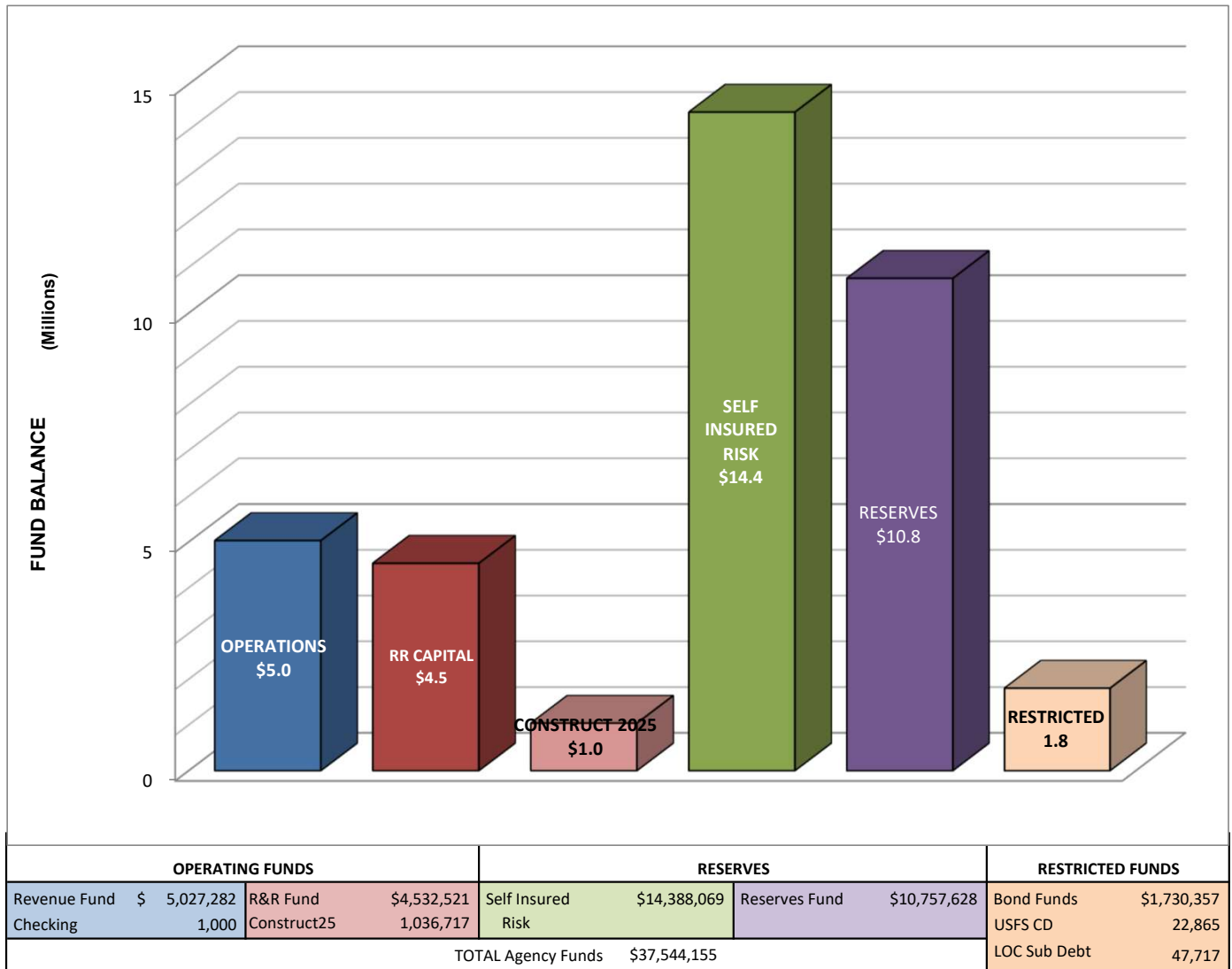
STATEMENT OF FINANCIAL POSITION
as of **June 30, 2026**

Southeast Alaska
Power Agency

LIABILITIES & NET POSITION

	Year To Date 06/30/26	Prior Year To Date 06/30/25	% Change	\$ Change
Current Liabilities				
Accounts Payable General	1,992,340	324,807		2026 R&R expenditures
Other Current Liabilities	93,777	84,255		PERS (Current portion)
Bond Reserve Interest Payable	159,552	(1,133)		Bond interest payable
Payroll Liabilities	392,246	360,117		Wages, PTO, Other Payroll Liabilities
Total Current Liabilities	2,637,915	768,046	243 %	\$1,869,868
Long Term Liabilities				
PERS Unfunded Liability WRG	279,509	369,152		
Series 2015 Bonds	-	9,330,000		Refinanced in April, final pmt in June
Series 2021 Bonds	10,215,000	10,515,000		
Series 2022 Bonds	5,600,000	5,705,000		
Series 2026 Bonds	7,640,000	-		New refunding of 2015 Series
Bond Issuance Premium/Discount, net	2,885,818	2,815,806		Incl. \$644K premium for 2026 issuance
Subordinate Debt LOC 2026	2,243,169	-		Line of Credit - Draw #01 - Apr 30
Total Long Term Liabilities	28,863,496	28,734,958	0 %	\$128,538
TOTAL LIABILITIES	31,501,411	29,503,005	7 %	\$1,998,406
NET POSITION				
Net Investment Capital Assets	104,333,178	103,588,488		
Restricted for Debt Service	2,573,944	2,576,169		
Restricted by External Agreement	22,649	22,223		... USFS CD
Unrestricted	41,222,201	40,466,208		
Net Position Subtotal	148,151,971	146,653,088	1 %	\$1,498,884
NET INCOME	54,560	1,118,093		(\$1,063,533)
TOTAL NET POSITION	148,206,531	147,771,180	0 %	\$435,351
TOTAL LIABILITIES & NET POSITION	179,707,942	177,274,185	1 %	\$2,433,757

FUND ALLOCATION GRAPH - JUNE 2026



OPERATING FUNDS

Checking: Monies are transferred from Revenue and RR Fund, as needed, to cover expenditures.

Revenue Fund: All SEAPA income is deposited to the Revenue Fund, as required by Bond Indentures.

R&R Fund: Dedicated to cover capital expenditures. Funded by an annual deposit of \$3.2MM, in the form of quarterly transfers from the Revenue Fund, as outlined in the 4R Plan.

Construction 2025: Funds withdrawn from Reserves and currently dedicated to RR25408 Third Turbine TYL.

RESERVES FUNDS

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

Reserves Fund: Established under the board-approved Reserves Fund Policy for the purposes of Rate Stabilization, New Generation, and additional capital reserves.

RESTRICTED (Legally or contractually restricted)

Bond Trustee Funds: Interest, Principal, and Reserve Funds established by SEAPA bond issuances (2015, 2021, 2022 Series).

2015 Series: Final payment to bondholders June 1, 2026

2026 Series: Excess Costs of Issuance will be transferred to Interest Fund after 90 days.

USFS: USFS Land Remediation Certificate of Deposit

Subordinate Debt 2026 LOC: Funded to pay Costs of Issuance & interest on Line of Credit

STATEMENT OF ACTIVITIES

Southeast Alaska Power Agency

**Budget Comparison YTD
as of JUN 30, 2026****OPERATING REVENUE**

400 - Hydro Facility Revenues
 Hydropower Sales Ketchikan
 Hydropower Sales Petersburg
 Hydropower Sales Wrangell
 Displaced Sales Whitman

Total Operating Revenue

Total Operating Revenue

OPERATING EXPENSE**HYDRO FACILITY O&M**

535 - Operations Supervision
 537 - Hydraulic
 538 - Electric
 539 - Operations Misc
 540 - Rents
 541 - Hydro Power Station Maintenance
 543 - Dams Reservoirs Waterways
 544 - Electric Plant Wages-Benefits
 545 - Nonproduction Plant Maintenance

Total Hydro Facility Expense

TRANSMISSION O&M

561 - Control System Maintenance
 562 - Substation
 564 - XMSN Submarine Cable
 571 - XMSN Overhead Lines

Total Transmission Expense

GENERAL & ADMIN EXPENSE

920 - Admin Wages-Benefits
 921 - Office
 923 - Professional Services
 924 - Insurance
 928 - Regulatory Commission
 930 - General Administrative
 931 - Admin Rent

Total G&A Expense

Total Operating Expense

NET OPERATING REVENUE/(EXPENSE)

Nonoperating Income

942 - Interest Income Misc
 944 - Gain/(Loss) Investments
 946 - Misc Nonoperating Income

Total Nonoperating Income

Nonoperating Expense

951 - Interest Expense
 952 - Bond Interest Expense
 953 - Depreciation-Amortization Expense
 955 - Misc Nonoperating Expense

Total Nonoperating Expense

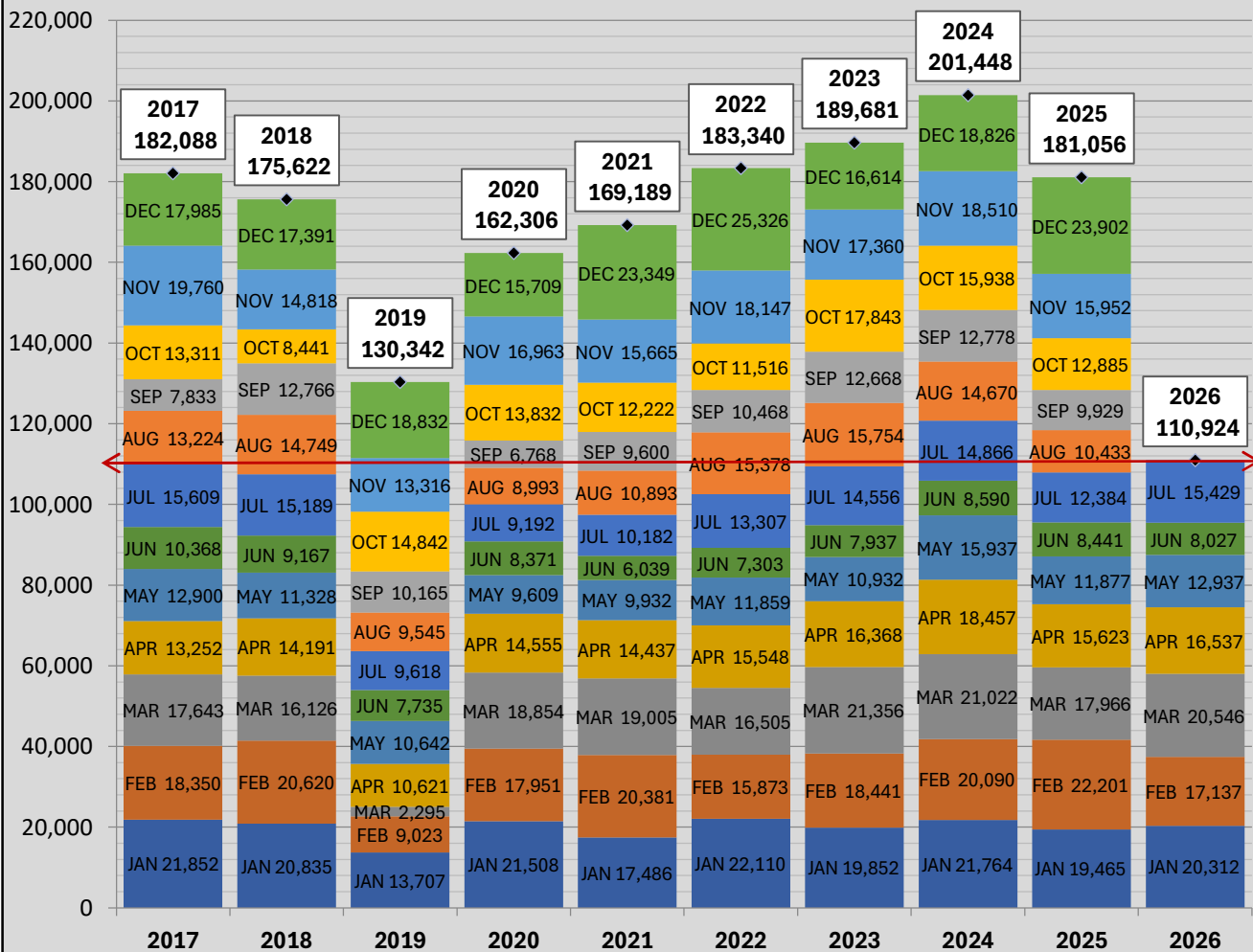
NET NONOPERATING INCOME/(EXPENSE)

Change in Net Position

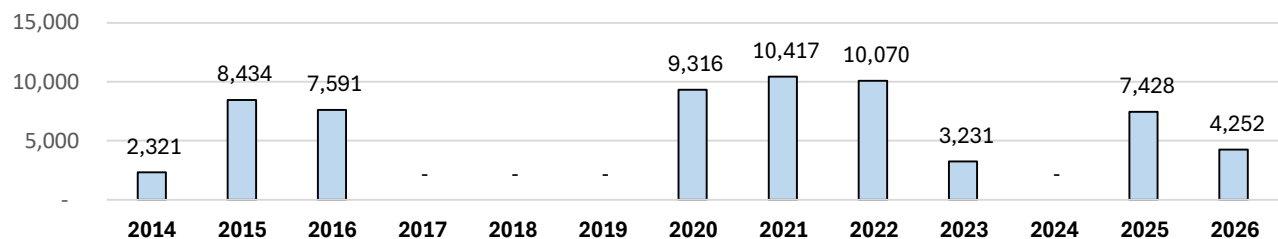
YTD FY26	ANNUAL BUDGET	% of Budget	Prior YTD Comparison	
			FY25	2026 : 2025
3,740,587	7,541,103		3,725,707	
1,728,082	2,960,439		1,743,777	
1,502,472	3,396,093		1,507,285	
310,405	-		-	
7,281,547	13,897,635		6,976,770	
7,281,547	13,897,635	52%	6,976,770	4%
8,373	14,000	60%	7,237	
4,724	14,900	32%	4,720	
17,389	81,000	21%	5,194	
161,200	450,850	36%	155,996	
78,045	201,780	39%	98,375	
39,165	46,000	85%	19,596	
10,137	45,000	23%	10,012	
919,954	1,673,620	55%	872,224	
28,347	70,050	40%	30,704	
1,267,334	2,597,200	49%	1,204,058	5%
-	26,000	0%	-	
107,256	131,250	82%	60,398	
3,487	8,500	41%	11,988	
801,664	1,436,650	56%	496,319	
912,406	1,602,400	57%	568,705	60%
1,093,298	2,171,000	50%	972,142	
156,109	292,300	53%	139,819	
141,216	421,000	34%	136,032	
413,596	835,000	50%	430,967	
176,567	226,300	78%	113,965	
116,970	168,850	69%	101,614	
10,050	20,100	50%	9,850	
2,107,806	4,134,550	51%	1,904,388	11%
4,287,547	8,334,150	51%	3,677,151	17%
2,994,000	5,563,485	54%	3,299,619	(9)%
431,316	Investment Funds		475,156	
(133,456)	Investment Funds		284,410	
16,770	REC income		131,900	
314,630			891,466	(65)%
87,363			12,012	
347,824			522,531	
2,510,638			2,508,902	
308,246	*Costs of Issuance:		29,547	
3,254,070	2026 Bonds & LOC		3,072,992	6%
(2,939,440)			(2,181,526)	
54,560			1,118,093	(95)%

kWh HYDROPOWER SALES	JUL 2026		YEAR-TO-DATE		% of YTD Budget
	Actual	Budget	Actual	Budget	
Ketchikan Power Purchases	9,589,792	6,600,046	60,830,710	63,298,649	96%
Petersburg Power Purchases	3,054,839	3,522,432	26,727,198	28,219,074	95%
Wrangell Power Purchases	2,784,340	3,171,730	23,366,150	24,473,504	95%
Total Power Purchases	15,428,971	13,294,208	110,924,058	115,991,227	96%

MWh Firm Power Sales YOY Comparison



MWh Displaced Sales - Whitman True-up



R&R Capital Work in Progress

Southeast Alaska Power Agency

as of June 30, 2026

	2026		PRIOR YRS EXPENDITURES	TOTAL EXPENDITURES	OVERALL BUDGET*	PLACED IN SERVICE	
	BUDGET	EXPENDITURES					
RR19307 - Helipads Cleveland	549,102	428,060	130,198	558,258	679,300		
RR22364 - 15kV Switchgear TYL	958,479	522,393	547,721	1,070,114	1,506,200		
RR22374 - Station Service Switchgear TYL	1,863,935	1,325,273	1,666,238	2,991,511	3,915,000		
RR23384 - FERC Relicensing SWL	450,000	117,343	399,823	517,166	3,017,000		
RR23385 - FERC Relicensing TYL	500,000	127,776	81,670	209,446	3,017,000		
RR24398 - Str194 Power Poles SWL	385,937	248,906	14,062	262,968	400,000		
RR25400 - Control Room SWL	9,773	6,317	29,941	36,258	25,000	Feb 2026	36,257
RR25401 - Crew House 5 Reno TYL	297,224	281,371	3,080	284,451	300,305	Feb 2026	277,682
RR25403 - Ketchikan Substation	618,750	-	425,579	425,579	7,298,000		
RR25407 - Third Turbine License Amendment TYL	62,148	7,301	277,744	285,045	339,720		
RR25408 - Third Turbine-Generator TYL	9,913,329	5,031,060	1,759,411	6,790,471	24,112,000		
RR26412 - Air Coolers SWL	252,000	-	-	-	252,000		
RR26413 - Air Coolers TYL	252,000	-	-	-	252,000		
RR26414 - Crimper & Die Kits TYL	20,000	17,605	-	17,605	20,000		
RR26415 - Dock Finger Floats SWL	21,000	9,716	-	9,716	21,000		
RR26416 - Dump Truck 10-Yard SWL	100,000	-	-	-	100,000		
RR26417 - Fire Suppression-Oil Room SWL	96,000	-	-	-	96,000		
RR26418 - Flatbed KTN HQ (July purchase)	50,000	-	-	-	50,000		
RR26419 - Oil Filtration System	90,000	-	-	-	90,000		
RR26420 - Potential XFMRs PSG	71,868	35,273	19,132	54,405	91,000		
RR26421 - Response Skiff 16' 60HP Mercury TYL	24,000	23,924	-	23,924	24,000	Feb 2026	23,923
RR26422 - Solar Array-Vank Marine Terminal	20,000	-	-	-	20,000		
RR26423 - TIV Manifold-Pilot Valve TYL	100,000	1,423	-	1,423	100,000		
RR26424 - Solar Generation Array WRG	1,410,000	130,597	87,006	217,603	6,000,000		
RR26425 - Road Embankment SWL	380,000	-	-	-	380,000		
	18,495,545	8,314,338	5,441,605	13,755,943	52,105,525	337,863	

*Overall Budget through 2030

SOUTHEAST ALASKA POWER AGENCY
DISBURSEMENTS REPORT
JUNE - JULY 2026
\$2,591,810.37

		1,480,981.12	290,479.00	820,350.25
VENDOR	DESCRIPTION	REVENUE FUND	2025 CONSTRUCTION	R&R FUND
A&P		1,107.83	-	-
ABR Inc		-	-	5,286.25
Alaska Airlines Cargo		-	-	902.14
Alaska Permanent Capital Inc		6,721.80	-	-
Alaska Pest Management Inc		442.80	-	-
Amazon com		850.51	-	-
Angermans Inc		109.95	-	-
Anixter Power Solutions LLC		-	-	3,425.62
Arbitrage Group		4,750.00	-	-
Ascent Law Partners LLP		15,925.10	-	-
Automation Direct		840.00	-	-
Baker Tilly Advisory Group LP		4,067.00	-	-
Bay Company		52.98	-	-
BDO USA LLP		37,400.00	-	-
Bernies		3,598.00	-	-
Breakaway Adventures LLC		23,820.00	-	-
Buness Bros Inc		5,230.00	-	-
Bureau Veritas North America		240.00	-	-
Cambria Properties LLC		3,350.00	-	-
Cascadia Law Group PLLC		-	-	93.75
Chase Ink 2606 credit cards		14,818.71	-	1,857.72
Chase Ink 2607 credit cards		18,692.58	-	646.77
City Market Inc		793.14	-	-
CME Construction		-	-	4,685.00
Commonwealth Associates Inc		-	-	5,674.00
Computershare 1450		2,917.00	-	-
Computershare 2021 Interest	Bond principal & interest	39,320.00	-	-
Computershare 2022 Interest	Bond principal & interest	20,976.00	-	-
Computershare 2026 Interest	Bond principal & interest	60,218.00	-	-
D&D Tree Service LLC		56,000.00	-	-
Dowl, LLC		-	-	6,000.00
Electric Power Constructors Inc	RR24398 Str194 Power Poles SWL	-	-	197,509.52
Employee Reimbursement 2606		369.37	-	-
Federal Energy Regulatory Commsn.	FERC Annual Land Fees	62,847.46	-	-
G2 Risk Consulting		1,237.50	-	-
Grainger		1,871.81	-	-
H Construction LLC	RR19307 Helipads Cleveland	-	-	321,771.36
Hammer & Wikan Inc		-	-	666.05
Jaco Analytical Lab Inc		1,239.52	-	-
Ketchikan City of 334		186.18	-	-
Ketchikan City Port & Harbor		79.75	-	-
Ketchikan Daily News		76.50	-	-
Ketchikan Public Utilities Electric		8,131.72	-	-
Ketchikan Public Utilities Telecom		3,755.74	-	-
Ketchikan Ready Mix & Quarry Inc	RR26424 Solar Generation Array WRG	-	-	64,224.00
Kleinschmidt Associates	RR23384 FERC Relicensing SWL RR23385 FERC Relicsing TYL RR25407 3rd Turbine License Amend.	-	-	81,592.26
Landing Hotel LLC		1,810.70	-	-

SOUTHEAST ALASKA POWER AGENCY
DISBURSEMENTS REPORT
JUNE - JULY 2026
\$2,591,810.37

		1,480,981.12	290,479.00	820,350.25
VENDOR	DESCRIPTION	REVENUE FUND	2025 CONSTRUCTION	R&R FUND
Les Schwab		1,405.90	-	-
LNM Services		1,429.54	-	-
Madison Lumber & Hardware Inc		1,060.84	-	323.35
Magnum Enterprises		3,060.00	-	-
Marble Construction		-	-	6,200.00
Marsh USA Inc		216.00	-	-
McMaster Carr Supply Company		366.30	-	-
McMillen Inc	1830-015 WRG Switchyd XFMR 1830-016 Unit 1 Rewind-Uprate SWL RR25408 Third Turbine-Generator TYL	71,424.37	290,479.00	-
Midco Material Handling		824.68	-	-
Misty Fjords Air & Outfitting LLC		11,615.00	-	-
National Hydropower Association Inc		150.00	-	-
Nolan Center		350.00	-	-
North Coast Electric Company		34.97	-	18,192.86
Northwest Linings and Geotextile Products Inc		-	-	2,730.00
NRECA Group Ins	Admin Employee Benefits	56,226.02	-	-
NRECA Group Ins Admin	Admin Employee Benefits	3,783.56	-	-
NRECA RSP Admin	Admin Employee Benefits	2,354.46	-	-
NRECA RSP Trust Contrib	Admin Employee Benefits	75,876.58	-	-
Otis Elevator Company		2,352.00	-	-
Ottesens Ace Hardware		535.97	-	43.93
Pacific Pride of Alaska LLC		99.99	-	-
Panhandle Fire Protection LLC		804.60	-	-
Petro Marine Services KTN		10,198.26	-	-
Petro Marine Services PSG		-	-	517.68
Petro Marine Services WRG		4,470.90	-	-
Pilot Publishing Inc		263.75	-	457.88
Prestige Motors Inc		-	-	32,701.50
R&M Engineering Ketchikan Inc		75.00	-	300.00
Raindrop Janitorial Services LLC		1,870.00	-	-
Ray Matiashowski		8,000.00	-	-
Rock Hard Construction		1,527.50	-	-
Samson Tug & Barge		1,687.93	-	313.86
Satellite & Sound Inc		220.00	-	-
Schnabel Engineering LLC		33,455.17	-	9,223.36
Sentry Hardware & Marine		912.96	-	143.37
Service Auto Parts		791.33	-	183.06
Sign Pro		113.03	-	-
Southeast Auto & Marine Parts Inc		307.16	-	-
Stikine Inn		9,690.90	-	1,440.76
Structured Communication Systems Inc		19,771.33	-	-
Sturgeon Electric Company Inc	Line Maintenance	586,550.00	-	-
Sunrise Aviation Inc		7,730.00	-	2,400.00
Temsco Helicopters Inc	Brushing, right-of-way clearing RR23385 FERC Relicensing TYL RR24398 Str194 Power Poles SWL	98,439.60	-	50,720.00
TexRus LLC		13,414.77	-	-
Timberscape Industries LLC		15,831.20	-	-

SOUTHEAST ALASKA POWER AGENCY

DISBURSEMENTS REPORT

JUNE - JULY 2026

\$2,591,810.37

		1,480,981.12	290,479.00	820,350.25
VENDOR	DESCRIPTION	REVENUE FUND	2025 CONSTRUCTION	R&R FUND
TKs MiniMart LLC		358.29	-	-
Tongass Outfitters LLC		109.99	-	-
TSS		79.00	-	-
Two Way Direct Inc		670.28	-	-
Tyler		5,117.30	-	124.20
White Rock Holding LLC		620.00	-	-
Wrangell City & Borough		11,427.29	-	-
Wrangell Sentinel		189.75	-	-
X2nSat		9,270.00	-	-
		-	-	-



SOUTHEAST ALASKA POWER AGENCY ARBITRAGE

Arbitrage calculations are required every five years from the bonds' issuance date and upon maturity. In June of this year, Series 2015 bonds matured when their final payment was issued and Series 2021 bonds reached their five-year anniversary. Calculations were performed by The Arbitrage Group to evaluate whether bond fund earnings exceeded their yield rate at the time of issuance. Tax-exempt bonds, such as those issued by SEAPA, are allowed to earn interest that exceeds bond yields; however, because of the bonds' tax-exempt status, those arbitrage earnings can prompt a rebate liability to the IRS.

Key findings are outlined in the table below, and a portion of each report follows. As expected, nothing was due for the 2015 Series. For the 2021 Series, which has a much lower yield, there was a total rebate of \$24,172.77 due for the five-year period. A payment of \$21,755.49, representing the required 90% payment, was issued to the IRS.

Although not required, arbitrage was also calculated on the 2022 Series, in part because of comingled Reserve Funds (as allowed by bond indentures). Arbitrage will continue to be calculated annually, at least on the 2021 Series, so that arbitrage expense can be accrued in the year it is earned.

Issuance	Yield	Rebate Liability	Result
2015 Series	3.598300%	(\$693,803)	Negative arbitrage; no rebate liability.
2021 Series	1.295859%	\$24,172.77	90% paid to the IRS (\$21,755.49)
2022 Series	4.487740%	(\$252,716)	Negative arbitrage; no rebate liability



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June 13, 2026

Southeast Alaska Power Agency
Ketchikan, Alaska

\$10,296,000
The Southeast Alaska Power Agency
Electric Revenue Improvement and Refunding Bonds,
Series 2015

The Southeast Alaska Power Agency ("Borrower") issued the above referenced bonds ("Bonds") dated and delivered on May 6, 2015. At the request of the Borrower, we have performed the procedures enumerated below for the period May 1, 2020 to June 1, 2026 ("Current Period"). The Current Period along with the Prior Period (defined below) are collectively referred to as the "Computation Period". Information regarding the investment of gross proceeds from May 6, 2015 to May 1, 2020 ("Prior Period") has been compiled by Kutak Rock Arbitrage Consulting LLC and a copy of their report has been furnished to us ("Prior Provider Report"). We have not examined or verified the information included in their report. Insofar as our computation relates to the information for the Prior Period, it is based solely on the Prior Provider Report.

These procedures, which were agreed to by the Borrower were performed solely to assist the Borrower in evaluating compliance with the requirements of Section 148(f)(2) of the Internal Revenue Code of 1986, as amended ("Code"). This engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants for consulting services. The sufficiency of these procedures is solely the responsibility of the specified users of the report. This report is intended solely for your information and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report is not to be quoted or referred to without our prior written consent.

Our procedures and findings are as follows:

- (1) We read the IRS Form 8038-G ("8038"), Tax Certificate ("Certificate"), and bank statements, each provided to us by or on behalf of the Borrower.
- (2) A schedule of the sources and uses of funds (Exhibit A) was assembled based upon the 8038, Certificate, and bank statements.
- (3) The yield on the Bonds was abstracted from the 8038 and was shown to be 3.598300%.

Southeast Alaska Power Agency
 June 13, 2026
 Page 2

- (4) Schedules of actual earnings on the nonpurpose investments in the Debt Service Reserve Fund and allocable portions of the 2019 Debt Service Reserve Fund (collectively, the "Trust Funds") purchased with gross proceeds of the Bonds during the Current Period (Exhibits B-1 through B-4) were assembled based on the bank statements.
- (5) The allowable earnings amounts on the nonpurpose investments in the Trust Funds were calculated to be the amounts that the nonpurpose investments would have earned if they had been invested at a rate equal to the yield on the Bonds of 3.598300% (Exhibits B-1 through B-4).
- (6) The arbitrage earnings amounts during the Current Period for the Trust Funds were calculated to be the difference between the actual earnings and allowable earnings for the nonpurpose investments in each Trust Fund. The arbitrage earnings amounts for the Computation Period are as follows:

Trust Fund	Exhibit	Arbitrage Earnings
Debt Service Reserve Fund	B-1	(\$6,139.38)
2019 Debt Service Reserve Fund to June 16, 2021	B-2	(40,631.61)
2019 Debt Service Reserve Fund to September 29, 2022	B-3	(33,217.34)
2019 Debt Service Reserve Fund to April 17, 2023	B-4	(478.90)
Future Value of Prior Period Rebate Amount	C	(595,947.84)
Computation Date Credit	D	<u>(17,388.08)</u>
Total Negative Rebate Liability		<u>(\$693,803.15)</u>

- (7) The assumptions and computational information employed in the above calculations are explained in Exhibit E.
- (8) Based on the information provided to us by the Borrower and the assumptions employed, this report shows there is no rebate liability for the Bonds as of the June 1, 2026 Final Rebate Computation Date.

Because the above procedures do not constitute an audit conducted in accordance with generally accepted auditing standards, we do not express an opinion on any of the information referred to above. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. The terms of our engagement are such that we have no obligation to update this report because of events and transactions occurring subsequent to the date of this report.

Very truly yours,

The Arbitrage Group, Inc.



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June 24, 2026

Southeast Alaska Power Agency
Ketchikan, Alaska

\$11,330,000
Southeast Alaska Power Agency
Electric Revenue Bond,
Series 2021

The Alaska Municipal Bond Bank ("Issuer") issued the above referenced bonds ("Bonds") dated and delivered on June 16, 2021. At the request of the Southeast Alaska Power Agency ("Borrower"), we have performed the procedures enumerated below for the period June 16, 2021 to June 16, 2026 ("Computation Period"). These procedures, which were agreed to by the Borrower were performed solely to assist the Borrower in evaluating compliance with the requirements of Section 148(f)(2) of the Internal Revenue Code of 1986, as amended ("Code"). This engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants for consulting services. The sufficiency of these procedures is solely the responsibility of the specified users of the report. This report is intended solely for your information and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report is not to be quoted or referred to without our prior written consent.

Our procedures and findings are as follows:

- (1) We read the IRS Form 8038-G ("8038"), Tax Certificate ("Certificate"), bank statements and electronic prepared schedules of investment activity ("Investment Activity"), each provided to us by or on behalf of the Borrower.
- (2) A schedule of the sources and uses of funds (Exhibit A) was assembled based upon the 8038 and Certificate.
- (3) The yield on the Bonds was abstracted from the 8038 and Certificate and shown to be 1.295859%.
- (4) Schedules of actual earnings on the nonpurpose investments in the Project Fund (using the cash-flow methodology), Costs of Issuance Fund, Debt Service Reserve Fund, allocable portions of the 2019 Debt Service Reserve Fund and 2022 Debt Service Reserve Fund (collectively, the "Trust Funds") purchased with gross proceeds of the Bonds during the Computation Period (Exhibits B-1 through B-6) were assembled based on the Investment Activity.

Southeast Alaska Power Agency
 June 24, 2026
 Page 2

- (5) The allowable earnings amounts on the nonpurpose investments in the Trust Funds were calculated to be the amounts that the nonpurpose investments would have earned if they had been invested at a rate equal to the yield on the Bonds of 1.295859% (Exhibits B-1 through B-6).
- (6) The arbitrage earnings amounts during the Computation Period for the Trust Funds were calculated to be the difference between the actual earnings and allowable earnings for the nonpurpose investments in each Trust Fund. The arbitrage earnings amounts for the Computation Period are as follows:

Trust Fund	Exhibit	Arbitrage Earnings
Project Fund	B-1	(\$40,950.89)
Costs of Issuance Fund	B-2	(30.86)
Debt Service Reserve Fund	B-3	70,380.29
2019 Debt Service Reserve Fund to September 29, 2022	B-4	(2,571.37)
2019 Debt Service Reserve Fund to April 17, 2023	B-5	232.76
2022 Debt Service Reserve Fund	B-6	7,519.04
Computation Date Credit	C	(10,406.20)
Total Rebate Liability		<u>\$24,172.77</u>

- (7) The assumptions and computational information employed in the above calculations are explained in Exhibit D.
- (8) Based on the information provided to us by the Borrower and the assumptions employed, this report shows there is a rebate liability for the Bonds as of the June 16, 2026 Installment Rebate Computation Date. This amount is subject to change due to future investment activity, if any, subsequent to the end of the Computation Period.

Because the above procedures do not constitute an audit conducted in accordance with generally accepted auditing standards, we do not express an opinion on any of the information referred to above. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. The terms of our engagement are such that we have no obligation to update this report because of events and transactions occurring subsequent to the date of this report.

Very truly yours,

The Arbitrage Group, Inc.



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June 24, 2026

Southeast Alaska Power Agency
Ketchikan, Alaska

\$5,990,000
Southeast Alaska Power Agency
Electric Revenue Bond, Series 2022
(Alaska Municipal Bond Bank Loan)

The Alaska Municipal Bond Bank ("Issuer") issued the above referenced bonds ("Bonds") dated and delivered on September 29, 2022. At the request of Southeast Alaska Power Agency ("Borrower"), we have performed the procedures enumerated below for the period September 29, 2022 to March 1, 2026 ("Computation Period"). These procedures, which were agreed to by the Borrower were performed solely to assist the Borrower in evaluating compliance with the requirements of Section 148(f)(2) of the Internal Revenue Code of 1986, as amended ("Code"). This engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants for consulting services. The sufficiency of these procedures is solely the responsibility of the specified users of the report. This report is intended solely for your information and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. This report is not to be quoted or referred to without our prior written consent.

Our procedures and findings are as follows:

- (1) We read the IRS Form 8038-G ("8038"), Tax Certificate ("Certificate"), bank statements and electronic prepared schedules of investment activity ("Investment Activity"), each provided to us by or on behalf of the Borrower.
- (2) A schedule of the sources and uses of funds (Exhibit A) was assembled based upon the 8038 and Certificate.
- (3) The yield on the Bonds was computed to be the discount rate that causes the present value of all principal and interest payments on the Bonds to equal the Issue Price to the Public. The yield on the Bonds as shown in the Certificate is 4.487740%.
- (4) Schedules of actual earnings on the nonpurpose investments in the Project Fund (using the cash-flow methodology), Capitalized Interest Fund, Costs of Issuance Fund, allocable portion of the 2019 Debt Service Reserve Fund and Debt Service Reserve Fund (collectively, the "Trust Funds") purchased with gross proceeds of the Bonds during the Computation Period (Exhibits B-1 through B-6) were assembled based on the Investment Activity.



Southeast Alaska Power Agency
June 24, 2026
Page 2

- (5) The allowable earnings amounts on the nonpurpose investments in the Trust Funds were calculated to be the amounts that the nonpurpose investments would have earned if they had been invested at a rate equal to the yield on the Bonds of 4.487740% (Exhibits B-1 through B-6).
- (6) The arbitrage earnings amounts during the Computation Period for the Trust Funds were calculated to be the difference between the actual earnings and allowable earnings for the nonpurpose investments in each Trust Fund. The arbitrage earnings amounts for the Computation Period are as follows:

Trust Fund	Exhibit	Arbitrage Earnings
Construction Fund	B-1	(\$240,496.20)
Capitalized Interest Fund	B-2	(1,328.49)
Costs of Issuance Fund	B-3	(32.10)
2019 Debt Service Reserve Fund	B-4	(2,762.15)
Debt Service Reserve Fund to November 6, 2025	B-5	323.37
Debt Service Reserve Fund from November 6, 2025	B-6	(1,873.08)
Computation Date Credit	C	(6,547.41)
Total Negative Rebate Liability		(\$252,716.06)

- (7) The assumptions and computational information employed in the above calculations are explained in Exhibit D.
- (8) Based on the information provided to us by the Borrower and the assumptions employed, this report shows there is no rebate liability for the Bonds as of the March 1, 2026 Interim Computation Date. This amount is subject to change due to future investment activity, if any, subsequent to the end of the Computation Period.

Because the above procedures do not constitute an audit conducted in accordance with generally accepted auditing standards, we do not express an opinion on any of the information referred to above. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. The terms of our engagement are such that we have no obligation to update this report because of events and transactions occurring subsequent to the date of this report.

Very truly yours,

The Arbitrage Group, Inc.



SOUTHEAST ALASKA POWER AGENCY CEO REPORT

DATE: August 19, 2026
TO: SEAPA Board of Directors
FROM: Robert Siedman, P.E., Chief Executive Officer
SUBJECT: CEO Report

Safety:

Since my last CEO report, SEAPA experienced one work-related lost-time incident at the Tyee Lake Hydroelectric Facility. The employee is doing well and is currently anticipated to receive a final release in the near future.

Given the confidential nature of personnel and medical information, no additional employee-specific information is included in this report. SEAPA has reviewed the incident and continues to evaluate appropriate safety measures, procedures, and lessons learned.

Further discussion regarding the incident and related administrative matters, will occur during Executive Session.

Governmental Affairs & External Industry Activities:

Since my last CEO report, governmental affairs activity has remained unusually active at both the state and federal levels. The Second Regular Session of the 34th Alaska State Legislature concluded in May, followed by successive special sessions. As of mid-August, the Legislature is in its Fourth Special Session, which began July 27. Much of the more recent legislative activity has centered on the proposed Alaska LNG project, including the tax and oversight framework necessary to advance the project. Governor Dunleavy transmitted compromise LNG tax legislation to the Legislature on August 12.

The FY2027 state budget has now been enacted. Governor Dunleavy signed the budget in June, including investments in infrastructure and energy-related needs. Energy affordability, reliability, resource development, transmission, and the need for long-term infrastructure investment continue to be major statewide policy issues. These discussions remain directly relevant to SEAPA as we advance hydropower generation, transmission, grid resilience, renewable

integration, port and transportation electrification, and projects intended to accommodate future regional load growth.

At the federal level, FY2027 appropriations remain under development. The House Appropriations Committee approved its FY2027 Energy and Water Development appropriations bill in May, providing \$58.5 billion in discretionary funding under the measure. Congress has continued working through the broader FY2027 appropriations process, including consideration of temporary funding measures. SEAPA will continue monitoring DOE, infrastructure, grid resilience, hydropower, and Alaska-specific funding programs for potential impacts and opportunities.

Federal energy and permitting policy also continues to emphasize domestic energy production, infrastructure development, efficient permitting, and expanded development opportunities in Alaska. These policies can have meaningful implications for Alaska utilities through federal permitting, land management, grant administration, domestic-content requirements, and the development of new industrial and energy loads.

Hydropower policy at FERC has become particularly important. FERC's ongoing RM26-3 proceeding is examining whether routine maintenance, repairs, upgrades, and other post-licensing activities can be streamlined or, in appropriate circumstances, undertaken without individual case-specific Commission authorization. This issue closely aligns with concerns SEAPA and the hydropower industry have raised regarding unnecessary license amendments for activities already contemplated within an existing license. FERC continues to identify this proceeding as one of its priority hydropower rulemakings.

SEAPA has remained actively engaged in these issues. I met with FERC Hydropower staff in Washington, D.C. in June and have continued working through APA, NHA, AEA, our congressional delegation, state officials, and other industry partners on hydropower licensing reform, federal funding, transmission and grid-resilience needs, and Alaska energy policy. Recent federal activity has also included the resumption of DOE negotiations on SEAPA's \$5 million Section 247 Hydroelectric Production Incentive award for the Tyee Third Turbine, while work continues with AEA on the \$4.5 million Grid Resilience award for the Ketchikan Substation project.

These external relationships are increasingly important as SEAPA moves several major capital projects forward simultaneously. In addition to direct project funding, our governmental affairs efforts are focused on maintaining regulatory flexibility, reducing unnecessary permitting delays, protecting access to federal programs, and ensuring that Southeast Alaska's unique geographic and energy challenges are represented in state and national policy discussions.

Overall, the governmental affairs environment remains active but favorable to SEAPA's core objectives. There have been no material governmental or regulatory developments to date that have disrupted SEAPA's operations or major project schedules. Staff will continue closely monitoring state and federal activity and proactively engaging policymakers, agencies, and industry organizations to advance reliable, affordable, and resilient power for Southeast Alaska.

Federal Engagement Highlights

At the federal level, SEAPA continues a focused advocacy and funding strategy to advance priority hydroelectric, transmission, renewable integration, and grid resilience investments in Southeast Alaska. This work remains closely aligned with national hydropower priorities involving preservation and modernization of the existing hydroelectric fleet, improvement of federal licensing and regulatory processes, and continued support for federal hydropower incentive and water power programs.

SEAPA's federal engagement has continued to advance around several key priorities, including the Tyee Third Turbine Project, Ketchikan Substation, Wrangell Mill Site, Wrangell Solar, and the longer-term licensing and development needs associated with both Swan Lake and Tyee Lake. SEAPA's \$5 million Section 247 award for the Tyee Third Turbine Project remains an important component of this strategy, with negotiations on that award now moving forward. Because Section 247 is discussed separately in this report, this section focuses primarily on SEAPA's broader federal advocacy and regulatory engagement.

Most recently, on August 17, I participated in Alaska Power Association meetings with Senator Lisa Murkowski and FERC Commissioner Lindsay See. SEAPA and APA continue to work closely with Senator Murkowski on hydropower policy, federal permitting, licensing efficiency, and the long-term importance of Alaska's existing hydroelectric resources. Maintaining this relationship is particularly valuable as federal hydropower policy continues to evolve and as SEAPA moves deeper into major licensing and capital planning decisions.

Commissioner See is also scheduled to visit Southeast Alaska on Friday, August 21. Mark Hilson will be taking the Commissioner to Swan Lake and providing an on-the-ground look at the project and the transmission system between Ketchikan and Swan Lake. Rather than get ahead of that visit, I will ask Mark to update the Board directly on the Commissioner's visit, the discussions that occurred, and his impressions of the engagement.

This visit is particularly timely and important for SEAPA. We are currently in the midst of the Swan Lake relicensing process and are also evaluating potential future modifications that could require additional FERC authorization. As part of that work, SEAPA would prefer to obtain a de minimis exception or similar streamlined regulatory treatment for certain Swan Lake improvements rather than be required to pursue a more burdensome license amendment where the proposed work has limited or insignificant project impacts. Direct engagement with a sitting FERC Commissioner provides an important opportunity to demonstrate the project firsthand and reinforce the practical impacts that licensing and amendment requirements can have on existing hydropower owners.

SEAPA has also continued its direct engagement with Alaska's congressional delegation and federal agencies throughout the year. Earlier meetings with Senator Murkowski, Senator Sullivan, Representative Begich, FERC staff, DOE, and industry partners have reinforced SEAPA's priorities related to hydropower modernization, transmission reliability, federal funding, permitting efficiency, and long-term infrastructure investment in Southeast Alaska.

SEAPA also remains engaged on federal tax and policy matters that may improve the economics of investment in existing hydropower, transmission, and renewable infrastructure. This includes continued attention to investment tax credit treatment, federal grant administration, domestic-content requirements, hydropower incentive programs, and other mechanisms that can support modernization, reliability, and community-benefit investments.

Overall, SEAPA's federal advocacy remains increasingly important as we enter a period of significant relicensing, generation expansion, transmission investment, and system modernization. Maintaining strong relationships with Alaska's congressional delegation, FERC Commissioners and staff, DOE, APA, NHA, and other federal and industry partners helps ensure that Southeast Alaska's unique circumstances are understood and that SEAPA remains well positioned for regulatory flexibility, federal funding, incentive programs, and long-term capital investment.

Renewable Energy Fund (REF):

SEAPA's \$2 million Renewable Energy Fund award for the Southeast Alaska Grid Resiliency (SEAGR)/Tyee Third Turbine Project was approved by the Alaska Legislature as part of Round 18 of the REF program. The Legislature appropriated \$14.6 million to fully fund the top nine projects recommended by the Alaska Energy Authority, including SEAPA's project, and the appropriation was subsequently signed into law by the Governor. SEAPA is now working through the remaining administrative steps with AEA and anticipates receipt of the \$2 million award in the coming months. The state funding will provide an important contribution toward completion of the Tyee Third Turbine and complement the federal and SEAPA funding already committed to the project.

With the current REF effort nearing completion, staff is now evaluating projects for the next REF application round, with applications due September 11, 2026. Two projects have emerged as the strongest potential candidates for SEAPA: the Swan Lake Generator Uprate and the Wrangell Solar Project.

The Swan Lake Uprate would increase the generating capability of an existing SEAPA hydroelectric asset while improving the utilization of available renewable water resources. The project represents a relatively low-risk opportunity to increase renewable generation from existing infrastructure and could provide long-term regional benefits without the cost and environmental impacts associated with development of a new generation resource.

The Wrangell Solar Project has also developed a much stronger resiliency case following this year's SEAPA maintenance outage. During the outage, Wrangell burned more than 40,000 gallons of diesel fuel to maintain electric service while SEAPA generation was unavailable. Once constructed, the solar project is expected to offset approximately half of that diesel generation during similar outage conditions. At that level, the project could avoid roughly 20,000 gallons of diesel during a comparable outage, with cumulative savings potentially exceeding 400,000 gallons over approximately 20 years, in addition to reducing fuel transportation, emissions, and exposure to diesel price volatility.

Importantly, the Wrangell project would provide benefits beyond normal renewable energy production. It would establish a local generation resource within the community that continues producing power when the regional transmission system is unavailable, directly reducing Wrangell's dependence on diesel generation during planned maintenance and unplanned transmission outages. That combination of renewable energy, fuel displacement, and community resiliency should make the project highly competitive under the REF program.

Staff will continue evaluating the relative benefits, project readiness, economics, and REF scoring potential of the Swan Lake Uprate and Wrangell Solar projects before selecting the project to submit for the September 11 deadline. Both projects advance SEAPA's broader objective of increasing renewable energy production, reducing dependence on diesel generation, and strengthening the resiliency of the Southeast Alaska electrical system.

DOE Section 247: The Maintaining and Enhancing Hydroelectricity Incentives

SEAPA's \$5 million Section 247 award for the Tyee Third Turbine Project is back in active negotiation with the U.S. Department of Energy, representing significant progress after the program was temporarily paused. DOE formally contacted SEAPA on August 3, 2026, confirming that negotiations for Project 3088-1912 had resumed and requesting updated budget, project milestone, FERC authorization, equipment sourcing, and economic benefit information to move the award toward completion.

Current Status

- DOE has resumed negotiations on SEAPA's \$5 million Hydroelectric Incentives Program award for the Tyee Third Turbine Project.
- SEAPA completed its review and submitted the requested updated \$24.586 million project budget, Statement of Project Objectives (SOPO), revised milestones, FERC authorization documentation, RTES equipment sourcing form, and requested project and economic benefit information.
- DOE's current project information identifies the Tyee facility as having entered service in 1984, with an existing nameplate capacity of 22.5 MW.
- The Third Turbine Project is currently in progress, with initial project expenses dating to December 31, 2024.
- The project is expected to add approximately 11.25 MW of generating capacity, increasing Tyee's installed generation capability by approximately 50 percent.
- SEAPA has now substantially responded to DOE's August information request and is awaiting DOE's continued review and completion of award negotiations.
- The \$5 million award has not yet been fully executed or received, but SEAPA anticipates completion of the process in the coming months.

DOE's renewed engagement follows an extended period during which Section 247 award negotiations were paused. During that period, SEAPA worked with other Alaska utilities, the National Hydropower Association, the Governor's Office, and Alaska's congressional delegation

to emphasize the importance of moving the congressionally authorized hydropower incentive awards forward. SEAPA also submitted formal correspondence to DOE and the National Energy Dominance Council highlighting the time-sensitive nature of the funding and its importance to major Alaska hydropower investments.

The issue subsequently received direct congressional attention, including Senator Murkowski raising the status of the program with Energy Secretary Chris Wright. Shortly thereafter, DOE resumed negotiations with selected recipients, including SEAPA. The restart demonstrates the value of sustained and coordinated engagement by project sponsors, industry representatives, state leadership, and Alaska's congressional delegation.

DOE's latest review has focused heavily on ensuring that the Third Turbine Project is fully documented and ready to proceed under the Section 247 program. In particular, DOE requested confirmation of the project budget and scope, updated milestones, documentation demonstrating appropriate FERC authorization, and information regarding the sourcing of equipment associated with the project. SEAPA has provided the requested materials and clarified that the project is already underway.

The Third Turbine remains an excellent fit for the purpose of Section 247. The project will expand an existing hydroelectric facility rather than develop a new generation site, increasing Tyee's capacity from 22.5 MW to approximately 33.75 MW while improving SEAPA's ability to utilize available water that would otherwise be spilled. In addition to increasing renewable generation capability, the project will improve system reliability, operational flexibility, and SEAPA's ability to meet growing regional electric loads.

SEAPA will continue working closely with DOE as the Department completes its review and moves the \$5 million award toward final execution and payment. With the requested information now submitted and negotiations formally resumed, the project has moved from the prior period of uncertainty into an active award-completion phase. Staff will continue monitoring the process closely and coordinating with DOE and Alaska's congressional delegation as necessary until the funding is fully executed.

Forest Service Operating Plan & Permit Reissuance

The U.S. Forest Service is currently working with SEAPA to implement a new Operating Plan and reissue Special Use Permit WRG31, which covers SEAPA's transmission facilities extending from the National Forest System boundary near the Tyee powerhouse toward Wrangell and Petersburg. The Forest Service has indicated that the permit reissuance is administrative in nature and is not intended to change the existing permit term or authorized improvements. SEAPA's comments on the draft Operating Plan are due September 15, 2026.

Staff is conducting a detailed review of the proposed Operating Plan. While SEAPA supports having a clear and practical framework for coordination with the Forest Service, several provisions raise concerns regarding the potential for regulatory overreach, unnecessary administrative requirements, and expectations that may not adequately recognize the operational realities of maintaining critical electric transmission infrastructure in remote Southeast Alaska.

A primary concern is ensuring that the Operating Plan does not create new approval requirements for routine operation, inspection, maintenance, vegetation management, emergency response, or repair activities that are already authorized under SEAPA's existing permit. Requirements that effectively require Forest Service review or approval before routine work can proceed could create unnecessary delays, increase administrative costs, and potentially interfere with SEAPA's ability to respond promptly to reliability or safety issues.

SEAPA is also reviewing proposed notification and response timelines to ensure they are realistic. Our transmission system crosses remote terrain where access is often dependent on marine transportation, helicopters, weather, contractor availability, and limited seasonal work windows. The final Operating Plan should provide sufficient flexibility for these realities and clearly distinguish between planned discretionary work and activities required to protect public safety, environmental resources, system reliability, or restore service following an outage.

Another important objective is to avoid duplicative processes. SEAPA already operates under FERC requirements, federal environmental laws, established utility practices, and numerous inspection, maintenance, and reporting obligations. The Forest Service Operating Plan should complement those existing requirements rather than establish an additional layer of permitting or approval for work that is already authorized and appropriately regulated.

Staff will continue reviewing the document in detail and intends to provide constructive comments before the September 15 deadline. Our goal is an Operating Plan that protects National Forest resources while also recognizing SEAPA's obligation to safely and reliably operate critical regional transmission infrastructure. The final agreement should establish clear expectations, reasonable timelines, appropriate emergency and maintenance flexibility, and a practical working relationship between SEAPA and the Forest Service without unintentionally expanding the scope of the underlying permit.

SEAPA Contracts & RFPs:

The following table is an overview of SEAPA Contracts and RFPs:

PROJECT	Publish Date	Bid Due Date	Board Mtg Date	Comments or Status	Complete?
Tyee Lake FERC Capacity License Amendment	12/13/2023	02/16/2024	03/14/2024	FERC issued Order Amending License on 04/14/2026.	☒
Tyee Station Service Switchgear Construction Project	03/01/2024	06/07/2024	06-26-27/2024	Construction completion anticipated by September 30.	Ongoing
Swan Lake FERC Relicensing Services	09/06/2024	10/03/2024	10/25/2024	License Amendment application for reduced project boundary completed and sent to Agencies.	Ongoing
Tyee 3rd Turbine, Generator & Transformer Procurement	11/15/2024	04/04/2025	06/25-26/2025	Manufacturing continues on major components. Shipping expected September 2026. Construction RFP issued August 12, 2026.	Ongoing
Tyee Lake FERC Relicensing Services	05/09/2025	07/10/2025	08/19-20/2025	Monitoring Studies commenced in May 2026.	Ongoing
Helipads Cleveland Peninsula	10/01/2025	11/07/2025	12/03/2025	Helipads installed; completion pending PM's inspection.	Ongoing
Wrangell 69kV Transformer & Mill Site Feasibility Design Project	N/A	N/A	N/A	30% design completed by McMillen.	Ongoing
Swan Lake Road Embankment Reconstruction	N/A	N/A	N/A	Contract entered into with Pool Engineering on May 8, 2026. Work completed August 2026.	☒
Petersburg Substation 2025 Annual Maintenance	N/A	N/A	N/A	Project completed June 18, 2026.	☒
Wrangell Solar Feasibility-Level Design & Procurement Specification Project	N/A	N/A	N/A	30% design complete. Wetland delineation pending.	Ongoing
Swan Lake Unit #1 Condition Assessment and Uprate Study	N/A	N/A	02/26/2026	Contract signed March 5, 2026. Coordination with consultant ongoing.	Ongoing
2026 Cleveland Swan-Tyee Intertie Brushing Project	01/30/2026	03/05/2026	03/26/2026	Project completed mid-August.	☒
Replacement of Two Wooden Transmission Towers	02/02/2026	03/09/2026	03/26/2026	Project completed during June 1-10, 2026 annual maintenance shutdown.	☒
Ketchikan Substation Transformer Procurement	07/27/2027	09/15/2026	TBD	RFP issued for design, manufacture, factory testing, etc. of transformer and associated equipment on July 27, 2027.	Ongoing

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, and significant progress (highlighted) has been made on Phase 1 of the Southeast Alaska Grid Resiliency Project.

Phase 1: SEAGR – Southeast Alaska Grid Resiliency Project

The SEAGR project continues to advance well and has now moved firmly into the construction procurement and equipment fabrication phase.

The following is an updated timeline on current progress:

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

October 31, 2024: 100% procurement specifications completed.

November 1, 2024: FERC designated SEAPA as its non-federal representative for consultation purposes with Alaska SHPO, Alaska Indian tribes, U.S. Fish and Wildlife Service, National Oceanic and Atmospheric Administration, and other consulting parties.

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

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

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

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

June 18, 2025: SEAPA negotiated a lump-sum price for procurement.

July 18, 2025: SEAPA issued Notice to Proceed to Canyon Hydro for procurement.

July 28, 2025: SEAPA transferred \$1.1 million from reserves to the construction account.

August 1, 2025: SEAPA issued the down payment to Canyon Hydro for procurement.

August 14, 2025: Meeting held with AIDEA's Chief Lending Officer.

September 16, 2025: SEAPA began review of PFM Financial Advisors.

October 2, 2025: SEAPA signed an engagement letter with PFM Financial Advisors.

October 30, 2025: Financial proposal presentations were completed, and the line-of-credit structure was selected as the preferred financing approach.

December 23, 2025: The Board authorized negotiation of a line of credit with First Bank of Ketchikan, Alaska, for up to \$20 million.

April 17, 2026: SEAPA closed on the First Bank line of credit, securing the financing mechanism needed to support continued project execution and cash flow management.

Since the March CEO report, the project has advanced materially. Turbine and generator fabrication continues to progress, final design is substantially complete, and SEAPA now has the construction RFP on the street. Development of the construction solicitation was more complex than a typical procurement because the project must incorporate multiple state and federal funding and tax-credit compliance requirements. These include prevailing wage provisions, apprenticeship requirements, American iron and steel provisions, Build America, Buy America requirements, domestic content requirements, and associated contractor certifications and documentation. Considerable effort was required to integrate these requirements into a construction package that is clear, enforceable, and workable for prospective bidders.

The equipment procurement is also progressing well. The project transformer is currently anticipated to be manufactured ahead of schedule. While this is positive from a project delivery standpoint, it creates some logistical complexity because the completed transformer can only remain stored under nitrogen for a limited period—approximately four months—before it would need to be filled with insulating oil.

SEAPA's preferred approach is to coordinate delivery of the transformer with the other major turbine and generator equipment so that the equipment can be transported to Tyee on a common barge shipment. This will reduce handling, mobilization, and marine transportation complexity at the remote project site. Canyon Hydro has transportation and delivery coordination included within its scope of work, and staff is working with Canyon to align the transformer manufacturing schedule with the overall equipment shipment. At this point, no significant project issue is anticipated from the accelerated transformer schedule.

Persistent pursuit of funding for the SEAGR project also remains ongoing. The following summarizes the primary funding and financing sources:

DOE Section 247: SEAPA's \$5 million Hydroelectric Incentives Program award for the Tyee Third Turbine Project is back in active negotiation with DOE. SEAPA has submitted the requested updated budget, SOPO, milestones, FERC documentation, equipment sourcing information, and economic benefit data. The award is addressed in greater detail in a separate section of this report.

REF Round 18: The Alaska Legislature approved funding for SEAPA's \$2 million REF award as part of the Round 18 appropriations. SEAPA is now working through the remaining administrative process and anticipates receipt of the funding in the coming months.

Investment Tax Credit: Approximately \$12 million is anticipated. Baker Tilly (formerly Moss Adams) is assisting with the tax-credit compliance and documentation process. These funds are

expected to be received after the project is placed in service, making interim project financing important during construction.

Line of Credit: SEAPA closed on its First Bank line of credit in April 2026, securing up to \$20 million in financing capacity to manage construction-period cash flow while grant and tax-credit funding is finalized and received.

The Investment Tax Credit continues to represent a significant component of the overall project financing strategy. However, compliance with prevailing wage, apprenticeship, and domestic content requirements must be carefully managed throughout construction to preserve eligibility for the anticipated credit. These requirements have therefore been incorporated into the construction and procurement documents and will remain an important contract-administration responsibility during project execution.

Current Status: The SEAGR project is progressing well. Major equipment fabrication is underway, final design is substantially complete, the construction RFP has been issued, project financing is in place, and both state and federal funding sources are advancing. The transformer is currently expected to be completed ahead of schedule, and SEAPA is coordinating its delivery with the remaining major equipment to support a consolidated barge shipment to Tyee. Overall, the project remains on track and continues to represent the most significant near-term implementation item in SEAPA's 2024–2028 Strategic Plan.

Phase 2: SEADR – Southeast Alaska Delivery Resiliency Project

The Ketchikan Substation Project continues to advance and has now moved from design into procurement and construction preparation. SEAPA has signed the project contract, the transformer RFP is currently on the street, and staff is actively working on the civil design package needed to support site development and construction.

An “ideal” site adjacent to KPU’s Ward Cove Substation has been identified for the project. The site is subject to an existing 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 specifically consistent with the permitted use of the easement, and SEAPA continues coordinating the necessary property and easement arrangements with KPU and the Borough.

The following is an updated timeline on current progress:

October 30, 2024: 100% electrical design completed.

January 23, 2025: SEAPA held a meeting with KPU stakeholders to discuss the existing KPU Utility Easement at the Ward Cove Substation and potential transfer or assignment of the easement from KPU to SEAPA.

August 4, 2025: SEAPA applied for approximately \$4.8 million through the Alaska Energy Authority Grid Resiliency Grant Program.

October 13, 2025: SEAPA received notice of selection for a subaward from AEA under Section 40101(d) in the amount of approximately \$4.53 million.

July 9, 2026: SEAPA signed the 40101(d) Grant Agreement with the Alaska Energy Authority in the amount not to exceed \$4,533,139.

July 27, 2026: SEAPA issued a Request for Proposal(s) for the transformer rated at 115kV/34.5kV 20/25MVA.

Current Status: The project grant agreement has been executed, the transformer procurement RFP has been issued, and SEAPA is advancing civil design for the Ward Cove site. The transformer remains one of the project's critical long-lead items, so early procurement is an important step in maintaining the overall project schedule. Staff will continue coordinating the civil design, transformer procurement, easement requirements, and AEA grant administration as the project moves toward construction.

Phase 3: SEACR – Southeast Alaska Capacity Resiliency Project

As outlined in the 5-Year Strategic Plan, the SEACR project is intended to address future capacity needs through a new hydroelectric facility or alternative energy source. Although the 2023 Load Forecast indicated that the need for additional hydro capacity is likely more than 10 years away, SEAPA continues to monitor opportunities, industry trends, emerging technologies, and changing load-growth assumptions that may accelerate the need for new capacity resources.

The results of SEAPA's solar feasibility study, presented during the June 26–27, 2024 Board Meeting, demonstrated that solar was the best near-term technology to help bridge the energy gap between today and the point at which a new hydro facility may be needed. Since that time, the Wrangell Solar project has advanced rapidly from feasibility into active implementation.

The following is an updated timeline (highlighted) on current progress:

June 26, 2024: Solar Feasibility Study completed and presentation given to the Board of Directors.

January 16, 2025: 30% design and procurement specifications completed.

July 4, 2025: One Big Beautiful Bill Act signed into law.

August 7, 2025: EPA canceled the Solar For All Program.

August 20, 2025: IRS guidance issued on Investment Tax Credits, including the requirement to begin construction by July 4, 2026.

October 30, 2025: Board authorization received for 30% design and procurement specifications.

January 22, 2026: Board update provided on tax credits and solicitation for quotes.

February 26, 2026: Solar feasibility work reclassified to a capital project.

February 27, 2026: SEAPA submitted a CDS request to Senator Murkowski.

March 18, 2026: SEAPA submitted the land lease application and conditional use permit.

March 18, 2026: SEAPA executed the task order for survey of the land lease area.

April 7, 2026: SEAPA surveyed the proposed project site and land lease area.

May 6, 2026: Mark and I presented the Wrangell Solar project at a public town hall in Wrangell.

May 11, 2026: The Wrangell Planning and Zoning Commission approved the conditional use permit for the land lease.

May 12, 2026: The Wrangell Borough Assembly approved the land lease.

June 8, 2026: SEAPA executed a contract with Commonwealth Associates to advance the project design from 30% to 100%.

June 29, 2026: Phase 1 road construction and the transformer pad were completed, and field work for the as-built survey was completed. This work established the project's "Begins Construction" milestone for purposes of preserving eligibility for the Investment Tax Credit.

July 8, 2026: SEAPA received the signed and stamped as-built survey for Phase 1 construction from an Alaska-registered professional engineer, documenting completion of the initial construction work.

Current Status: Since the May CEO report, the Wrangell Solar Project has advanced through several significant development and construction milestones. The project site was surveyed on April 7, followed by continued public and local government engagement, including the May 6 town hall in Wrangell. The project received Planning and Zoning approval for the conditional use permit on May 11, followed by Borough Assembly approval of the land lease on May 12. Together, these actions secured the local approvals and site control necessary to move the project forward.

On June 8, SEAPA executed a contract with Commonwealth Associates to advance the project design from 30% to 100%. This work is now progressing in parallel with continued site development and preparation for future procurement and construction activities.

Initial construction activities also moved forward in June. Phase 1 work included access road improvements and construction of the transformer pad, along with associated survey work. The physical construction was completed on June 29, and SEAPA subsequently received the signed and stamped as-built documentation on July 8. This work was specifically structured to establish the project's "Begins Construction" milestone and preserve SEAPA's eligibility for the anticipated Investment Tax Credit.

The Wrangell Solar Project remains an important component of SEAPA's broader generation and resiliency strategy. In addition to providing renewable energy during normal operations, the project has the potential to significantly reduce Wrangell's reliance on diesel generation during SEAPA outages. During this year's SEAPA maintenance outage, Wrangell burned more than 40,000 gallons of diesel fuel. Once the solar project is operational, SEAPA estimates that solar production could reduce diesel consumption during comparable outage periods by approximately

one-half. Over the life of the project, that could translate into substantial fuel savings while also reducing emissions, fuel transportation requirements, and exposure to diesel price volatility.

The project will also provide SEAPA with valuable operating experience integrating utility-scale solar and battery energy storage into the regional system. That experience will become increasingly important as load patterns evolve and SEAPA evaluates additional renewable resources, energy storage, and emerging industrial or data-related loads.

Looking longer term, SEAPA will continue evaluating future generation requirements and opportunities for additional renewable development. Potential large-load growth, including data-related and industrial development, could accelerate the need for future generation additions. The availability of significant federal Investment Tax Credits for qualifying new hydroelectric development also creates an incentive to evaluate potential future hydro projects well in advance of the applicable federal deadlines. While additional hydro development may remain years away under current load forecasts, changing regional loads and available federal incentives warrant continued strategic planning.

Best Practices & Process Improvements:

AEA Board Member Update: Under AS 44.83.030, the six public members of the Alaska Energy Authority Board are appointed by the Governor to staggered three-year terms, with vacancies filled for the balance of an unexpired term. I continue to serve on the AEA Board as the public member representing a municipally owned utility or Joint Action Agency located off the interconnected road system. Since my last CEO report, I was also elected Vice Chair of the Alaska Energy Authority Board.

The Vice Chair role provides an additional opportunity to participate in Board leadership and remain closely engaged in statewide energy policy, funding priorities, and major infrastructure initiatives that are directly relevant to SEAPA and Southeast Alaska.

Since my last CEO report, AEA's work has continued to intersect directly with several of SEAPA's major capital and funding priorities. Most importantly, DOE formally approved AEA's three selected projects under the current Section 40101(d) Grid Resilience Formula Grant allocation in April 2026. These projects are supported by approximately \$17.6 million in federal formula funding, with SEAPA's Ketchikan Substation Project included among the selected projects. AEA anticipates issuing a third and final solicitation under the program, although the timing and amount of funding for that final round have not yet been determined.

AEA also remains central to administration of the Renewable Energy Fund. The Legislature and Governor approved \$14.6 million for Round 18, fully funding the top nine recommended projects, including SEAPA's \$2 million award for the Southeast Alaska Grid Resiliency/Tyee Third Turbine Project. AEA has now opened Round 19, with applications due September 11, 2026. SEAPA is evaluating both the Swan Lake Uprate and Wrangell Solar projects as potential candidates for this next funding round.

AEA continues to play a major role in statewide energy planning and development, including major generation, transmission, and grid resilience initiatives. Although many of these efforts are

focused on the Railbelt, the associated policy, financing, permitting, federal funding, and reliability issues are directly relevant to SEAPA's long-term planning in Southeast Alaska.

On May 25, I attended the 2026 Alaska Retreat on State Policy to Support Railbelt Transmission Expansion in Anchorage, which preceded the Governor's energy conference. The discussions focused on the policy, financing, permitting, and infrastructure challenges associated with major transmission expansion. Although centered primarily on the Railbelt, many of the same issues apply in Southeast Alaska as SEAPA evaluates future transmission, generation, resiliency, and load-growth investments.

Susitna-Watana also remains part of the broader statewide energy discussion. Continued interest in large-scale hydroelectric development reflects the growing focus on long-term firm renewable generation and energy security throughout Alaska. These discussions are relevant to SEAPA as the state evaluates how hydropower, transmission, storage, and other resources fit into Alaska's long-term energy strategy.

My service as Vice Chair of the AEA Board provides SEAPA with an enhanced level of visibility into statewide energy policy, funding programs, major infrastructure initiatives, and emerging federal opportunities. I will continue to keep the SEAPA Board informed of AEA decisions and policy developments that may affect SEAPA's projects, funding strategy, capital planning, or long-term regional energy needs.

APA Board Member Update: APA continues to provide an important, unified voice for Alaska's electric utilities on state and federal legislative, regulatory, and industry matters. Since my last CEO report, APA completed its Federal Legislative Conference June 2–4, 2026, in Washington, D.C., providing members an opportunity to meet directly with Alaska's congressional delegation, federal agencies, and other policymakers on issues affecting Alaska utilities.

I participated in the Washington, D.C. fly-in and meetings with Alaska's congressional delegation, including Senator Murkowski, Senator Sullivan, and Representative Begich, as well as federal agency representatives. SEAPA's discussions emphasized continued federal support for hydropower, improvements to the federal licensing and regulatory process, preservation of federal hydropower incentives, transmission and grid resiliency investment, and the unique challenges associated with developing and maintaining electric infrastructure in Southeast Alaska.

APA's federal engagement has continued beyond the June fly-in. On August 17, 2026, APA hosted a meeting with Senator Lisa Murkowski and FERC Commissioner Lindsay See, which I attended remotely. I closed out the discussion with several hydropower regulatory issues that are directly relevant to SEAPA and the broader industry.

The topics I raised included the potential for a de minimis threshold or streamlined process for relatively small capacity increases at existing hydroelectric projects, particularly as it relates to Swan Lake; the increasing use of post-license conditions; the need to avoid requiring formal license amendments for routine maintenance and repair activities already contemplated by an existing license; and concerns regarding the expanding scope and burden of mandatory conditions imposed during the licensing process. These issues were well received and generated constructive discussion.

Of particular interest, FERC indicated it would look further into the potential for a rulemaking related to the de minimis issue. A more streamlined approach for modest uprates or capacity increases at existing hydroelectric facilities could significantly reduce unnecessary regulatory burden while still preserving appropriate environmental, safety, and licensing oversight. This is especially relevant as SEAPA evaluates future improvements at Swan Lake and continues through the relicensing process.

These federal relationships continue to produce value beyond individual meetings. SEAPA and APA remain actively engaged with Senator Murkowski, FERC, and other federal agencies on hydropower licensing and regulatory matters affecting existing hydroelectric facilities. That engagement is particularly important as SEAPA proceeds with Swan Lake relicensing, evaluates potential future amendments and uprates, and works to minimize unnecessary regulatory burdens associated with maintaining and improving existing hydroelectric infrastructure.

APA's advocacy has also remained important as Alaska utilities navigate increasingly complex federal funding and construction requirements. Federal grants and tax incentives now routinely involve requirements related to Build America, Buy America, domestic content, prevailing wages, apprenticeships, equipment sourcing, and other compliance obligations. SEAPA is dealing directly with many of these requirements on the Tyee Third Turbine, Ketchikan Substation, and other capital projects. Maintaining a coordinated statewide utility voice on these issues helps ensure that federal programs recognize the practical realities of constructing energy infrastructure in Alaska.

APA also continues supporting member utilities through safety programs, workforce development, training, mutual assistance, and industry coordination. These functions remain particularly valuable as utilities throughout Alaska face workforce constraints, increasing construction costs, supply-chain challenges, and a growing need for specialized technical skills.

APA is now preparing for its 75th Annual Meeting, September 29 through October 2, 2026, in Anchorage. The Annual Meeting will bring together electric utility leadership from across Alaska to address emerging industry, policy, operational, and regulatory issues.

As Vice Chair of APA's Government Affairs Committee and Secretary of APA, I will continue helping develop and advance APA's policy priorities and ensure that Southeast Alaska's interests remain represented in statewide and federal utility discussions. I will continue to keep the SEAPA Board informed regarding APA legislative activity, federal advocacy, regulatory developments, and other initiatives that may affect SEAPA's operations, capital program, funding strategy, or regulatory environment.

PERSONNEL RECRUITMENT & RETENTION:

SEAPA's overall workforce stability remains strong, although succession planning and recruitment continue to be important priorities. Sharon Thompson has announced her retirement effective January 4, 2027 and recently provided a very thoughtful retirement letter. Given the breadth of her responsibilities and institutional knowledge, replacing her will be challenging. We

are actively seeking a successor and have received interest in the position; however, most applicants to date have not demonstrated the combination of experience, judgment, administrative capability, contract knowledge, and organizational fit that the position requires. Our goal is to identify a qualified candidate early enough to allow meaningful overlap and knowledge transfer before Sharon's departure.

Recruitment for the Swan Lake Operator Mechanic position has now been successfully completed. Following the retirement of the Roving Relief Operator effective April 1, 2026, SEAPA conducted a broad recruitment effort and received a strong pool of applicants. Brian Raff participated in an in-person interview and site visit on June 8 and demonstrated that he was a very strong fit for the organization. Brian is a highly qualified mechanic with the technical skills, operational background, and personality well suited to SEAPA's small, highly capable workforce. He was subsequently hired and began work on July 8.

Recruitment and retention remain closely tied to SEAPA's overall compensation and benefits package. Health and welfare benefits are an especially important component. Although SEAPA continues to experience significant increases in health insurance premiums, these benefits remain an important tool in attracting and retaining highly qualified employees, particularly in a remote and competitive labor market. Maintaining a strong benefits package helps SEAPA recruit individuals who can perform across multiple disciplines and assume broader responsibilities.

That versatility is important to SEAPA's organizational model. By recruiting and retaining highly skilled employees who are capable of performing multiple functions, SEAPA is able to operate effectively with a comparatively lean workforce. In that respect, competitive compensation and health and welfare benefits should be viewed not only as an employee benefit, but also as an important component of controlling SEAPA's overall staffing requirements and total FTE count.

Looking ahead, additional regulatory responsibilities associated with FERC relicensing and the potential construction of major capital assets may require strategic adjustments to staffing. Several key employees are also approaching retirement eligibility, reinforcing the need for continued succession planning. I will continue evaluating SEAPA's long-term organizational needs to ensure we maintain the appropriate level of technical, operational, administrative, and regulatory capacity.

As part of our longer-term workforce strategy, I continue mentoring our engineering intern, who is expected to graduate at the end of 2026. This provides an opportunity to develop future engineering capacity internally and potentially strengthen succession planning in a difficult-to-recruit technical discipline. We also plan to conduct a comprehensive compensation study later this year to ensure SEAPA remains competitive in both recruitment and retention.

July 6, 2026

Dear SEAPA Team,

It is time for me to retire! It is an understatement to say that I will miss all of you immensely. A job is a job but it is the people who make it a joy. Our culture is so special that I really think of this as a message to my "Dear SEAPA Family".

We work so well together that I can honestly say this has been the most fluid and outstanding team I have ever worked with. You are true professionals at your craft! I am grateful for what I have learned from each of you and the meaningful connections that make saying goodbye so difficult.

I do reserve the right, however, to drop by from time to time to torment you with the latest geological anomaly I have dug up!

My last day of work will be January 4, 2027. Please know that I am fully committed to ensuring a smooth handover of my responsibilities during this transition.

Many thanks for being the best of the best to work with. I wish each of you personally, and the SEAPA organization, continued success!

Sincerely,


Sharon Thompson





SOUTHEAST ALASKA POWER AGENCY

Date: August 11, 2026
To: Robert Siedman, CEO
From: Clay Hammer, Operations Manager
Re: Plant Operations Quarterly Report for August 2026 Board Meeting

Plant Operations Quarterly Report

This following is provided to the Board as a summary of the inspections that take place each month at SEAPA's Hydroelectric Plants. Each detailed inspection is documented with site-specific inspection forms. A full day is reserved to perform these inspections. They provide a monthly baseline of the overall health and condition of each plant. In the third quarter the crew focus is on getting the annual maintenance shut down complete as well as any outside fair weather work.

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 WOs are done and all scheduled Annual Maintenance items have been completed.

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

Generators

- Generators cleaned and inspected
- Generator windings tested
- Alarms and set points tested and verified
- Oil samples taken

Station Service and Substation

- Swan/Bailey B-phase neutral bushing Was replaced
- Transformer Oil samples taken
- Alarm and set points tested and verified
- Swan disconnect switches serviced and adjusted

Grounds/Camp/Dock

- Groundskeeping and vegetation management
- Road service and repairs

Dam/Reservoir/Gate

- Tunnel drained, inspected, minor repairs made
- Tunnel gate at dam pulled and serviced
- Diversion Tunnel Inspected

Notable Maintenance and Repairs Completed

- Bulk fuel deliveries in crew boat
- Station service transformer temp monitoring panels replaced
- Repair and calibrate cooling water flow switch Unit S-1
- Replaced failing cooling water flow switch
- Engines Serviced on Crew Boat

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, monthly and annual Work Orders (WOs) are up-to-date. There were no forced outages this quarter. There was a total of fifteen Call Outs for power-related events.

The following is a highlight of noted repairs scheduled or completed:

Generators

- Replaced brushes on Tyee unit T-1
- Rebuilt brakes and replaced brushes on Tyee unit T-2,
- Completed all single unit outage maintenance on Tyee unit T-2

Station Service/Substation

- Wrangell and Petersburg Switchyard and Substation work orders completed
- Tyee Circuit Switcher CST-21 "C" phase arrester replaced with used one. New replacement ordered.

Grounds/Dock/Penstock Tunnel/Airstrip

- New steps and handrail system for fuel storage tanks
- Grade and compact Airstrip and roadways

Notable Maintenance and Repairs Completed

- Pressure wash Crew Boat bottom
- Bulk fuel deliveries to Tyee with Crew boat
- Repair broken sewer line connection Forest Service Admin Cabins
- Assist contractors with station service work
- Monthly Wrangell and Petersburg Work Orders

Substations and Switchyards

Reviews were also 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

Wrangell Switchyard

Marine Terminal cables meggered and rotated leaving A,B, and C phases in service and Spare out of service. Reactor oil samples taken.

Petersburg Substation

Phase connection to Breaker T-62 overhead buss work cleaned and retorqued. Heating issue resolved. Transformer oil samples taken.

Swan/Bailey Substation

Transformer B-phase Neutra Bushing replaced with new. Heating concern resolved. Transformer oil samples taken.

Safety Training:

SEAPA uses an online training program that is administered and monitored by staff. This past quarter the crews have received training in the following:

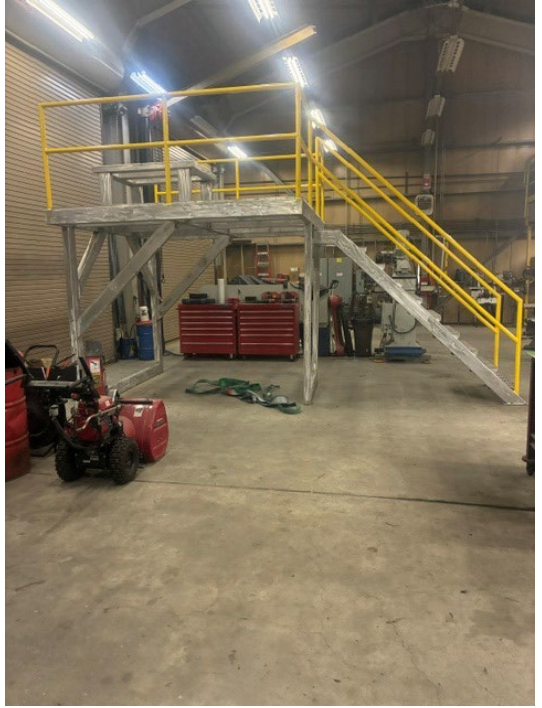
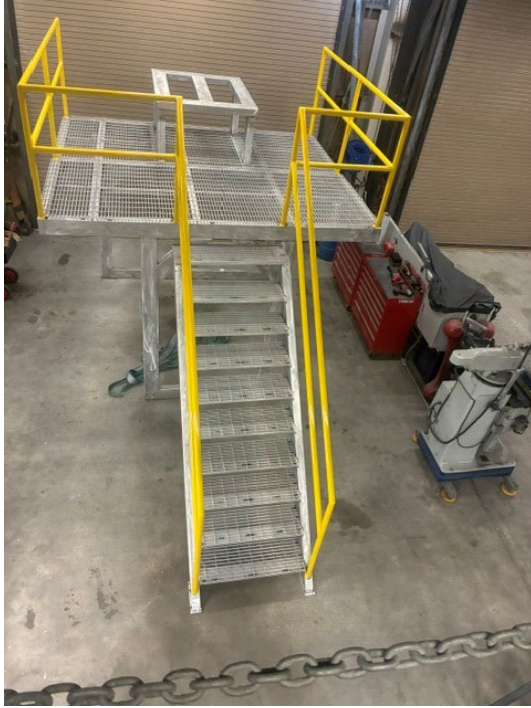
- ✓ **Electrical Safety**
- ✓ **Ladder Safety**
- ✓ **PPE Training**
- ✓ **Working Alone Safely**



PHOTOS:



Above: Tyee Lake Station Service Gear being installed at Tyee Governor Deck Level



Above: New Fuel Offloading Station with Stair and Handrails At Tyee



Above: SEAPA Electrician, Nathan Stewart, installing Neutral Bushing at Bailey Substation



Above: Swan Lake Tree Removal from Camp area, no more clogged gutters



Above: Bear at Cleveland Peninsula Marine Terminal.

Below: Comms testing at Marine Radio Solar Panel



Below: Close-up of Bear-scratched Antenna Pole behind Battery Stand





Above: Crew change during annual outage, Misty Fjords Turbine Beaver picking up crew at Swan Lake then dropping off at Tyee air strip

End of Report



SOUTHEAST ALASKA POWER AGENCY

Date: August 11, 2026
To: Robert Siedman, P.E., CEO
From: Clay Hammer, Operations Manager
Re: Projects Report for August 27-28, 2026 Board Meeting

The following is an update on special projects and contract work assigned to the Operations Manager for FY26:

RR24398, Structure #194 & #195 Replacement Swan/Bailey Line

Project awarded to Electric Power Constructors. The work was scheduled for June 1-10 during the annual maintenance outage. The project was completed on time and within budget.

RR26414, Crimper and Die Kit Tyee Lake

This special-order large conductor crimping kit for plant and line work has arrived and is ready for service.

RR26416 Dump Truck Swan Lake

This project will replace a 45-year-old, 5-yard truck at Swan Lake with a modern 10-yard articulated model. Due to the current unit's limited capacity and safety concerns, this upgrade will improve efficiency in hauling wood debris while significantly reducing maintenance costs. The search for the right truck continues, and we expect to purchase and deliver it by year end.

FY26 Right-of-Way Clearing Contract

A contract for clearing 72 acres of ROW along the Swan-Tyee Intertie on Cleveland Peninsula was awarded to Gig Harbor Tree Service of Washington. This work is currently underway and is expected to be completed by the end of August. An inspection of their progress earlier this month showed that the quality was satisfactory and no complications are expected.

FY26 Tower Clearing

This year D&D Tree Service of Petersburg was tasked with clearing towers along the North End of the SEAPA system and Timberscape Industries, LLC of Ketchikan was tasked with clearing towers on the South End. That work was completed on time. D&D Tree has also completed some much-needed clearing that was left over on Woronkofski from last year's contract work. Timberscape will be doing some clean up on a couple small spots on the Swan-Tyee Intertie later in September which will complete this season's small projects' punch list.



EPC Line Crew setting 85' tall pole on Tower #194 Swan/Bailey Line

End of Report



SOUTHEAST ALASKA POWER AGENCY

Date: August 12, 2026
To: Robert Siedman, P.E., CEO
From: Mark Hilson, P.E., Project Manager
Subject: SEAPA Board Report for August 27, 2026 Board Meeting

Given current project workload, I will not have a board PowerPoint presentation for this meeting.

Federal Energy Regulatory Commission (FERC) License-Related Activities

Swan Lake Structural Stability Analysis

The **Drone Mapping and Geologic Data Collection Report** as identified in the Part 12D Periodic Inspection Report recommended an updated Structural Stability Analysis to include a new previously unidentified joint set "D".

Progress:

- Schnabel Engineering is under contract
- Draft Technical reports completed at the end of July

Next Steps:

- Review Draft reports, revise, then submit Report to FERC.

Swan Lake License Required Activities

- Completed the dewatering of the plunge pool, and completed Lidar abutment and plunge pool geotechnical field work
- Dewatered, inspected, and successfully spot repaired power tunnel during 2026 outage
 - Previous power tunnel repairs were in very good condition
 - Tunnel overall in good condition with some additional leaks and wear that will need to be addressed over the next few years
 - Proposing next round of tunnel repairs in 2028

Tyee 3rd Turbine FERC Capacity License Amendment

FERC issued Order Amending License on April 14, 2026. Two studies (sedimentation in the tailrace and flow monitoring downstream from Tyee Lake) will be completed as a part of the Tyee relicensing efforts.

Swan Lake FERC Relicensing

Contractor: Kleinschmidt Associates
Start Date: November 6, 2024
Cost in 2024 dollars: \$3M
Completion: June 2030

Relicensing continues to progress on-time and on budget.

Progress:

- Obtained Agency concurrence on Wetland and Botanical study plans
- License Amendment Application for reduced project boundary submitted to FERC

Next Steps:

- 2026 Study field work completed August 7th
- Continue stakeholder engagement
- Final License Application due June 30, 2028

Tyee Lake FERC Relicensing

Contractor: Kleinschmidt Associates
Start Date: September 4, 2025
Cost in 2024 dollars: \$3M
Completion: July 2031

Relicensing continues to progress on-time and on budget.

Progress:

- Monitoring Studies started in May 2026.
- FERC approved request to use Traditional Licensing Process.
- Successful Joint Agency Meeting and Site Visit July 29 & 30, 2026.
- Study Fieldwork August 14 -19, 2026.

Next Steps:

- Continue Studies - Hidden Creek flow & Tailrace sediment monitoring April through December.

Project Related Activities

Roadway Embankment Reconstruction

Contractor: Pool Engineering, Inc.
Start Date: July 2026
Estimate: \$380,000

Completion: August 2026

Swan Lake's access road experienced an embankment failure after a harsh winter freeze was followed with 18 inches of rain in less than 4 days. The failure involved a 50-foot high saturated embankment that fell away, washed down the slope, and for the most part was swept away with the torrential rains.

Progress:

- Project complete.
- Swale, embankment, and area above slide reconstructed.
- Uncovered long lost drainpipe and replaced.

Cleveland Peninsula Helipad Replacement

Contractor: H Construction LLC

Start Date: January 30, 2026

Contract Award: \$415,001

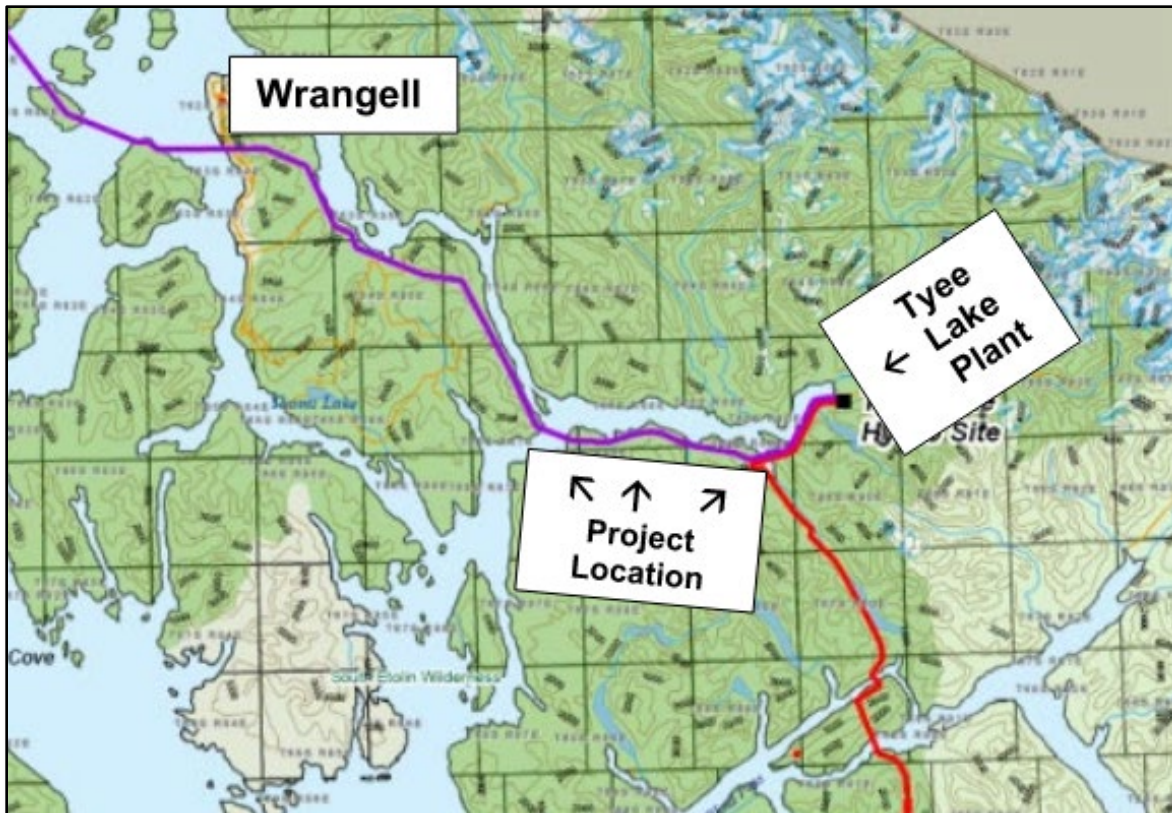
Completion: On or before June 30, 2026

Progress:

- ◆ Construction Complete.

Next Steps:

- SEAPA to land on each helipad and do final inspection.



Project location Map

Swan Lake Unit #1 Condition Assessment and Uprate Study Project

Contractor: McMillen, Inc.

Start Date: March 6, 2026

Contract Award: \$332,095

Completion: December 2026

This project will perform a condition assessment of turbine generator Unit 1 (Unit 1) to identify specific refurbishment, improvement, or replacement actions required to ensure continued reliable service. It will also produce an uprate study to assess the feasibility and financial benefits of increasing the generator's power output and efficiency through design and technology improvements.

Progress:

- McMillen Engineering is under contract
- Field inspection complete.
- Draft field inspection report is complete

Next Steps:

- Review and finalize field inspection report
- Complete Uprate Alternatives Screening Memo.

Wrangell Solar

Contractor: Rock-N-Road Construction Inc.

Start Date: May 15, 2026

Contract Award: \$150,000

Completion: July 4, 2026

Funding deadlines drove our efforts to get substantive on-site work completed. To this end staff completed a road and BESS site layout. Ketchikan Ready Mix supplied rock, and Rock-N-Road did site work in upland areas. Wetland delineation and permitting field work is complete.

Progress:

- Completed first phase of sitework including access road along overhead route to Transmission Line, BESS Yard stone Foundation Pad, and access road up to the creek crossing.
- Wetland Delineation and request for concurrence submitted to USACE
- USACE assigned project manager

Next Steps:

- Obtain USACE delineation concurrence
- Complete stream crossing design
- Geotech analysis
- Phase II site work

End of Report



SOUTHEAST ALASKA POWER AGENCY

Date: August 13, 2026
To: Robert Siedman, P.E., CEO
From: Kris Womack, Electrical Controls Engineer
Subject: SEAPA Board Report for SEAPA August 27-28, 2026 Meeting

Tyee Station Service & 15kV Switchgear

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 15 kV main generator switchgear and 15 kV cables. A construction contract was awarded to Electric Power Constructors (EPC) on June 28, 2024, and construction began in April 2025.

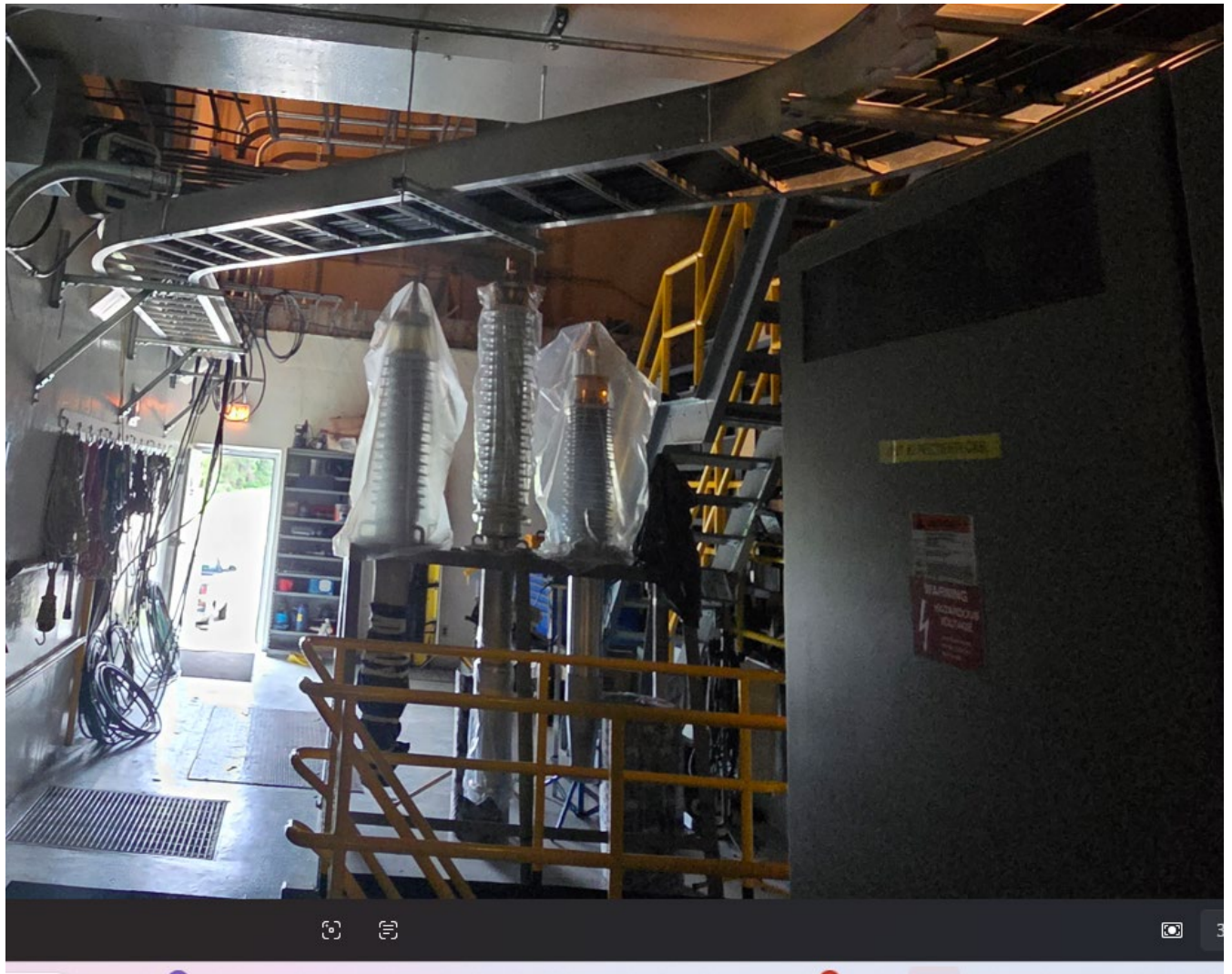
Progress Report:

- Construction began in April 2025. EPC has completed the following:
 - Outdoor conduits to Emergency Diesel Generator (EDG)
 - Concrete pad for EDG
 - 480V panel board complete
 - Emergency Generators delivered to site
 - 480V Switchgear delivered to site.
 - Completed factor acceptance test on 15 kV Unit Switchgear.
 - Temporary power and ATS intalled
 - Cable tray and conduits 90% completed
 - New Feeders 70% completed

Upcoming Schedule:

- Delivery of 15 kV equipment in late August.
- EPC returning early September to continue construction. Work includes the following:
 - Install new EDG's and demo existing EDG
 - Install & Demo 480V switchgear.
 - Intall & Demo 15 kV switchgear.
- Anticipated completion date: October 31







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Ketchikan Substation

This project is to design and construct a substation in Ketchikan that is sized to service the load growth needs in Ketchikan. It will be a remotely-controlled 115/34.5 kV substation located adjacent to SEAPA's 115 kV line from SEAPA's Swan Lake Hydroelectric Facility.

The new station will be served from an existing 115 kV transmission line owned by SEAPA. The design of two short overhead transmission lines - one at 115 kV and one at 34.5 kV - to connect the substation is included in the scope of work.

Progress Report:

- 100% design was submitted on October 28, 2024. Final package includes 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).
- Transformer RFP released on July 27 to solicit bids.

Next Steps:

- Award Transformer supply contract
- Develop RFP for other major equipment
- Secure land by easement transfer from KPU
- Site Topographic Survey (including resistivity testing)
- Site Geotechnical Survey
- Incorporate survey information into design
- SEL to provide quote for EDC effort.

Tyee Third Turbine

Progress Report:

- 100% design completed.
- Canyon and subcontractors continue manufacturing of major components including Turbine, TIV, nozzels, deflectors, GSU, Cooling Water (March 2026).
- Governor, Controls, and Switchgear submittals have been reviewed and approved as noted.
- Construction RFP released on August 12, 2026 to solicit bids.
- Transformer factory acceptance test (shipping expected September 2026).

Next Steps:

- McMillen Engineering During Construction contract to be considered under New Business in the Agenda.
- Award construction contract (October 2026).
- Factory Acceptance Testing for HPU, TIV, Powerhouse electrical (July-December 2026).



Grid Reliability & Stability Project (Solar)

Recognizing that additional generation sources are needed to fulfill future load growth of the three member communities, SEAPA contracted with Commonwealth to perform a feasibility study on adding solar generation. With available Investment Tax Credits (ITCs) along with potential Congressionally Directed Spending funds, a solid business case was made for building a solar project in Southeast Alaska.

The scope of the project will be to add a 5 MW battery Storage System (BESS) with all controls for interconnection and an expandable solar array (1.5 MW initial, expandable to 5MW).

Progress Report:

- Task Order for 100% design was awarded and contract signed June 8, 2026.
- Phase 1 site works have been completed.

Next Steps:

- Continue with design
- Geotechnical site work
- Develop RFP for major equipment

Wrangell Switchyard Additions

The Wrangell 69 kV Switchyard serves as the critical interconnection point between the Lake Tyee Power Plant, Petersburg Borough, and the City and Borough of Wrangell. Due to anticipated community growth, Wrangell has requested installation of a new distribution transformer connected to an existing 24.9 kV overhead distribution line running approximately 2 miles south to the Mill Site.

The Switchyard previously had a 3.75 MVA transformer connected to the 24.9 kV overhead distribution line. The original 3.75 MVA mill site transformer was previously removed, and a 2.5 MVAR reactor bank now occupies that location. The 24.9 kV overbuild line from the SEAPA switchyard to the old mill site still exists. This line was rated for 10 MVA. SEAPA is moving forward with design in consideration of a potential deep water port project in Wrangell at the old mill site that may require up to a 10 MVA transformer

Progress Report:

- 30% design completed by McMillen

Next Steps:

- Procurement package (Q1 2027)
- RFP for supply contract (Q2 2027)
- 60% design (Nov 2026)
- 90% design (Jan 2027)
- 100% design (Feb 2027)



SOUTHEAST ALASKA POWER AGENCY AUDITED FINANCIAL STATEMENTS

A copy of SEAPA's FY2025 Audited Financial Statements and Audit Wrap-up was sent to Board members under separate cover. Joy Merriner, Assurance Partner with SEAPA's audit firm, BDO USA, will call in to present the audited financial statements.

SUGGESTED MOTION
I move to accept the Audited Financial Statements of the Southeast Alaska Power Agency for the year ended December 31, 2025, as presented at the August 27-28, 2026 board meeting.



SOUTHEAST ALASKA POWER AGENCY 2027 ADMIN BENEFITS RENEWAL

Date: August 19, 2026

From: Kay Key, Controller

National Rural Electric Cooperative Association (NRECA), the group benefit provider for SEAPA's administrative employees, issued their 2027 renewal rates. Their deadline for group enrollment is September 25.

SUGGESTED MOTION

I move to renew the 2027 administrative employee group benefits as presented at the August 27-28 board meeting .

HEALTH & WELFARE - Current 2026 monthly rates and 2027 renewal rates for each benefit are displayed in the following “**Renewal Rates (2027)**” notice. The table directly below displays the trend of annual per-employee premiums. Employees contribute 10% of the medical, prescription, dental, and vision premiums.

ANNUAL Premiums per Employee	CY25	CY26	CY27
NRECA - Single Med, RX, Dental, Vision	\$23,413	\$24,670	\$29,066
NRECA - Family Med, RX, Dental, Vision	\$48,289	\$50,685	\$59,232
NRECA - Life Insurance, Disability (average)	\$265	\$278	\$274
NRECA - Defined Benefit Plan (RS Plan)	42.11%	42.53%	42.94%
SEAPA - Defined Contribution Plan (457b)	3%	3%	3%

Please refer to the attached CEO Health & Welfare Memo.

RETIREMENT SECURITY PLAN - SEAPA participates in NRECA's defined benefit plan (RS Plan). 2027 billing rates increased 0.41%. SEAPA's historical contributions are displayed in the attached “**Retirement Security Plan**” graph. The attached four-page “NRECA Retirement Security Plan 2027 Billing Rates” contains details regarding their rate adjustments.

457(b) DEFERRED COMPENSATION PLAN – SEAPA's Deferred Compensation Plan is a governmental 457b Plan. These benefits are administered by Spectrum Pension Consultants, which is not affiliated with NRECA. SEAPA contributes 3% of base salary to administrative employees' accounts after they contribute 1%.

BUDGET ESTIMATE – This table contains a budget estimate for administrative employees based on 2026 wages and 8 FTEs. NRECA premiums in 2027 (Life and disability insurance, as well as the RS Plan) are based on employees' base wages as of November 15, 2026.

Budget Item	Budget Estimate
Wages	\$1,236,300
Taxes	96,000
H&W	440,700
Retirement	568,000
Total	\$2,341,000

ADMINISTRATIVE EMPLOYEE BENEFITS – An outline of SEAPA's administrative employee benefits is attached. There are no changes compared to 2026.

Attachments:

- Renewal Rates 2027 (NRECA Group Benefits)
- CEO Health & Welfare Memo
- Retirement Security Plan (NRECA Historical Rates)
- NRECA Retirement Security Plan Rate FAQs
- SEAPA Administrative Employee Benefits



SOUTHEAST ALASKA POWER AGENCY H&W Memo

DATE: August 19, 2026

TO: SEAPA Board of Directors

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

SUBJECT: Health & Welfare Memo

NRECA has proposed an approximately 18% increase in medical premiums for 2027. While this is a substantial increase and warrants careful review, I recommend that SEAPA renew the existing NRECA medical plan and absorb the increase rather than materially changing the benefit structure or moving employees to a higher-deductible plan coupled with a Health Savings Account (HSA).

SEAPA has periodically evaluated whether other benefit providers could offer comparable coverage at a lower cost. In 2023, when NRECA costs were also increasing, SEAPA solicited a proposal from Paychex. After reviewing SEAPA's existing coverage and pricing, Paychex essentially advised us that SEAPA already had a very competitive arrangement through NRECA and that they could not offer a better overall value. That review provided useful third-party confirmation that the NRECA program has historically been competitive in the broader insurance market.

The proposed 18% medical increase is considerably higher than SEAPA has experienced in recent years. For comparison, the 2026 NRECA renewal increased individual medical and prescription coverage by 5.6% and family coverage by 5.0%, while several ancillary coverages decreased or increased only modestly. Therefore, this year's increase appears to be primarily a market trend medical insurance cost issue rather than a broad increase across all Administrative SEAPA employee benefits.

There are options that could reduce SEAPA's direct premium costs, such as increased employee cost sharing, or moving to a high-deductible health plan with an HSA. Those alternatives, however, do not eliminate healthcare costs; they largely transfer a greater portion of the cost and financial risk to employees and their families. For an organization of SEAPA's size, the potential savings must be weighed against the value employees place on predictable and comprehensive health coverage. This benefit has become an important component of SEAPA's total compensation package.

As discussed elsewhere in the CEO Report, recruitment and retention remain significant organizational priorities. SEAPA competes for engineers, administrative professionals, and other

specialized employees against utilities, government agencies, contractors, and private-sector employers. Salary is only one component of that competition. Health insurance, retirement, paid leave, and the overall stability of the benefit package are important factors when employees decide whether to join SEAPA or remain with the Agency.

Switching to a high-deductible plan because premiums increased may produce savings on one side of the budget while increasing administrative costs and creating recruitment and retention challenges on the other. It would also represent a reduction in an employee benefit at a time when SEAPA is emphasizing workforce stability and attempting to attract qualified candidates.

For those reasons, I recommend that SEAPA accept the NRECA renewal and maintain the existing medical plan design and employee contribution structure for 2027. An 18% increase is significant and should continue to be monitored, and SEAPA should periodically test the market to confirm NRECA remains competitive. Based on our prior market review, however, I do not believe that materially reducing employee health benefits or shifting additional healthcare risk to employees is in SEAPA's best interest at this time.

NRECA Employee Benefits

View Renewal Rates - 01 02192 001 SOUTHEAST ALASKA PWR AGENCY

Renewal Rates (2027)

Subgroup01 02192 001 SOUTHEAST ALASKA PWR AGENCY

Renewal Date01/01/2027

Medical - PPO Plan 2 (0102192001 - SOUTHEAST ALASKA PWR AGENCY -AK)

Coverage	Current Monthly Rates (2026)	Renewal Monthly Rates (2027)	Difference (%)
Individual Only	\$2,203.02	\$2,605.09	18.25%
Individual + Dependent	\$4,436.72	\$5,217.41	17.60%

Dental - Enhanced Plus Dental Plan 1 (0102192001 SOUTHEAST ALASKA PWR AGENCY AK)

Coverage	Current Monthly Rates (2026)	Renewal Monthly Rates (2027)	Difference (%)
Individual Only	\$66.16	\$71.10	7.47%
Individual + Dependent	\$214.69	\$225.35	4.97%

Vision - VSP Enhanced Vision Plan 1 (0102192001 SOUTHEAST ALASKA PWR AGENCY)

Coverage	Current Monthly Rates (2026)	Renewal Monthly Rates (2027)	Difference (%)
Individual Only	\$15.10	\$15.10	0.00%
Individual + Dependent	\$41.66	\$41.66	0.00%

Life - Basic Life and AD&D Insurance Plan 1 (0102192001 - SOUTHEAST ALASKA PWR AGENCY AK)

Coverage	Current Monthly Rates (2026)	Renewal Monthly Rates (2027)	Difference (%)
Employee	\$0.367 per \$1,000	\$0.385 per \$1,000	4.90%

LTD - 66 2/3% Social Security Offset 1 (101 02192 001 SOUTHEAST ALASKA PWR AGENCY)

Coverage	Current Monthly Rates (2026)	Renewal Monthly Rates (2027)	Difference (%)
Employee	\$0.0486 per \$100	\$0.0462 per \$100	-4.94%

STD - Short-Term Disability Plan 1 (01 02192 001 SOUTHEAST ALASKA PWR AGENCY)

Coverage	Current Monthly Rates (2026)	Renewal Monthly Rates (2027)	Difference (%)
Employee	\$0.0626 per \$100	\$0.0645 per \$100	3.04%

BTA - BTA Plan 1 (01 02192 001 SOUTHEAST ALASKA PWR AGENCY)

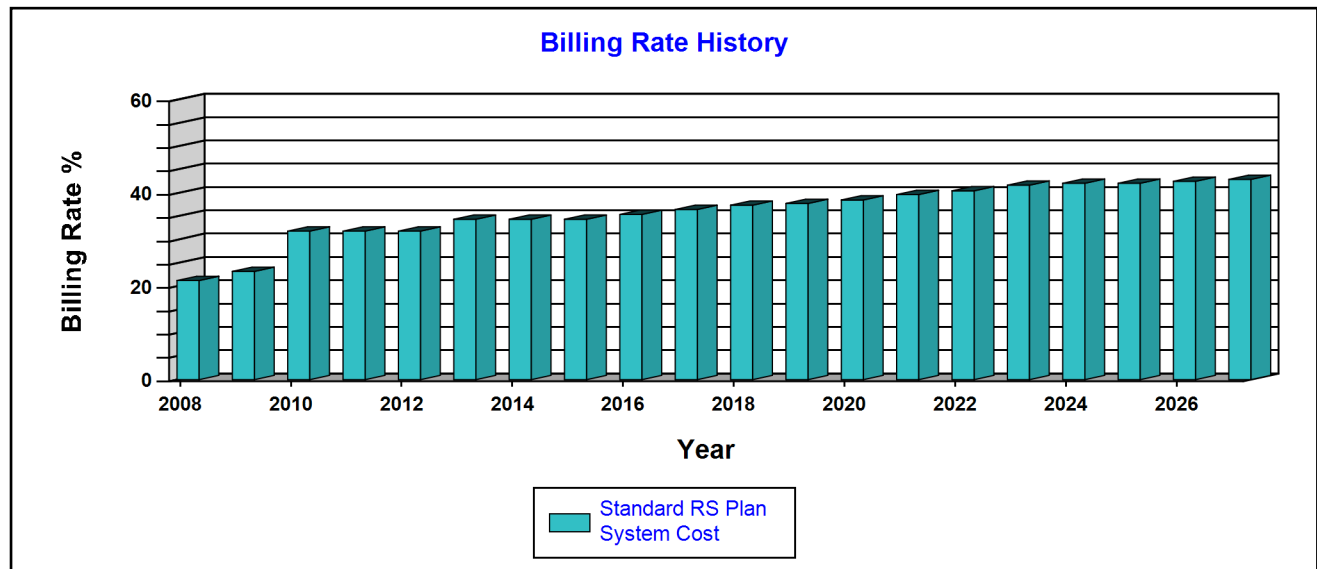
Coverage	Current Yearly Rate (2026)	Renewal Yearly Rate (2027)	Difference (%)
Total Co-op Rate	\$324.00	\$324.00	0.00%

Retirement Security Plan

System #:	01-02192-001	Standard RS Plan:	A
Name:	SOUTHEAST ALASKA PWR AGENCY		

Standard RS Plan: A

Year	Benefit Level	System Cost	Employee Contribution	Plan	COLA	Average Age	Death Benefit	Salary Type
2008	2.00	21.25	0.00	62	Yes	51	Standard	BS
2009	2.00	23.21	0.00	62	Yes	49	Standard	BS
2010	2.00	31.85	0.00	62	Yes	50	Standard	BS
2011	2.00	31.85	0.00	62	Yes	50	Standard	BS
2012	2.00	31.85	0.00	62	Yes	57	Standard	BS
2013	2.00	34.39	0.00	62	Yes	56	Standard	BS
2014	2.00	34.39	0.00	62	Yes	55	Standard	BS
2015	2.00	34.39	0.00	62	Yes	56	Standard	BS
2016	2.00	35.43	0.00	62	Yes	56	Standard	BS
2017	2.00	36.49	0.00	62	Yes	56	Standard	BS
2018	2.00	37.41	0.00	62	Yes	58	Standard	BS
2019	2.00	37.78	0.00	62	Yes	55	Standard	BS
2020	2.00	38.53	0.00	62	Yes	54	Standard	BS
2021	2.00	39.69	0.00	62	Yes	55	Standard	BS
2022	2.00	40.49	0.00	62	Yes	56	Standard	BS
2023	2.00	41.70	0.00	62	Yes	57	Standard	BS
2024	2.00	42.11	0.00	62	Yes	58	Standard	BS
2025	2.00	42.11	0.00	62	Yes	58	Standard	BS
2026	2.00	42.53	0.00	62	Yes	57	Standard	BS
2027	2.00	42.94	0.00	62	Yes	58	Standard	BS



Note: The System Cost is the total of the Trust Contribution and the Administrative Fee.

Your Retirement Security Plan's salary type is "base salary." As a result, your contribution cost (system cost plus employee contribution rate shown above) is applied as a percentage of each participant's annualized base rate of pay in effect on November 15, 2026, which is that participant's effective salary for the 2027 plan year. Beginning with your January 2027 monthly statement, the estimated amount due will be based on this percentage. Rates shown are for the plan in effect as of January 1 for each year.



NRECA Retirement Security Plan 2027 Billing Rates

Answers to Frequently Asked Questions

While the Retirement Security (RS) Plan standard base contribution rates for 2027 remain unchanged as compared to the 2026 rates, certain other contribution rating factors are changing. The following information provides additional insight into the determination of the 2027 rates, and the current and future financial position of the RS Plan.

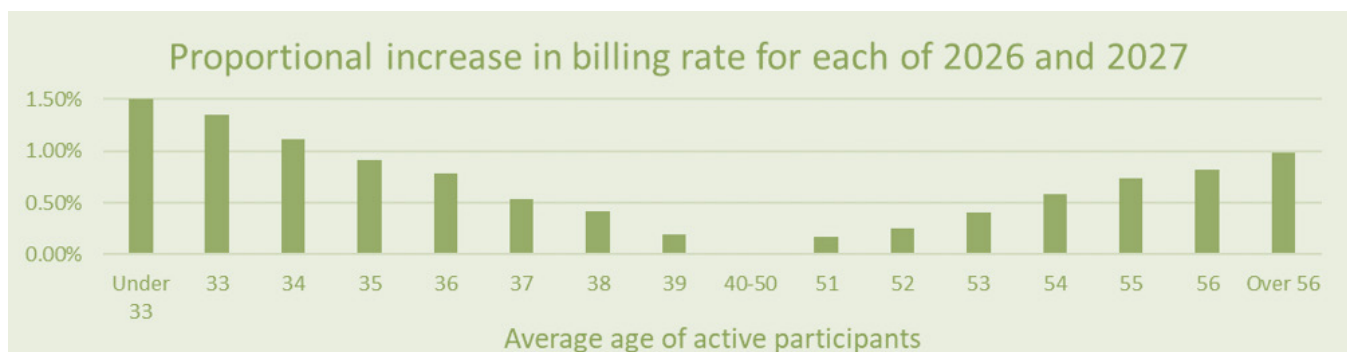
Why are some of the age adjustment factors being updated?

Age adjustment factors are used to adjust a co-op's contribution level to account for the average age of the plan's active covered participant population within each co-op. These factors are periodically reviewed to ensure participating co-ops are contributing to the plan in an equitable manner. As a result of the most recent review of these factors, it was determined that increases are needed with respect to covered populations with average ages under 40 and above 50.

The percent changes in rates are not uniform for each average age:

- For co-ops with an average age for its covered population of 51 and above, the factors will be increased by up to 2% (phased in by up to 1% per year over 2026-2027).
- For co-ops with an average age for its covered population of 39 or younger, the factors will be increased by up to 3% (phased in by up to 1.5% per year over 2026-2027).

This chart illustrates the magnitude of the change on billing rates for 2026 and 2027:



Can you give examples of how the above updates might impact our co-op's contribution rate?

Any adjustments will result in a proportional rate increase to the 2025 base contribution rate spread across 2026 and 2027. For example, if your co-op's average age is 32 for both 2026 and 2027 (and there are no other changes in plan design or billing rates), the adjustments per year are 1.5%. If your co-op's billing rate for 2025 was 20%, after the application of the adjustments, the 2026 billing rate would be 20.30% ($20\% \times 1.015$), and the 2027 billing rate would be 20.60% ($20.30\% \times 1.015$).

continued

How might other types of changes cause a co-op's contribution rate to change for 2027?

If your co-op is not affected by the factor updates above, the following changes still could result in your 2027 contribution rate being different from the 2026 rate:

- Plan provision changes that apply to the 2027 rate but did not apply to the 2026 rate (such as changes in benefit levels, the normal retirement age or employee contribution rates).
- Due to changes in a co-op's eligible participant population, the average participant age used for the 2026 rate may differ from the average age used for the 2027 rate. Other things being equal, a lower average age among participants will result in a lower contribution rate, and vice versa. Age changes in participant subgroups with lower average ages have a larger impact on the contribution rate than age changes for older populations.

If your co-op is not affected by the factor updates above, does not change provisions, and the average age of the eligible population does not change, your contribution rate should be the same in 2027.

Has the administrative fee portion of the contribution rate changed?

No, the administrative fee rate remains unchanged at 3% of the total contribution for 2027 (before reflecting the 2013 prepayment program discount), the same as in 2026.

What factors allowed the 2027 standard formula base rates to remain unchanged from 2026?

In any given year, there are many elements that affect the base contribution rates. The decision to not increase the 2027 standard formula base contribution rates is the result of a combination of factors, including:

- The RS Plan Trust's 2025 investment rate of return was 14.5%, which is higher than the assumed 7.25%.
- The expected long-term return on plan assets remained at 7.25%.
- The interest rates used for estimating future single cash payment calculations were increased slightly, which lowered the projected benefit payments NRECA uses in our cost calculations.
- The 2026 asset return year-to-date is running slightly higher than expected.

How do increases or decreases in assets (above or below the expected 7.25% asset return level) influence future base contribution rate changes?

The RS Plan operates under special multiple-employer funding rules that our participating members helped us achieve under the Cooperative and Small Employer Charity ("CSEC") Pension Flexibility Act in 2014. These rules allow the RS Plan to average its investment returns over several years, with any asset gains or losses in the current year spread into costs over the next five years, which helps to lower contribution volatility. Also, NRECA's prudent plan management, including further diversification of invested assets over time, has helped keep recent changes in billing rates in the single-digit range for many years. This is in contrast to 2010, when a sudden downturn in the economy and heightened volatility in the capital markets in 2009 necessitated a 35% increase in base contribution rates in a single year. The RS Plan is in a much better and stronger financial position than it was in 2009 and maintains a strong long-term financial outlook.

When does the difference in rates between prepaying and non-prepaying co-ops end?

Non-prepaying co-ops currently pay a higher billing rate than similarly situated prepaying co-ops. This higher rate essentially pays, over many years, the special contribution the non-prepaying co-ops could have made in 2013 by participating in the prepayment program.

- Those incrementally higher contributions are being tracked to determine when the non-prepayers have contributed total contributions that are actuarially equal to the amount of the 2013 special contributions they could have made. The rate discount will not be taken away

from prepayers, but non-prepayers will essentially have bought into a comparable discount level over time. Therefore, prepaying co-ops should not expect a sharp increase in billing rates. However, non-prepaying co-ops can expect a proportional decrease in their billing rates over time.

- Based on assumptions about future RS Plan asset returns and other actuarial assumptions, we currently expect the differential in rates to phase out by 2029. This estimated timing is highly dependent on the actual asset returns of the RS Plan Trust and actuarial experience over the next several years; therefore, the actual end of the phase-in period could be different.

What is the current funding level for the plan?

There are many measures of the RS Plan's funding level, each based on different required assumptions and methods. Under our special CSEC rules, the current funded level of the RS Plan is 109%. This is the measure of the funded ratio (the actuarial value of assets divided by RS Plan liabilities) that is reported on government forms and is comparable to how other pension plans like the RS Plan report their funded status. This measure is based on a smoothed value of plan assets, and includes contributions received during the first 8½ months of a given plan year.

It is important to note that the RS Plan Annual Funding Notice mailed to participants each April shows different funding levels because of the unique assumptions and methods required for the annual notice. Specifically, the asset amounts shown in the 2025 annual funding notice (mailed to participants in April 2026) does not include contributions received during the first 8½ months of a given plan year and is based on the market value of assets. These and other calculation differences result in the annual funding notice showing a 107% funded level, a bit lower than the 109% CSEC measurement.

Could there be future base contribution increases?

Base contribution rates are reviewed each year as part of a process designed to move the plan toward an improved funded ratio over time. This annual review takes into consideration:

- **Results of the annual actuarial valuation**—Funding rules used in the annual valuation determine a contribution level that is designed to eventually achieve a higher and more stable funded ratio for the RS Plan over the anticipated funding period.
- **Potential impact of key cost drivers**—Key factors that could affect future base contribution rates include further regulatory changes and the outlook for investment returns and interest rates.

A slow-to-improve funded ratio was the primary reason for rate increases from 2016 to 2024. If the funded ratio again experiences slow growth or declines, it could be necessary to again increase rates in future years. Because the valuation process includes methods to reduce contribution volatility, any changes in costs would be gradual. The volatile and uncertain market conditions have also raised the need to be prudent in adjusting the billing rate, and future increases could be required in the event the annual return for 2026 is below the assumed 7.25% return.

Some cost factors have shown recent improvement. How does this affect the RS Plan in the long term?

The two primary sources of RS Plan funding are investment returns and employer contributions. If expectations for future investment returns decline, participating employers must pick up the difference through increased contributions. The RS Plan, along with most large pension plans, had decreased its long-term investment return assumption over the past 10 years in response to a variety of market and macro-economic conditions. (The expected return on assets assumption decreased from 8% as of January 1, 2012, to 6.75% as of January 1, 2022.) However, recently the outlook for asset returns ticked up slightly, increasing to 7% on January 1, 2023, and has been 7.25% since January 1, 2024.

Other factors have had an inflationary effect on the cost of benefits, and therefore contributions, including:

- **Interest rates**—When interest rates are low, pension plans like the RS Plan must pay larger single cash payments than previously expected. That was the situation up until early 2022. Recently, we've seen rates rise to historically normal levels, which should eliminate the liability losses the plan was experiencing each year due to those low interest rates.
- **Increasing longevity**—People are living longer and, consequently, drawing on their pensions for longer periods of time, also increasing the overall cost of benefits.

Does the funding level in the RS Plan differ between employers that participated in the 2013 prepayment program, and those that did not?

Yes. The accelerated contributions that employers prepaid into the RS Plan under the 2013 prepayment program immediately improved their individual funding levels, as compared with employers that decided not to participate in that program. This is what allowed for the 25% reduction in future base contribution rates for prepayers compared with those that did not prepay.

It is important to note, however, that while non-prepayers may have a lower individual funding level at any given point in time, the higher relative contribution rates being paid into the RS Plan will result (over time) in an improvement in their funding levels, eventually catching up to the average funding levels of the prepayers.

Following is a chart comparing the average RS Plan funding levels for prepayers versus non-prepayers, based on accrued benefit liabilities and the actuarial value of assets as of January 1, 2026:

	RS Plan Total	Average for Prepayers	Average for Non-prepayers
CSEC funded level*	109%	110%	108%

*Includes RS Plan contributions payable in 2026.

Regardless of their prepayment status, does each participating employer pay to fund only its own benefit obligations under the RS Plan?

Yes. Even though we only perform a single actuarial valuation for the entire RS Plan each year, the contributions that each employer is required to make, regardless of prepayment status, are designed to fully fund the benefit obligations of its own unique population and plan design by the time each employee retires and draws his or her benefit from the RS Plan. The same is true for active plans versus frozen plans. Regardless of their status, each participating employer is paying an equitable share of the total cost based on its plan design features, eligible employee demographics and unique compensation.



SOUTHEAST ALASKA POWER AGENCY

Administrative Employee Benefits Calendar Year 2027

Non-represented employees are eligible for these benefits provided by National Rural Electric Cooperative Association (NRECA).

Nat'l Rural Electric Cooperative Assn. (NRECA) Plans	Coverage: No waiting period IN – In Network • OUT – Out of Network		Employer Contrib.	Employee Contrib.
Medical PPO	IN	Deductible: \$300 individual, \$600 family	90%	10%
	OUT	Deductible: \$600 individual, \$1200 family		
	Out-of-Pocket Maximums:			
	IN	Coinsurance: \$0 individual, \$0 family		
	OUT	Coinsurance: \$1200 individual, \$2400 family		
Prescription	Coinsurance Max: \$2000/individual, \$5000/family			
Dental	Deductible: Preventive - \$0 / Basic - \$50 per participant		90%	10%
Vision	Deductible: \$10 exam, \$20 glasses		90%	10%
Retirees-Medical coverage is available to retirees after completing 5 years of continuous service with the Agency.				
Basic Life & AD&D Insurance*	2x Base Salary		100%	---
Supplemental Life*	1x Base Salary		100%	---
Supplemental AD&D	Available		0	100%
Supplemental Family AD&D	Available		0	100%
Spouse Life*	\$10,000		100%	---
Child Life*	\$10,000		100%	---
Retired Life*	Available		0	100%
Business Travel Insurance	\$100,000 (covers all employees and Board members)		100%	---
Short-Term Disability	66-2/3% of weekly earnings, \$1500/wk maximum. Benefits begin on day 8 and are limited to 13 weeks.		100%	---
Long-Term Disability	66-2/3% of annual salary paid until age 65 if totally disabled. Benefits begin after 13 wks.		100%	---

*Group term life insurance coverage in excess of \$50,000 is taxable income.

Homestead Plan (a division of NRECA)	Summary	Employer Contribution	Employee Contribution
457(b) Government Deferred Compensation Plan (SEAPA Irrevocable Trust)	Eligible on the first day of the month after one full month of completed service. Employee minimum contribution required; maximum subject to IRS limitations.	3% of base wage after employee minimum	1% of base wage minimum

Retirement Security Plan (sponsored by NRECA)	Employer Contribution	Employee Contribution
Defined Benefit Pension Plan – Participation begins first of the month following the first full year of employment. Benefit based on 2% of participant's final average effective salary. Subject to vesting schedule.	100%	---



SOUTHEAST ALASKA POWER AGENCY

Administrative Employee Benefits Calendar Year 2027

Payroll, PTO & Holidays	Description
Payroll	Bimonthly pay periods are the 1st – 15th and 16th-last day of the month. Pay dates are the 7th and 22nd of the month.
Paid Time Off	Standard Accrual: Employee earns 6 hours per pay period in first year; increasing to 10 hours per pay period. Maximum accrual of 480 hours cashed out each year-end or at separation from service.
Holidays	10 holidays + 2 Floating Holidays annually. No carryover of floating holidays.

Retirement Security Plan - Vesting Schedule	
Years of Vesting Service	Vested Percent
One year of service	10%
Two years of service	20%
Three years of service	30%
Four years of service	40%
Five or more years of service	100%
If participating at age 55, regardless of years of service	100%

HOLIDAYS
New Year's Day Presidents Day Memorial Day Independence Day Labor Day Veterans Day Thanksgiving Day and the following Friday Christmas Eve and Christmas day 2 Floating Holidays

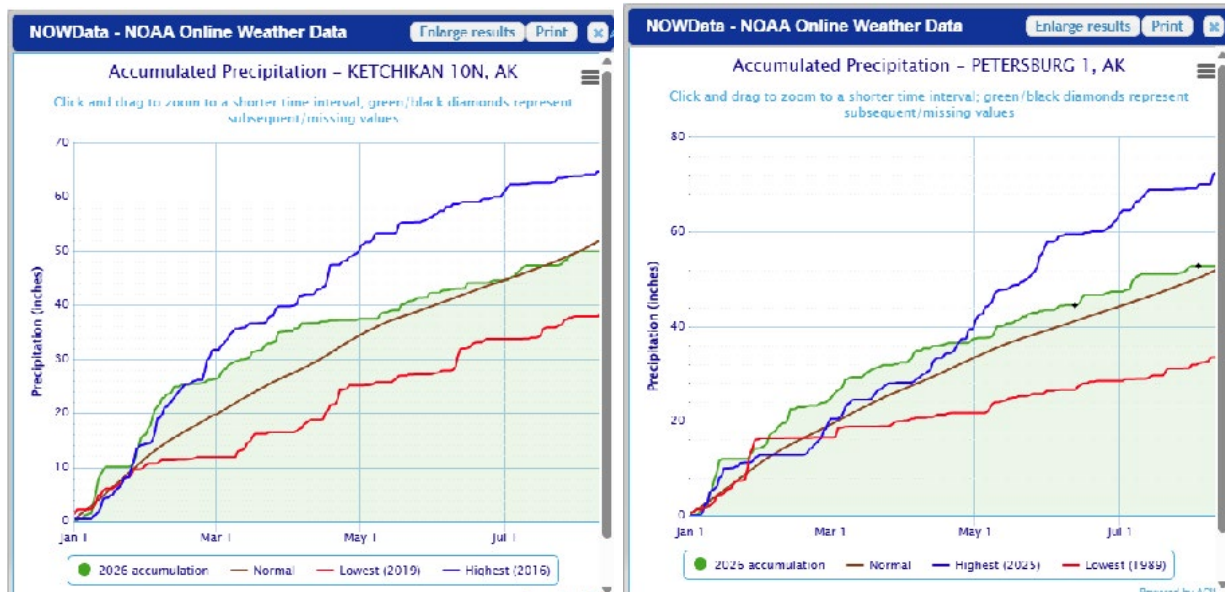
Board Review: August 27-28, 2026 Board Meeting

Date: August 13, 2026
To: SEAPA Board of Directors
From: Clay Hammer, SEAPA Operations Manager
Subject: Quarterly Operations Plan Update for August 27-28, 2026 Board Meeting

Operations Plan Update:

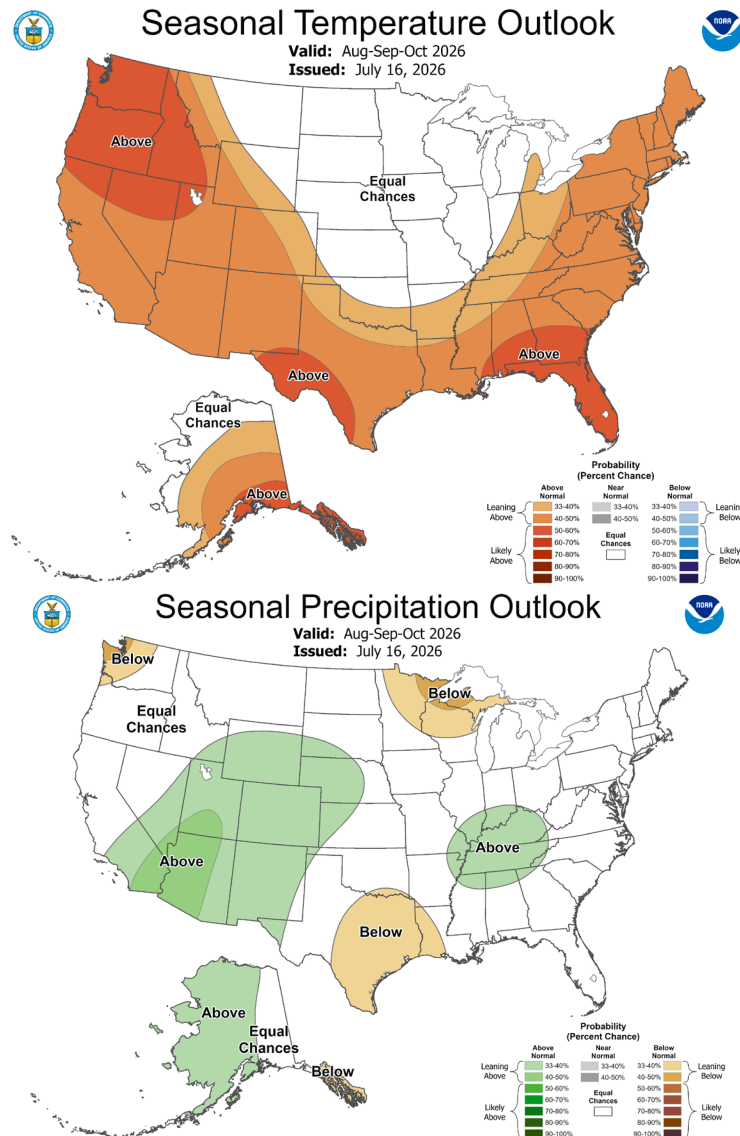
The Summer Season is meeting earlier projections for a warm Summer with average precipitation. This paired with a 75% normal snowpack at Swan and 116% snowpack at Tyee has contributed to current storage levels at both lakes. Operational constraints at Tyee Lake did lead to disproportionate drafting earlier in the season. That issue was corrected in June and the Agency has since shifted dispatch towards Tyee to equalize storage between the two projects.

The year-to-date precipitation for Ketchikan as indicated by NOAA is 50 inches. 52 inches is considered normal. The record high was set in 2016 with 64 inches and a record low set in 2019 with only 38 inches. For the second summer in a row Petersburg has been wetter than Ketchikan with 53 inches of rain. Their normal average is 51 inches with 2025 being the highest on record at 70 inches and a record low back in 1989 of 33 inches.

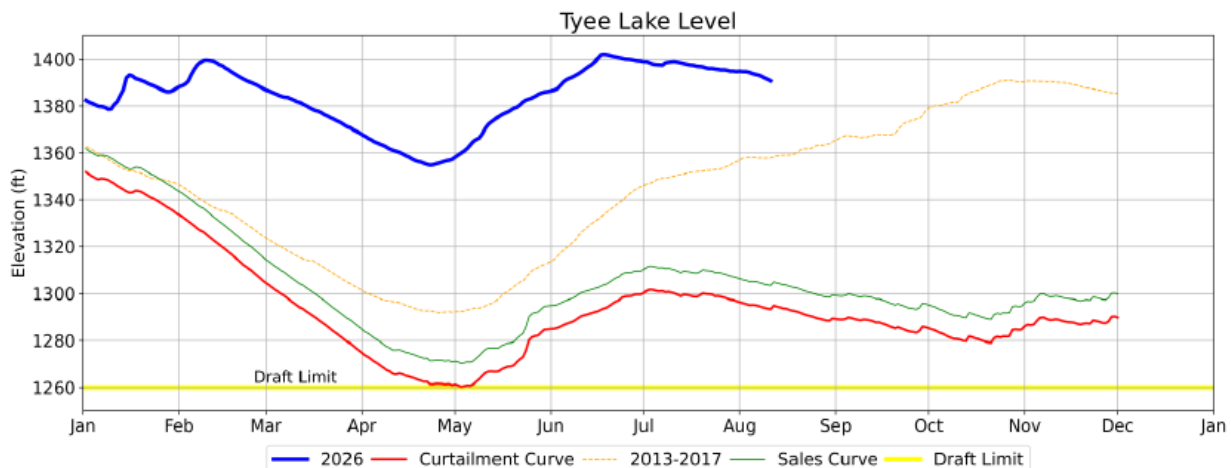


NOAA YTD Precipitation Data For Ketchikan and Petersburg - NOAA does not Track Wrangell DATA

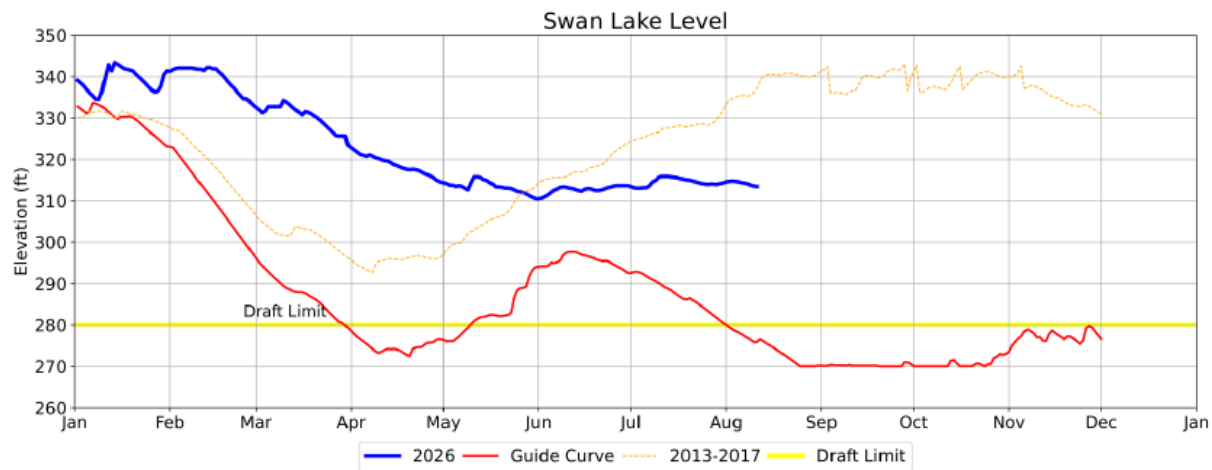
The weather predictions for Southeast Alaska's Fall quarter are calling for above-average temperatures and below-average precipitation. NOAA's earlier forecast expected below-average precipitation, but the anticipation of above-average temperatures is a more recent development. The months of July and August are normally fair with the weather turning wet and blustery by the end of September. If predictions hold for warmer weather in the Fall quarter, this should extend what is normally a wet season into the Winter quarter providing ample opportunity to accumulate inflows before the Winter freeze up sets in. This normally affects Tye the most as the higher lake elevation and associated inflows tend to ice up sooner and stay longer than at Swan.



NOAA 3-Month outlook through October for precipitation and temperature. It predicts below-average precipitation and above-average temperatures for the Fall quarter.



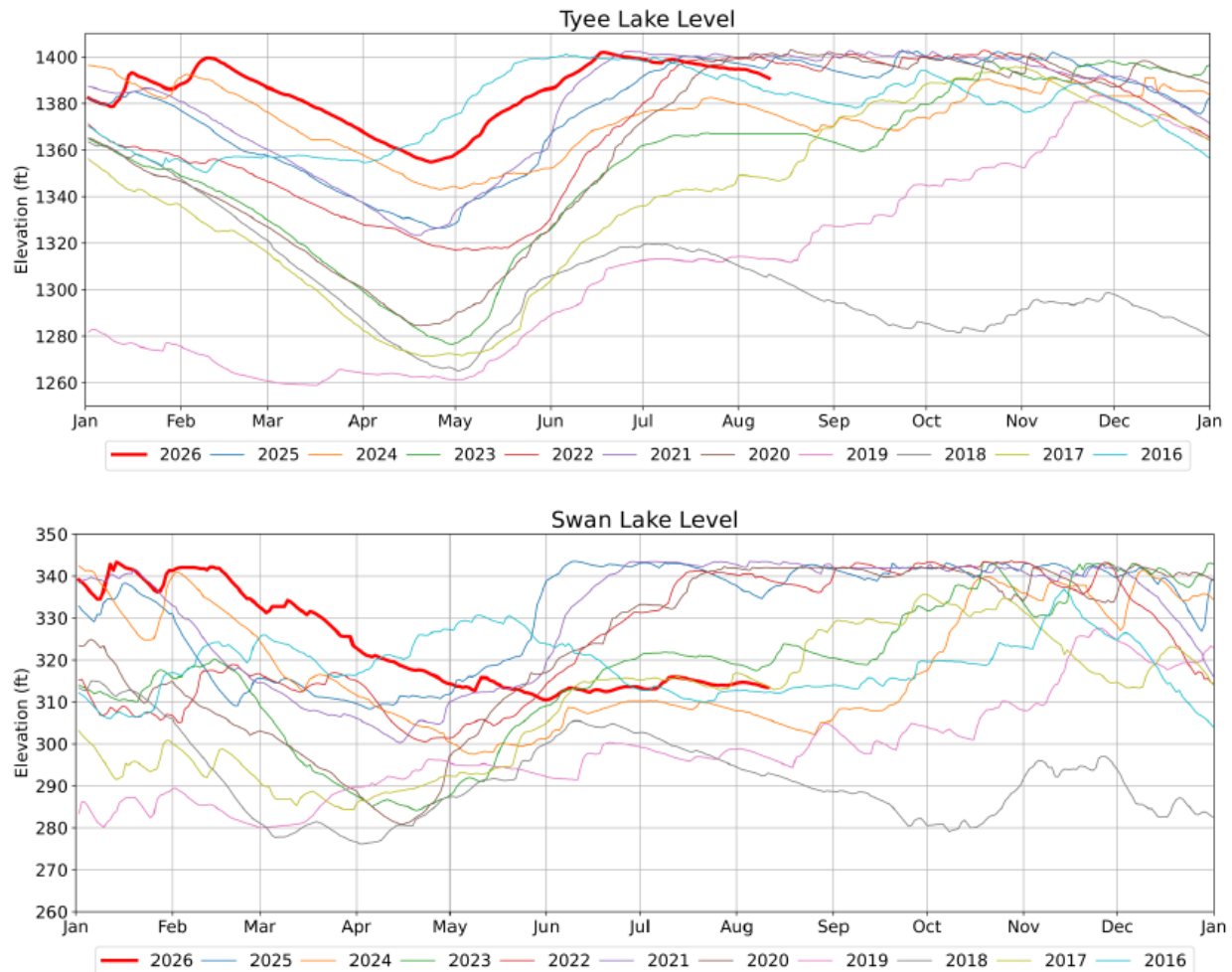
Tyee Lake sits at 1,390 feet elevation. It is currently 95% full. This is 97 feet above the curtailment curve. However, levels are 6 feet and 4% lower than last year. This stems from average precipitation and high winter snowpack. Five weeks of restricted spring generation also contributed.



Swan Lake is at elevation 313 feet and 60 % full. This is 23 feet and 32% lower than this same time last year. This is the result of below-average snowpack and precipitation, and five weeks of heavier-than-normal generation.

In April of this year the Agency experienced a setback during the course of routine maintenance, when access to Tyee Unit #2 was lost due to a failed circuit switcher. To repair it, a full plant outage with municipal diesel support would be required together with the services of a factory representative. The representative was not readily available, so the decision was made to defer the work until the scheduled annual outage five weeks later.

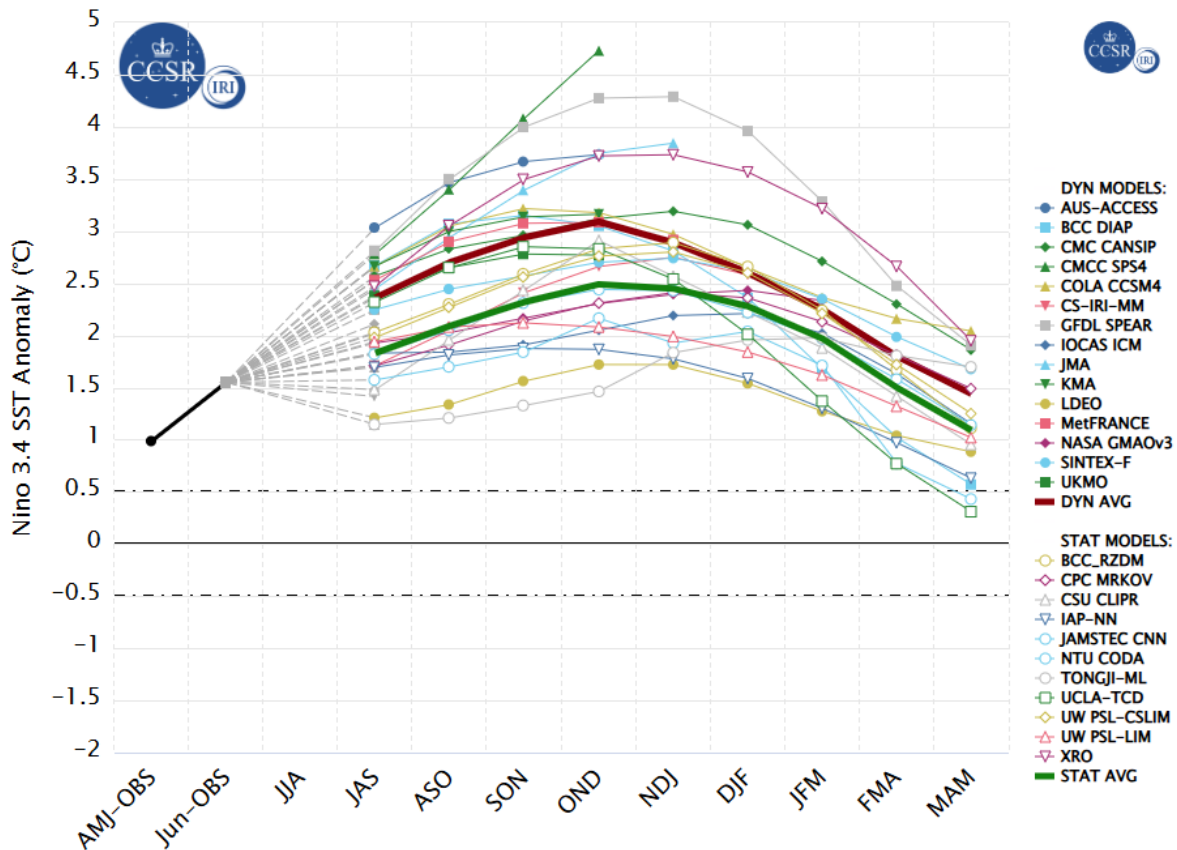
During those five weeks, Swan Lake had to run both generators to make up lost generation at Tyee. This resulted in heavier-than-normal water use from Swan Lake for that time of year. The Tyee unit returned to service in June and since then only one Swan Lake unit has been run as lightly as possible to help restore balance in the lakes. So far this season, Swan inflows have only been enough to offset daily generation requirements with no significant contribution to additional storage as noted in the graphs below.



Tyee and Swan Lake 10-Year Elevation Graph showing current elevations

[Remainder of page intentionally left blank]

Model Predictions of ENSO from Jul 2026



Above are the latest ENSO predictions for 2026 updated in mid-July. Model predictions are from the International Research Institute (IRI) and Climate Prediction Centers (CPC). The consensus is that there will be one of the largest El Nino events on record developing through the end of 2026 and extending into 2027. An El Nino weather pattern is typically warmer and wetter which could potentially mean a mild winter ahead with significant precipitation.

With a 35% difference in lake elevations between Tyee and Swan, SEAPA's goal is to restore balance in the storage levels between both lakes as we transition into the Fall/Winter cycle. As noted in the past, this is done through dispatch of power from the projects. By relying more on Tyee Lake, Swan can rebuild its storage and balance levels at both sites. This ensures we enter the winter cycle with maximum water reserves and reduces the risk of spills if the coming months are unusually wet.



SOUTHEAST ALASKA POWER AGENCY

Date: August 17, 2026
To: Robert Siedman, P.E., CEO
From: Kris Womack, Electrical Controls Engineer
Subject: Tyee 3rd Turbine Design Change Order No. 5 (RR25408)

Design of the Tyee 3rd Turbine was awarded to McMillen, Inc. in April 2024 for \$858,837 plus a 5% contingency for a total of \$901,017. Amendment #1 to the contract for additional effort to support early OEM procurement packages for major equipment totaled \$42,180. Two additional amendments followed which were no-cost schedule extensions. The board approved Change Order No. 4 for \$181,334 for additional labor costs at SEAPA's April 28, 2026 board meeting.

Staff seeks the board's consideration of sole source Change Order No. 5 for \$1,053,615. This covers labor and expenses for supplemental engineering to support construction, design modifications from contractor means and methods, value engineering, material substitutions, and major design reviews. For large and complex projects like this, contractor and manufacturer needs often require extra engineering design. A copy of McMillen's proposed change order is attached for your review.

Section 8.10 of the Agency's procurement policy states additional improvements beyond the scope of the contract cannot exceed 15% of the original bid price. The additional \$1,053,615 exceeds 15%. Amounts over \$150,000 typically require competitive bidding; however, Section 8.4 of the Policy provides competitive bidding is not required:

When the contractual services should be purchased from a specific source in order to prevent incompatibility with previously purchased ... contractual services.

Section 8.12 provides it is also not required:

Any other time the Board elects to except from the competitive bidding process any particular improvement or purchase from competitive bidding or other requirements by majority vote.

Staff requests the board's consideration in awarding sole source Change Order No. 5 for \$1,053,615 for McMillen's labor and costs associated with engineering during the construction phase of this project.

RR25408 Third Turbine-Generator TYL		
	2026	Overall
BUDGET	\$9,913,329	\$24,112,000
Expenditures	<u>-5,031,060</u>	<u>-6,790,471</u>
Unspent	\$4,882,269	\$17,321,529

McMillen Contract 24017
\$1,082,351
<u>-1,082,351</u>
\$0

Please consider the following:

SUGGESTED MOTION
I move to authorize staff to enter into sole source Change Order No. 5 to SEAPA's Contract No. 24017 with McMillen, Inc. for \$1,053,615.

Attachment:
Change Order No. 5



August 4, 2026

Robert Siedman
Southeast Alaska Power Agency

Subject: Tyee Lake 3rd Turbine-Generator Installation Design Project
Re: Engineering During Construction

Dear Mr. Siedman,

McMillen, Inc. (McMillen) appreciates the opportunity to continue to work with Southeast Alaska Power Agency (SEAPA) on the Tyee Lake 3rd Turbine-Generator Installation Design Project (the Project). As the Project moves into the construction phase, this letter proposal proposes a scope of work that supports SEAPA's effort to implement this project per the McMillen design performed to date.

PROJECT UNDERSTANDING

The Project has been in design since 2024. SEAPA awarded a procurement contract to Canyon Hydro for major unit components (turbine, generator, turbine isolation valve, switchgear, governor and unit controls, closed loop cooling water system, step-up transformer, etc.) and issued notice to proceed on July 18th, 2025. McMillen submitted Issued for Construction plans and specifications for the installation construction contract to SEAPA on May 18, 2026. Following SEAPA's review and approval, SEAPA will prepare and advertise a fixed firm price design-bid-build contract which will require engineering support to ensure contract compliance and completion to the Engineer of Record (EOR) design intent.

PROJECT GENERAL ASSUMPTIONS AND CLARIFICATIONS

Based on the information provided by SEAPA and our Project Understanding as identified above, the following assumptions have been made in the development of this change order request. These assumptions impact the overall Project and budget. However, McMillen will gladly entertain any discussion on these assumptions to ensure they align with SEAPA's goals.

- This work will be paid for on a time and materials basis with a not to exceed budget.



- Contractor documents review periods will be 14 days or less.
- All virtual meetings will take place using Microsoft Teams.
- McMillen has included refundable airfare within the budget to protect our clients and our team in case meetings need to be rescheduled.
- Travel is dependent upon weather and biological conditions, such as a pandemic (e.g., Covid-19).
- The project duration for engineering during construction support is the estimated to be 12 months.
- McMillen has not reviewed Specifications Division 00 provided by SEAPA and therefore is not aware of work that may be required by McMillen under these specifications. Consequently, any additional work relating to these sections is not included in our budget estimate.
- To account for subconsultant coordination, added insurance costs, and increased liability, a 5% markup will be added to the budget for each subconsultant managed by McMillen. Currently McMillen does not anticipate needing any subconsultants.
- SEAPA or SEAPA's Construction Manager (CM) will supply special inspectors, equipment, and testing labs.

PROJECT APPROACH

McMillen's project approach is identified in four basic work tasks. The Tasks will be completed in the order described, excluding Project Management, which is included for the duration of the Project.

- Task 1 – Project Management
- Task 2 – Bid Phase Services
- Task 3 – Document Review
- Task 4 – Onsite and Quality Assurance Support
- Task 5 – Supplemental Engineering Support
- Task 6 – As-Built Drawing Development

Each task described below provides the anticipated deliverables and the assumptions used for each task.

TASK 1: PROJECT MANAGEMENT

Jay Dallas will continue to serve as McMillen's Project Manager for the duration of the Project and will provide management and oversight of all in-house team members. Jay's responsibilities will include contracting, monitoring budgets and schedules, and ensuring the work performed is within the contract scope, schedule, and budget. Jay will also perform required general project management tasks such as meeting coordination, meeting minutes, quality control, and reporting.

McMillen will participate in construction coordination meetings as the primary coordination method with ad hoc meetings as needed.

Deliverables

Monthly invoices and progress reports

Assumptions and Clarifications

- Construction coordination meetings will be 1 hour per week and led by the Construction Contractor or SEAPA's CM.
- PM or assistant PM will attend 90% of tasks recurring meetings
- Structural discipline lead/support will attend 75% of meetings
- Electrical and Mechanical leads/support will attend up to 90% of meetings
- Civil leads/support will attend 25% of meetings
- Travel for onsite support is covered under Task 3

TASK 2: BID PHASE SERVICES

This task consists of labor and materials required to assist SEAPA with the advertisement, evaluation, and award of the construction contract. Activities involving development assistance and review of Division 00 contract documents and the source selection and evaluation plan, providing responses to technical bidder questions, virtual attendance at a pre-bid site visit, and proposal review and evaluation are included under Task 2.

Deliverables

- Draft input for Source Selection and Evaluation Plan.
- Draft input for Division 00 contracting documents.
- Proposal Review Summary and Recommendations Memorandum.

Assumptions and Clarifications

- McMillen will participate virtually via Microsoft Teams in any pre-bid meeting or site visit.
- SEAPA will be responsible for preparing final versions of Division 00 contracting documents and the source selection and evaluation plan.

TASK 3: DOCUMENT REVIEW

This task consists of labor and materials required for the document review and associated task required to ensure contract compliance and quality. These documents include the following types of document reviews.

- Submittals
- Requests for Information (RFI's)
- Value Engineering Proposals (VEs)
- Variance Requests
- Change Order Requests (technical support needed for)
- Serial Letters (technical support needed for)

These reviews will be in support and at the direction of the SEAPA project manager. SEAPA or SEAPA's CM is assumed to be primarily responsible for contract document management using a commercially available software package (Procore, ConDoc, etc.) and McMillen will work within that system.

McMillen will have an assistant PM with the primary responsibility of tracking McMillen responses with final McMillen approval by the PM before being issued to SEAPA which will have contractual approval authority. The document management role will allow for more economical management of day-to-day routine tasks and will allow the PM and assistant PM to cover each other with the work effort and coordination during planned or unplanned absences.

The submittal register is included in the Issued for Construction specifications package.

Deliverables

- Document review responses using McMillen, contractor, or SEAPA template in the contractor's CM software system.

- Follow up meeting support for discussion of submittals, RFI's, VEs, variance requests, non-conformances, etc.

Assumptions and Clarifications

- Submittal review responses via commercial CM software supplied by prime construction contractor.
- The following number of documents have been assumed:
 - Submittals:
 - 318 total (some with multiple submission of one type of submittal, i.e. Weld Procedures).
 - 202 submittals requiring SEAPA approval for which McMillen will be the primary reviewer.
 - 116 informational only submittals, approximately 50 will be reviewed by McMillen FIO.
 - Each SEAPA approved submittal will have 1.5 submittals (50% of submittals requiring resubmittal) based on a middle of the road submittal quality. Contractors requiring more submissions may require a budget adjustment to account for extra review effort.
 - RFI's are assumed to be 25% of the sheet numbers or approximately 72 RFIs. Each RFI is assumed to take an average of 2 hours to answer.
 - Value Engineering Proposals - There are assumed to be 10 VE requests, each requiring 4 hours of engineering labor to determine technical adequacy.
 - Variance Requests - There are assumed to be 10 variance requests, each requiring 4 hours of engineering labor to determine technical adequacy.
 - Change Order Requests – There are assumed to be 5 change order requests, each requiring 3 hours engineering labor to determine technical merit and 1 hour of follow-up meeting and discussion for PM and EOR for that work.
- All documents each require ¼-hour labor for administrative tracking.

TASK 4: ONSITE AND QUALITY ASSURANCE SUPPORT

This task includes labor and expenses related to travel cost associated with EDC support. Visits will be required for the anticipated following reasons:

- Participation in the contract kickoff meeting will be virtual via MS Teams meeting.
- Shop and site visits for quality assurance

- Generator Factory Acceptance Test (FAT) (electrical staff)
- Turbine FAT (mechanical staff)
- Governor controls and HPU FAT (mechanical and electrical staff)
- Earthwork and Excavation QA site visit (civil staff)
- Structural site visits for key rebar inspections and concrete placements – 3 visits total, 1 structural engineer onsite for 1 day.
- Mechanical site visit for hydrostatic testing of Distributor Piping (mechanical and structural staff)
- Site visits for miscellaneous QA visits or problem resolution (2 total, 4 people total)
- Additional shop inspections will be conducted by CM staff
- Site visits for commissioning, testing, and closeout
 - Mechanical, electrical commissioning – 4 people, 4 days onsite
 - Mechanical, electrical commissioning of miscellaneous features (cooling water pumps, OWS, HVAC, etc. – 4 people, 3 days onsite)

Deliverables

- QA reports or Site Trip Memorandums documenting inspections
- Site visit attendance
- Commissioning records as applicable

Assumptions

- Site visit days are 8-hour days.
- Travel is assumed to be 8 hours each way.
- SEAPA will provide lodging accommodation on site in SEAPA's bunkhouse.
- Roundtrip airfare of \$1500 per site visit with Sunrise Aviation between Wrangell and Tyee Lake is included in the cost estimate.

TASK 5: SUPPLEMENTAL ENGINEERING SUPPORT

This task involves labor and expenses associated with supplemental engineering required to support construction, design modifications during construction due to means and methods changes, value engineering, changes in market conditions (i.e. material substitutions) or significant design reviews. The overall intent of this task is to recognize that projects are

dynamic, and contractors or manufacturer capabilities will require additional EOR design during a large project of this scope and complexity.

Additionally, it should be expected that for a project of this complexity, there will be construction issues that arise due to quality, unforeseen site conditions, or other factors that will require issue resolution. Issue resolution requires significant effort by the EOR to ensure that the original design intent is met and that SEAPA has all the necessary information needed to make contractual decisions related to quality, changes from original design, deviations, and site conditions.

Lastly, this task involves providing programming and integration support to incorporate the new hydro generating unit into the existing plant SCADA Ignition HMI screens. This work includes the design, development, configuration, and testing required to integrate the new unit's controls HMI with the plant SCADA system, ensuring consistent visualization, monitoring, control, and alarm functionality across the existing operator interface. Using Ignition software, the integration will extend current HMI/SCADA architecture to fully incorporate the third generating unit, including associated process graphics, status indications, controls, alarms, trends, and data points necessary for plant operations. The scope also includes coordination of the interface between the unit controls HMI and SCADA to support reliable system operation and a seamless operator experience.

Deliverables

- Technical memos, calculations, and design documentation were required.
- Meeting attendance.
- Drawing revisions or redlines as needed.
- Preliminary proposed new and updated HMI screens (PDF format).
- Final modified HMI/SCADA configuration files (Ignition backup files).

Assumptions

- SEAPA Project Manager or Contractor will lead most of the project meetings (agendas and notes)
- Five significant issues are assumed that will require significant McMillen engineering analysis and/or disposition
- SEAPA to provide SCADA Network and IP configuration information for integration of new generating unit.

- SEAPA to provide RTAC points list for establishing connections to various SCADA equipment.
- SEAPA review period for HMI/SCADA modifications to be 10 working days.
- Anticipate 3 days onsite for electrical installation/configuration and testing of SCADA modifications.

TASK 6: AS-BUILT DRAWING DEVELOPMENT

This task covers the labor and materials needed to incorporate the Construction Contractor's construction redlines and markups into a fully developed as-built drawing package of the new 3rd generating unit.

Deliverables

- As-Built drawing package

Assumptions

- Equipment Supplier (Canyon Hydro) will provide as-built shop and fabrication drawings of the supplied equipment.

SCHEDULE

The schedule for this work is based on an 12-month construction contract duration as stated in the general assumptions. McMillen understands that many factors influence project schedule and it is very likely that the schedule will change. McMillen is prepared to support SEAPA throughout the duration of the Project.

BUDGET

Table 1 provides a summary of the proposed project budget, excluding applicable taxes. The not-to-exceed amount for the project is shown as the project total in the table below. The project will be invoiced monthly on a time and materials basis. A more detailed budget breakdown is provided in Attachment A.

Table 1. Proposed Project Budget

Task	Description	Budget
1	Project Management	\$63,450
2	Bid Phase Services	\$56,200
3	Document Review	\$330,655
4	Onsite and QA Support	\$256,880
5	Supplemental Engineering Support	\$140,220
6	As-Built Drawing Development	\$206,210
	Project Total	\$1,053,615

CONCLUSION

We appreciate the opportunity to provide you with a detailed SOW, and time and materials cost breakdown for execution of the Tyee Lake 3rd Turbine-Generator Installation Project. If you have any questions or need additional information, please contact Jay Dallas at 503-443-8790 We look forward to serving SEAPA on this Project.

Sincerely,



Stuart Hurley
Technical Services Director

Cc: Mara McMillen, President
Michael Truex, Energy Market Lead

Attachment A – Detailed Budget

	Staff	J. Dallas PM/Mech	M. Merklein Struct	C. Niamir Civil	J. Winkle Elect	M. Chan Elect	C. Lum Elect	C. Curtis FPE	A. Coufal FPE	J. McMurren HVAC	D. Bountry Jr. Mech	Project Controls	Design Tech	Admin	Hours	Total Labor	Expenses			Total	TOTAL
	Rates	\$ 250	\$ 285	\$ 265	\$ 280	\$ 190	\$ 230	\$ 285	\$ 145	\$ 220	\$ 125	\$ 160	\$ 175	\$ 115			Airfare	Hotel/Car	Meals	Expenses	
1 Project Management		55	36	12	36	24	12	5	24	24	43	12	-	12	295	\$ 63,450	\$ -	\$ -	\$ -	\$ -	\$ 63,450
Monthly Invoicing and Reporting (12 mo)		12										12		12	36	\$ 6,300				\$ -	\$ 6,300
Construction Coordination Meetings (12 mo)		43	36	12	36	24	12	5	24	24	43				259	\$ 57,150				\$ -	\$ 57,150
															0	\$ -				\$ -	\$ -
2 Bid Phase Services		88	56	8	48	8	-	-	8	-	-	-	-	-	216	\$ 56,200	\$ -	\$ -	\$ -	\$ -	\$ 56,200
Contract and Source Selection Plan Development		24													24	\$ 6,000				\$ -	\$ 6,000
Respond to Bidder Inquiries		32	24	8	16	8			8						96	\$ 24,120				\$ -	\$ 24,120
Proposal Review and Recommendations		32	32		32										96	\$ 26,080				\$ -	\$ 26,080
															0	\$ -				\$ -	\$ -
3 Document Review		284	221	74	247	221	98	18	74	33	162	-	-	-	1,432	\$ 330,655	\$ -	\$ -	\$ -	\$ -	\$ 330,655
Construction RFI Responses (72)		35	23	9	36	27	9	2	9	4	18				172	\$ 39,975				\$ -	\$ 39,975
Construction Submittal Reviews (318)		198	153	60	159	179	60	15	60	27	119				1030	\$ 235,125				\$ -	\$ 235,125
Procurement RFI Responses		16	16		16						10				58	\$ 14,290				\$ -	\$ 14,290
Procurement Submittal Reviews		16	16		16		24				10				82	\$ 19,810				\$ -	\$ 19,810
VEs and Variance Requests (20)		19	13	5	20	15	5	1	5	2	5				90	\$ 21,455				\$ -	\$ 21,455
															0	\$ -				\$ -	\$ -
4 Onsite and Quality Assurance Support		180	100	32	148	120	32	72	72	40	112	-	-	-	908	\$ 207,340	\$ 34,800	\$ 9,240	\$ 5,500	\$ 49,540	\$ 256,880
Kickoff Meeting		4	4		4										12	\$ 3,260				\$ -	\$ 3,260
Generator FAT					32	32									64	\$ 15,040	1600	900	400	\$ 2,900	\$ 17,940
Turbine FAT		32									32				64	\$ 12,000		1740	400	\$ 2,140	\$ 14,140
HPU and Governor FAT		32			32										64	\$ 16,960	1600	900	400	\$ 2,900	\$ 19,860
Earthwork and Excavation QA Site Visit				32											32	\$ 8,480	2300	300	200	\$ 2,800	\$ 11,280
Structural Site Visits (3)			96												96	\$ 27,360	6900	900	1000	\$ 8,800	\$ 36,160
Mechanical Site Visit for Hydrostatic Testing		32									32				64	\$ 12,000	3100	600	300	\$ 4,000	\$ 16,000
Electrical Site Visit for GSU Installation							32								32	\$ 7,360	2300	300	200	\$ 2,800	\$ 10,160
Misc. QA Site Visits (2)		32			32			32	32						128	\$ 30,720	4600	1200	400	\$ 6,200	\$ 36,920
Misc. Startup and Commissioning						40		40	40	40					160	\$ 33,600	6200	1200	1000	\$ 8,400	\$ 42,000
Unit Startup and Commissioning		48			48	48					48				192	\$ 40,560	6200	1200	1200	\$ 8,600	\$ 49,160
															0	\$ -				\$ -	\$ -
																				\$ -	\$ -
5 Supplemental Engineering Support		72	64	48	134	110	-	12	40	16	16	-	80	-	592	\$ 136,120	\$ 3,100	\$ 600	\$ 400	\$ 4,100	\$ 140,220
Design Modifications (means and methods)		24	16	8	24	24		4	12	8	4		40		164	\$ 36,100				\$ -	\$ 36,100
Redesign for Unforeseen Site Conditions		24	24	24					16	8	4		40		140	\$ 30,780				\$ -	\$ 30,780
Issue Resolution		24	24	16	24			8	12		8				116	\$ 28,820				\$ -	\$ 28,820
HMI/SCADA Integration Design / Onsite Testing					86	86									172	\$ 40,420	3100	600	400	\$ 4,100	\$ 44,520
6 As-Built Drawings		85	58	23	80	120	40	3	27	12	-	-	576	-	1,023	\$ 206,210	\$ -	\$ -	\$ -	\$ -	\$ 206,210
As-built drawing coordination and preparation		85	57.5	22.5	80	120	40	3	27	12			576		1023	\$ 206,210				\$ -	\$ 206,210
															0	\$ -				\$ -	\$ -
Total Hours		764	535	197	693	603	182	110	245	125	333	12	656	12	4,466		37,900	9,840	5,900		
Total Budget		191,000	152,333	52,073	194,040	114,570	41,860	31,350	35,525	27,500	41,625	1,920	114,800	1,380		\$ 999,975.00				\$ 53,640.00	\$ 1,053,615.00

MEMORANDUM
ATTORNEY-CLIENT COMMUNICATIONS

TO: Chairperson Bob Lynn
Southeast Alaska Power Agency

FROM: Joel R. Paisner, Ascent Law Partners, LLP, Counsel to SEAPA

DATE: August 17, 2026

RE: Suggested Motion for Executive Session

The Board of Directors may conduct an executive session during a Regular Board Meeting to be held on August 27 & 28, 2026 for discussions relating to cyber and financial operations security and discussions re personnel.

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

I move to recess into Executive Session to be conducted pursuant to SEAPA's Bylaws and Alaska Statute 44.62.310 for discussions related to cyber and financial operations security, which are matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the Agency, the Projects, or any of the Member Utilities represented on the board, and for discussions related to a subject that could prejudice the reputation and character of a person, provided that the persons may request a public discussion.

AGENDA ITEM 8F

Reserved for Possible Action following
Executive Session



SEAPA 2026 BOARD MEETING DATES

Date(s)		Weekday(s)	Location or Format	Comments
January	22	Thursday	Electronic	2PM Annual (Special) Meeting
February	26	Thursday	Electronic	2PM Special Meeting
March	26	Thursday	Ketchikan	9-5PM Regular Meeting
April	28	Tuesday	Electronic	2PM Special Meeting
May	28	Thursday	Wrangell	9AM-2PM Regular Meeting
August	27-28	Thurs-Fri	Petersburg	27 th : 1-5PM; 28 th : 9AM-1PM Regular Meeting
September	24	Thursday	Electronic	2PM Special Meeting
October	29	Thursday	Ketchikan	9AM-5PM Special Meeting
December	2	Wednesday	Ketchikan	9-5PM Regular Meeting

2026 Calendar

(SEAPA Board Meeting dates highlighted in yellow)

January						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

February						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

March						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

April						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

May						
S	M	T	W	T	F	S
				1	2	
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

June						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

July						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

August						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

September						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

October						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

November						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

December						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

(See attached for additional information on 2026 meeting dates and events)

2026

MEETING DATES / EVENTS

(Updated 08/18/2026)

JANUARY

Date	Organization / Event	Location
1 (Th)	SEAPA Holiday (New Year's Day)	N/A
2	KTN Council Mtg	KTN
5	PSG Assembly Mtg	PSG
13	WRG Assembly Mtg	WRG
15	KTN Council Mtg	KTN
20	PSG Assembly Mtg	PSG
22 (Th)	SEAPA Special (Annual) Bd Mtg 2-5PM	Electronic
27	WRG Assembly Mtg	WRG

FEBRUARY

Date	Organization / Event	Location
2	PSG Assembly Mtg	PSG
4-5	APA Legislative Conference	Juneau
5	KTN Council Mtg	KTN
10	WRG Assembly Mtg	WRG
10-12	SE Conference-Mid Session Summit	Juneau
16(M)	SEAPA HOLIDAY (President's Day)	N/A
17	PSG Assembly Mtg	PSG
17-19	AML Winter Legislative Conference	JNO
19	KTN Council Mtg	KTN
23-26	NWHA Annual Conference	Seattle
24	WRG Assembly Mtg	WRG
26 (Th)	SEAPA Special Bd Mtg 2-5PM	Electronic

MARCH

Date	Organization / Event	Location
2	PSG Assembly Mtg	PSG
5	KTN City Council Mtg	KTN
10	WRG Assembly Mtg	WRG
11-13	NHA Waterpower Week	Wash DC
16	PSG Assembly Mtg	PSG
19	KTN Council Mtg	KTN
24	WRG Assembly Mtg	WRG
26 (Th)	SEAPA Regular Board Mtg	KTN

APRIL

Date	Organization / Event	Location
2	KTN Council Mtg	KTN
13	PSG Assembly Mtg	PSG
14	WRG Assembly Mtg	WRG
16	KTN Council Mtg	KTN
20	PSG Assembly Mtg	PSG
28	SEAPA Special Meeting (2PM)	Electronic
28	WRG Assembly Mtg (6PM)	WRG
29-30	NWHA Technical Workshop	Winatche WA

MAY

Date	Organization / Event	Location
TBD	NWHA Technical Workshop	Kennewick WA
4	PSG Assembly Mtg	PSG
7	KTN City Council Mtg	KTN
12	WRG Assembly Mtg	WRG
18	PSG Assembly Mtg	PSG
21	KTN Council Mtg	KTN
25 (M)	SEAPA Holiday (Memorial Day)	N/A
26	WRG Assembly Mtg	WRG
28 (Thu)	SEAPA Regular Bd Mtg 9AM-2PM	WRG

JUNE

Date	Organization / Event	Location
All Month	SEAPA Hydro Plants Shutdown	SWL/TYL/STI
1	PSG Assembly Mtg	PSG
2-4	APA Federal Legislative Conf	Wash DC
4	KTN Council Mtg	KTN
9	WRG Assembly Mtg	WRG
15	PSG Assembly Mtg	PSG
18	KTN Council Mtg	KTN
23	WRG Assembly Mtg	WRG

JULY

Date	Organization / Event	Location
2	KTN Council Mtg	KTN
3 (Fr)	SEAPA Holiday (Independence Day)	N/A
6	PSG Assembly Mtg	PSG
13-16	AEGIS Policy Holders Conference	Calgary
15	KTN Council Mtg	KTN
20	PSG Assembly Mtg	PSG
28	WRG Assembly Mtg	WRG

AUGUST

Date	Organization / Event	Location
3	PSG Assembly Mtg	PSG
6	KTN Council Mtg	KTN
17	PSG Assembly Mtg	PSG
20	KTN Council Mtg	KTN
25	WRG Assembly Mtg	WRG
27 (Th)	SEAPA Regular Board Mtg 1PM-5PM	PSG
28 (F)	SEAPA Regular Board Mtg 9AM-1PM	PSG

2026 MEETING DATES / EVENTS

SEPTEMBER

Date	Organization / Event	Location
3	KTN Council Mtg	KTN
7 (M)	SEAPA Holiday (Labor Day)	N/A
8	PSG Assembly Mtg	PSG
8	WRG Assembly Mtg	WRG
17	KTN Council Mtg	KTN
21	PSG Assembly Mtg	PSG
22	WRG Assembly Mtg	WRG
24 (Th)	SEAPA Special Board Mtg 2PM	Electronic
29-2nd Oct	APA Annual Meeting	ANC

OCTOBER

Date	Organization / Event	Location
1	KTN Council Mtg	KTN
2	APA Annual Mtg	ANC
5	PSG Assembly Mtg	PSG
13	WRG Assembly Mtg	WRG
15	KTN Council Mtg	KTN
20	PSG Assembly Mtg	PSG
27	WRG Assembly Mtg	WRG
29 (Th)	SEAPA Special Board Mtg 9AM-5PM	KTN

NOVEMBER

Date	Organization / Event	Location
2	PSG Assembly Mtg	PSG
5	KTN Council Mtg	KTN
10	WRG Assembly Mtg	WRG
11 (W)	SEAPA Holiday (Veteran's Day)	N/A
16	PSG Assembly Mtg	PSG
19	KTN Council Mtg	KTN
24	WRG Assembly Mtg	WRG
26 (Th)	SEAPA Holiday (Thanksgiving)	N/A
27 (F)	SEAPA Holiday (Day After)	N/A

DECEMBER

Date	Organization / Event	Location
2 (W)	SEAPA Regular Board Mtg 9AM-5PM	KTN
3	KTN Council Mtg	KTN
7	PSG Assembly Mtg	PSG
8	WRG Assembly Mtg	WRG
17	KTN Council Mtg	KTN
21	PSG Assembly Mtg	PSG
24 (Th)	SEAPA Holiday (Christmas Eve)	N/A
25 (F)	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
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

AGENDA ITEM 10

Discuss Future Topics

- Potential Growth Projections