

**Four Dam Pool Power Agency****FY2008 Request: \$28,000,000****Reference No: AMD42941****AP/AL:** Appropriation**Category:** Natural Resources**Location:** Southeast Alaska**House District:** Southeast Districts 1-5**Estimated Project Dates:** 07/01/2007 - 06/30/2012**Project Type:** Construction**Recipient:** Four Dam Pool Power Agency**Contact:** Ron Miller**Contact Phone:** (907)269-3000**Brief Summary and Statement of Need:**

This amendment is a name change from Alaska Energy Authority - Swan Lake-Lake Tye Intertie to clarify that this appropriation to the Four Dam Pool Power Agency will be a Grant to Named Recipient (AS 37.05.316) through AEA. The Swan Lake - Lake Tye Intertie is a major infrastructure project in Southern Southeast Alaska. This 57-mile project will connect the Lake Tye hydroelectric project south of Wrangell with the Swan Lake hydroelectric facility near Ketchikan. The project is a critical link of the Southeast Alaska Intertie Project envisioned to interconnect all of Southeast Alaska. When completed, a primary transmission line will be in place and operational from Ketchikan to Petersburg.

| <b>Funding:</b> | FY2008       | FY2009       | FY2010 | FY2011 | FY2012 | FY2013 | Total        |
|-----------------|--------------|--------------|--------|--------|--------|--------|--------------|
| AK Cap Inc      | \$28,000,000 | \$18,200,000 |        |        |        |        | \$46,200,000 |
| <b>Total:</b>   | \$28,000,000 | \$18,200,000 | \$0    | \$0    | \$0    | \$0    | \$46,200,000 |

|   |   |   |   |                                   |
|---|---|---|---|-----------------------------------|
| <input type="checkbox"/> State Match Required | <input type="checkbox"/> One-Time Project | <input type="checkbox"/> Phased - new         | <input checked="" type="checkbox"/> Phased - underway | <input type="checkbox"/> On-Going |
| 0% = Minimum State Match % Required           |   | <input checked="" type="checkbox"/> Amendment | <input type="checkbox"/> Mental Health Bill           |                                   |

**Operating & Maintenance Costs:**

|                      | <u>Amount</u> | <u>Staff</u> |
|----------------------|---------------|--------------|
| Project Development: | 0             | 0            |
| Ongoing Operating:   | 0             | 0            |
| One-Time Startup:    | 0             | 0            |
| <b>Totals:</b>       | <b>0</b>      | <b>0</b>     |

**Additional Information / Prior Funding History:**

Prior funding includes approximately \$37 million from the Federal government, \$5 million from the Ketchikan Gateway Borough (Timber Disaster Relief funds) and \$19 million from the State.

**Project Description/Justification:**

The Swan Lake - Lake Tye Intertie is a major infrastructure project in Southern Southeast Alaska. This 57-mile project will connect the Lake Tye hydroelectric project south of Wrangell with the Swan Lake hydroelectric facility near Ketchikan. The project is a critical link of the Southeast Alaska Intertie Project envisioned to interconnect all of Southeast Alaska. When completed, a primary transmission line will be in place and operational from Ketchikan to Petersburg. The Swan Lake - Lake Tye Intertie traverses rugged terrain through unroaded portions of the Tongass National Forest. Permitting is complete, almost the entire ROW has been cleared and over 50% of the micropile foundations have been installed. Construction was halted in the fall of 2004 because available funds for the project had been expended. Additional state and federal funding will be needed to complete this vitally important project.

Approximately \$55 million have been expended to-date including permitting, design and construction activities. An additional \$46.2 million is estimated to be needed to complete the project. When it becomes operational, this Intertie will provide significant economic benefit to southeast Alaska. The project will displace fossil fuel generation and will encourage the development of the region's plentiful hydroelectric resources. Once completed, the cost of operating and maintaining the Swan Lake - Lake Tye Intertie will be borne by the ratepayers and other users of the project.