

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

Dear Governor Palin:

I am writing in support of capital projects included in SB 221 for my local co-op, Copper Valley Electric Association. I recently attended the co-op's annual membership meeting and was pleased to hear of progress being made on improving electric system reliability and especially on efforts to construct more hydroelectric generating capacity at Allison Lake.

The money in the capital budget will be put to good use. I urge you to approve funding for these projects so my high rates will not have to be increased to pay for them. Thank you, Governor.

Sincerely,

M. Eugene Hunt

P.O. Box 171

Glennallen, AK 99588

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

Dear Governor Palin:

The purpose of my letter is to express strong support for Copper Valley Electric projects included on page 38 of the capital budget (SB 221). The four projects total \$5 million and will be used as follows:

- \$2 million to match a federal grant already in hand to upgrade the Glennallen Plant
- \$1 million to permit a new hydro project to get us off fossil fuel.
- \$500,000 to upgrade the Valdez substation
- \$1.5 million to reimburse the co-op for money spent years ago evaluating a transmission line connection to the Railbelt Grid which did not pan out

Governor, we could use some help in this region. Please look kindly on these four appropriations, thank you.

Yours truly,

  
Alida E. Leino

POB 31 Glennallen 99588

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

Dear Governor Palin:

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CVEA, our local co-op, has been working to do something about the crisis caused by high oil prices. Page 38 of the capital budget includes four projects to assist the effort which we hope you will support.

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In addition, the budget includes money to replace a critical piece of equipment in the Valdez Substation and for reimbursement of costs incurred on a project authorized and partially funded by the 1993 Legislature.

Governor, please support CVEA, Valdez and the Copper Basin ratepayers by approving these projects, thank you.

Respectfully,



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P.O. Box 716

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Glennallen, AK 99588

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Sherri Cox

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

Dear Governor Palin:

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CVEA began work in 1989 to try to advance the idea of connecting our region of the state to the Railbelt grid. I have attached a chronology of events beginning in 1989 when the effort got underway. Things pretty much ground to a halt when Governor Hickel left office in 1994.

In 1993, the 18<sup>th</sup> Alaska Legislature authorized the Sutton/Glennallen intertie project and appropriated a \$35 million, 50-year zero-interest loan to partially capitalize the project. That legislation required that a feasibility study be conducted and that was done and paid for by CVEA in 1994-95. As the legislation was being drafted money was included in AEA's operating budget for the study. Representative Ramona Barnes, who supported the project told CVEA and the Energy Authority to delete the money from AEA's budget and instead take it from the approved loan fund. Since the loan was never consummated, through no fault of CVEA, no reimbursement for study costs ever occurred.

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Sincerely,



Virginia M. Helkenn

Box 353 Glennallen, AK 99588

Attachment

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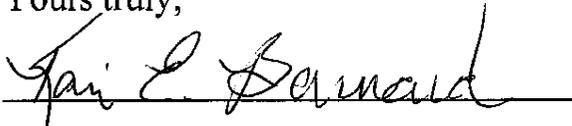
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Governor, we could use some help in this region. Please look kindly on these four appropriations, thank you.

Yours truly,

  
\_\_\_\_\_

Box 292  
\_\_\_\_\_

Gakona, AK 99586  
\_\_\_\_\_

Kari E. Barnard

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

Dear Governor Palin:

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Governor, please support CVEA, Valdez and the Copper Basin ratepayers by approving these projects, thank you.

Respectfully,

  
\_\_\_\_\_  
P.O. Box 3137  
\_\_\_\_\_  
Valdez AK 99686

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

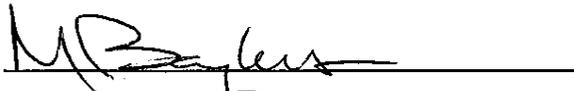
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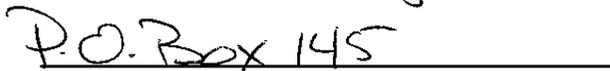
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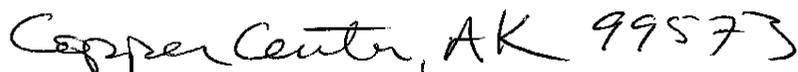
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May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
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Sincerely,



PO BOX 433

Glennallen, AK 99588

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

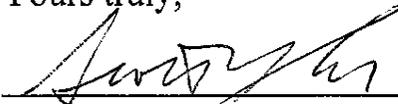
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Yours truly,

  
Scott Yahr

PO Box 223

Glennallen, AK 99588

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

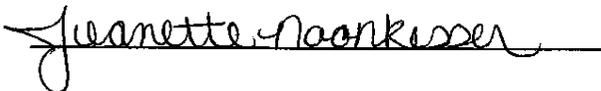
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Yours truly,

  
\_\_\_\_\_

P.O. Box 652  
\_\_\_\_\_

Glennallen, AK 99588  
\_\_\_\_\_

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
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Juneau, AK 99811-0001

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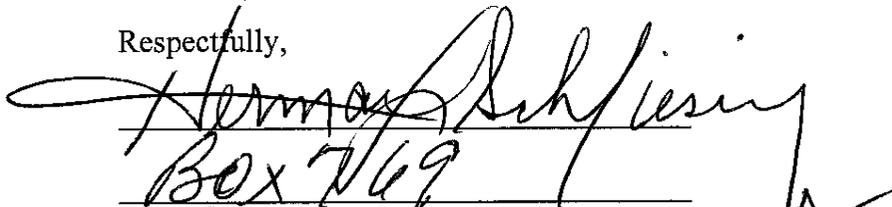
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Governor, please support CVEA, Valdez and the Copper Basin ratepayers by approving these projects, thank you.

Respectfully,

  
Box 769  
Glennallen, AK 99588  
Herman Schliesling

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

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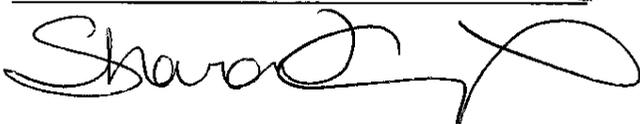
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Respectfully,

Sharon Crisp

P.O. Box 30576

VALDEZ, AK 99686



May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

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Sincerely,

Michelle L. Eastty

Michelle L. Eastty

Box 723

Glennallen, AK 99558

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

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Sincerely,



Kurtis E Habacker

PO Box 407 Glennallen AK 99588

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May 5, 2008

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Sarah Palin, Governor  
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Governor, please support CVEA, Valdez and the Copper Basin ratepayers by approving these projects, thank you.

Respectfully,

Sharon Daniels  
Box 1555  
Valdez AK 99686

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
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Juneau, AK 99811-0001

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Sincerely,

Gyle A. Kiedal

Box 456

Glennallen AK 99588

May 5, 2008

Office of the Governor  
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Governor, we could use some help in this region. Please look kindly on these four appropriations, thank you.

Yours truly,

Paul M Kildal

Box 456

Glennallen AK 99558

May 5, 2008

Office of the Governor  
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P.O. Box 110001  
Juneau, AK 99811-0001

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Yours truly,

Jimmie S. Williams  
HC 60 Box 337-K

Copper Center, AK 99573  
Jim Williams

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

Dear Governor Palin:

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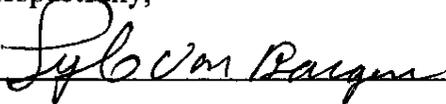
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Respectfully,

  
\_\_\_\_\_

907 835-2248

Box 870 Valdez, AK 99686  
Lyle von Bargen

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

Dear Governor Palin:

Page 38 of the capital budget has four projects which will benefit my electric cooperative, Copper Valley Electric Association. Brief descriptions of the projects are attached.

CVEA has pursued legislative assistance for many years but for reasons unknown has always come up short.

The residents of Valdez and Copper Basin could use some help. Please allow these projects to be funded.

Yours truly,

Syrena Beevor

4260 Box 106

Copper Center, AK 99573

Attachment

## 2008 Request for Appropriation

May 5, 2008

Allison Lake License Application, (page 38, line 20) \$1,000,000

As we look toward the future our focus is on investigating opportunities to reduce the cost of power by decreasing our reliance on fossil fuels to generate electricity.

While CVEA is fortunate to have the Solomon Gulch Hydroelectric facility in our power supply portfolio, we remain dependent on fossil fuel plants for 40% of our annual generating requirement. A diesel kwh, at current fuel prices, is \$.26 (just for fuel).

Following completion of several studies in the past year, on March 3, 2008, CVEA filed an application for a preliminary permit to develop the hydroelectric potential of Allison Lake (near Valdez). The permit, which CVEA expects to be awarded in June, is for a three-year period. During the term of the permit CVEA will conduct environmental studies (fisheries, terrestrial, cultural, recreation), work with state and federal agencies (and other stakeholders) and perform engineering work necessary to fulfill the requirements of a FERC license application. The estimated cost to prepare a bonafide license application is \$1 million.

Intertie Construction Cost Recovery, (page 38, line 28) \$1,500,000

This funding will provide reimbursement for costs incurred to determine the feasibility of the Copper Valley Intertie as required by 1993 legislation that appropriated \$35 million for a 50-year, zero-interest loan to partially finance an intertie that would connect CVEA to the Railbelt grid system. Between 1992 through 1996 CVEA completed studies required by the legislation and worked in good faith with the State of Alaska to advance the project. At the time the legislation was passed in 1993, funds to study the project were removed from the state budget with the understanding that intertie loan fund proceeds would be available to reimburse CVEA for study costs.

In 1996, the state administration indicated their lack of support for the project and CVEA ceased efforts to move the project toward development. However, more than \$1.5 million had been spent by CVEA in studies and pre-construction costs. The intertie loan application was lapsed and CVEA was not provided any reimbursement for costs. These funds will be used to pursue non-fuel power generation projects and to construct system improvements which otherwise would be paid for through higher rates.

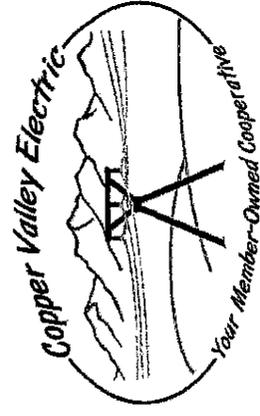
Glennallen Diesel Plant (GDP) Upgrade (Matching Funds), (page 38, line 24)  
\$2,000,000

CVEA operates four power plants; three in Valdez and one in Glennallen. The communities are connected by road and a 138 KV transmission line owned by the Four Dam Pool. The t-line is vulnerable to prolonged outage caused by weather and avalanche (six events since 1986, once as long as nine months). When the t-line is out of service, the GDP must serve the electric load in the Copper Basin. Prime generation in GDP was installed in 1975-76. The GDP upgrade will install a new state of the art, more efficient diesel generator set in the Glennallen Plant. The project is expected to be completed in 2008.

The total cost of the project is \$3.9 million. In 2003 CVEA was awarded a \$1.9 million matching grant by the federal Department of Energy to construct additional generation in the Glennallen Diesel Plant. The DOE grant requires matching funding from a non federal source. If the state appropriation is obtained, this project can be completed at no cost to the members.

Valdez Diesel Plant Substation Upgrade, (page 38, line 32) \$500,000

The 10 MVA power transformer at the Valdez Diesel Plant Substation provides voltage transformation from the 24.94 kV provided by the Solomon Gulch circuit to the downtown 12.47 kV distribution system. This transformer is one of CVEA's most critical assets. An extensive maintenance program dictates this vital piece of equipment should be replaced. No other utility in the state has a spare to match the capacity needed for our application. A new unit can be available for delivery in 46 to 52 weeks after receipt of an order at a cost of approximately \$500,000.



For more information, contact  
Sharon Crisp  
Email: [crisp@cvea.org](mailto:crisp@cvea.org)  
Phone: 835-7005 or 822-5506

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

Dear Governor Palin:

The purpose of my letter is to express strong support for Copper Valley Electric projects included on page 38 of the capital budget (SB 221). The four projects total \$5 million and will be used as follows:

- \$2 million to match a federal grant already in hand to upgrade the Glennallen Plant
- \$1 million to permit a new hydro project to get us off fossil fuel
- \$500,000 to upgrade the Valdez substation
- \$1.5 million to reimburse the co-op for money spent years ago evaluating a transmission line connection to the Railbelt Grid which did not pan out

Governor, we could use some help in this region. Please look kindly on these four appropriations, thank you.

Yours truly,

  
MEDITA G. ADLER

PO BOX 785

GLENNALLEN, AK 99588

May 5, 2008

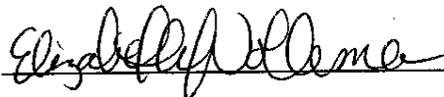
Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

Dear Governor Palin:

I am writing in support of capital projects included in SB 221 for my local co-op, Copper Valley Electric Association. I recently attended the co-op's annual membership meeting and was pleased to hear of progress being made on improving electric system reliability and especially on efforts to construct more hydroelectric generating capacity at Allison Lake.

The money in the capital budget will be put to good use. I urge you to approve funding for these projects so my high rates will not have to be increased to pay for them. Thank you, Governor.

Sincerely,

  
\_\_\_\_\_

PO Box 468  
\_\_\_\_\_

Glennallen AK 99588  
\_\_\_\_\_

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

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Sincerely,

Zena M. Disney

Zena Disney  
P.O. Box 3065  
Valdez, AK 99686

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

Dear Governor Palin:

Alaska's energy issues certainly seem to be in the forefront of most conversations these days. Gas over \$4, monthly home heating bills approaching \$1,000, and electricity bills continually going up with the price of oil is creating quite a hardship in our region.

CVEA, our local co-op, has been working to do something about the crisis caused by high oil prices. Page 38 of the capital budget includes four projects to assist the effort which we hope you will support.

One project is \$2 million to match federal DOE money already in hand for a Glennallen plant upgrade. This project is necessary for reliability purposes in the event we experience a snow slide in Thompson Pass (not unlike Juneau).

A second project is money to permit a new hydro project at Allison Lake which would significantly reduce the amount of fuel CVEA currently consumes to generate electricity.

In addition, the budget includes money to replace a critical piece of equipment in the Valdez Substation and for reimbursement of costs incurred on a project authorized and partially funded by the 1993 Legislature.

Governor, please support CVEA, Valdez and the Copper Basin ratepayers by approving these projects, thank you.

Respectfully,

David C Cobb

Business Manager

Valdez Fisheries Development Association

David Cobb

May 5, 2008

Office of the Governor  
Sarah Palin, Governor  
P.O. Box 110001  
Juneau, AK 99811-0001

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Governor, we could use some help in this region. Please look kindly on these four appropriations, thank you.

Yours truly,

Janie Tillman  
PO Box 575  
Glennallen, AK 99588