

**State of Alaska
FY2016 Governor Amended Operating
Budget**

**Department of Commerce, Community, and Economic
Development
Alaska Energy Authority Owned Facilities
Component Budget Summary**

Component: Alaska Energy Authority Owned Facilities

Contribution to Department's Mission

Management and development of AEA owned infrastructure.

Major Component Accomplishments in 2014

Susitna–Watana Hydroelectric Project: AEA entered the Federal Energy Regulatory Commission (FERC) licensing process in December 2011. During summer 2014, more than 200 individuals, including scientists, geologists, biologists, drillers, bear guards and more, were in the field supporting Susitna-Watana Hydro environmental field efforts. The engineering feasibility report will be published by the end of 2014 and work continues on the development of the project financing plan. Information continues to show that the project is sound from an engineering, environmental and financing perspective. It is anticipated that AEA will file a license application for Susitna-Watana Hydro with the Federal Energy Regulatory Commission in late 2016.

Bradley Lake Hydroelectric Project: AEA is performing engineering design on Battle Creek diversion into the Bradley Lake hydroelectric power plant. The diversion will increase annual energy output from Bradley Lake by approximately eight percent. AEA will submit the FERC license amendment application this winter.

Alaska Intertie Project: AEA continues to work with the Intertie Management Committee on issues related to the operation and maintenance of the Anchorage to Fairbanks Intertie and necessary repairs. The committee has adopted reliability standards and open access provisions.

Key Component Challenges

Susitna–Watana Hydroelectric Project: Susitna-Watana Hydro continues to rely on annual capital appropriations. Project licensing has been delayed due to funding constraints and recruitment of specialized staff is a challenge due to the inability to commit to a long-term hire.

Bradley Lake Hydroelectric Project: The goal is to receive a FERC amended license in 2015.

Alaska Intertie Project: As Railbelt generation has changed, upgrades to the transmission system will be needed. In support of that effort, a transmission plan has been completed for the interconnected electrical system (including the Alaska Intertie).

Significant Changes in Results to be Delivered in FY2016

No significant changes to component.

Statutory and Regulatory Authority

AS 44.83	Alaska Energy Authority
AS 37.07.020(e)	State Facilities Operations and Maintenance
3 AAC 105	Alaska Energy Authority

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Alaska Energy Authority Owned Facilities Component Financial Summary			
	<i>All dollars shown in thousands</i>		
	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	30.0	30.0
73000 Services	256.0	1,024.1	938.7
74000 Commodities	0.0	8.0	8.0
75000 Capital Outlay	0.0	5.0	5.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	256.0	1,067.1	981.7
Funding Sources:			
1107 Alaska Energy Authority Corporate Receipts	256.0	1,067.1	981.7
Funding Totals	256.0	1,067.1	981.7

Estimated Revenue Collections				
Description	Master Revenue Account	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Alaska Energy Authority Receipts	51418	256.0	1,067.1	981.7
Restricted Total		256.0	1,067.1	981.7
Total Estimated Revenues		256.0	1,067.1	981.7

**Summary of Component Budget Changes
From FY2015 Management Plan to FY2016 Governor Amended**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2015 Management Plan	0.0	0.0	1,067.1	0.0	1,067.1
Proposed budget decreases:					
-Reduce Receipt Authority for the Alaska Energy Authority No Longer Needed	0.0	0.0	-85.4	0.0	-85.4
FY2016 Governor Amended	0.0	0.0	981.7	0.0	981.7

Component Detail All Funds
Department of Commerce, Community, and Economic Development

Component: Alaska Energy Authority Owned Facilities (AR29605) (2599)
RDU: Alaska Energy Authority (453)

	FY2014 Actuals	FY2015 Conference Committee	FY2015 Authorized	FY2015 Management Plan	FY2016 Governor Amended	FY2015 Management Plan vs FY2016 Governor Amended	
71000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	0.0	30.0	30.0	30.0	30.0	0.0	0.0%
73000 Services	256.0	1,024.1	1,024.1	1,024.1	938.7	-85.4	-8.3%
74000 Commodities	0.0	8.0	8.0	8.0	8.0	0.0	0.0%
75000 Capital Outlay	0.0	5.0	5.0	5.0	5.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	256.0	1,067.1	1,067.1	1,067.1	981.7	-85.4	-8.0%
Fund Sources:							
1107AEA Rcpts (Other)	256.0	1,067.1	1,067.1	1,067.1	981.7	-85.4	-8.0%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	256.0	1,067.1	1,067.1	1,067.1	981.7	-85.4	-8.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	0	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Commerce, Community, and Economic Development

Component: Alaska Energy Authority Owned Facilities (2599)
RDU: Alaska Energy Authority (453)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2015 Conference Committee To FY2015 Authorized *****												
FY2015 Conference Committee												
1107 AEA Rcpts	ConfCom	1,067.1	0.0	30.0	1,024.1	8.0	5.0	0.0	0.0	0	0	0
		1,067.1										
Subtotal		1,067.1	0.0	30.0	1,024.1	8.0	5.0	0.0	0.0	0	0	0
***** Changes From FY2015 Authorized To FY2015 Management Plan *****												
Subtotal		1,067.1	0.0	30.0	1,024.1	8.0	5.0	0.0	0.0	0	0	0
***** Changes From FY2015 Management Plan To FY2016 Governor Amended *****												
Reduce Receipt Authority for the Alaska Energy Authority No Longer Needed												
1107 AEA Rcpts	Dec	-85.4	0.0	0.0	-85.4	0.0	0.0	0.0	0.0	0	0	0
		-85.4										
Totals		981.7	0.0	30.0	938.7	8.0	5.0	0.0	0.0	0	0	0

The deletion of excess receipt authority will not impact the Alaska Energy Authority's (AEA) ability to manage AEA owned infrastructure.

Line Item Detail
Department of Commerce, Community, and Economic Development
Travel

Component: Alaska Energy Authority Owned Facilities (2599)
RDU: Alaska Energy Authority (453)

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
72000	Travel		0.0	30.0	30.0
Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
72000 Travel Detail Totals			0.0	30.0	30.0
72100	Instate Travel	Instate Transportation - Transportation costs for travel relating to staff travel for Bradley Lake, Larsen Bay and Alaska Intertie; board of directors' travel.	0.0	15.0	15.0
72400	Out Of State Travel	Out of State Transportation - Transportation costs for travel relating to field work, administration, and conventions and meetings.	0.0	15.0	15.0

Line Item Detail
Department of Commerce, Community, and Economic Development
Services

Component: Alaska Energy Authority Owned Facilities (2599)
RDU: Alaska Energy Authority (453)

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
73000	Services		256.0	1,024.1	938.7
Expenditure Account	Servicing Agency	Explanation	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
73000 Services Detail Totals			256.0	1,024.1	938.7
73156	Telecommunication	Telecommunications services.	0.7	0.0	0.0
73750	Other Services (Non IA Svcs)	Program management/consulting, economic/development, safety-related services, printing, copying, and other services.	22.5	774.1	892.5
73812	Legal	Law			
		Legal services and fees.	0.0	0.0	0.0
73979	Mgmt/Consulting (IA Svcs)	AIDEA			
		Reimburse AIDEA Component for AIDEA staff performing AEA functions.	32.8	50.0	46.2
73979	Mgmt/Consulting (IA Svcs)	AIDEA			
		Alaska Industrial Development and Export Authority (AIDEA) - Management support services.	200.0	200.0	0.0

Line Item Detail

**Department of Commerce, Community, and Economic Development
Commodities**

Component: Alaska Energy Authority Owned Facilities (2599)
RDU: Alaska Energy Authority (453)

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
74000	Commodities		0.0	8.0	8.0
Expenditure Account			FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
	Servicing Agency	Explanation			
74000 Commodities Detail Totals			0.0	8.0	8.0
74480	Household & Instit.	Cleaning and other household supplies.	0.0	8.0	8.0

Line Item Detail
Department of Commerce, Community, and Economic Development
Capital Outlay

Component: Alaska Energy Authority Owned Facilities (2599)
RDU: Alaska Energy Authority (453)

Line Number	Line Name		FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
75000	Capital Outlay		0.0	5.0	5.0
Expenditure Account			FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
	Servicing Agency	Explanation			
75000 Capital Outlay Detail Totals			0.0	5.0	5.0
75700	Equipment	Information technology, communication, electronic, safety, industrial, and transportation equipment.	0.0	5.0	5.0

Restricted Revenue Detail
Department of Commerce, Community, and Economic Development

Component: Alaska Energy Authority Owned Facilities (2599)
RDU: Alaska Energy Authority (453)

Master Account	Revenue Description	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
51418	Alaska Energy Authority Receipts	256.0	1,067.1	981.7

Detail Information					FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund			
51418	AK Energy Auth Rec				256.0	1,067.1	981.7
	Reimbursements received from the participating utilities for the cost of administrative services provided by AEA pursuant to the Power Sales Agreements and Intertie Operating Agreement for various AEA-owned projects, including:						
	> Bradley Lake Hydroelectric						
	> Alaska Intertie						
	> Larsen Bay Hydroelectric						

Interagency Services
Department of Commerce, Community, and Economic Development

Component: Alaska Energy Authority Owned Facilities (2599)
RDU: Alaska Energy Authority (453)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2014 Actuals	FY2015 Management Plan	FY2016 Governor Amended
73812	Legal	Legal services and fees.	Inter-dept	Law	0.0	0.0
					0.0	0.0
73979	Mgmt/Consulting (IA Svcs)	Reimburse AIDEA Component for AIDEA staff performing AEA functions.	Intra-dept	AIDEA	32.8	50.0
73979	Mgmt/Consulting (IA Svcs)	Alaska Industrial Development and Export Authority (AIDEA) - Management support services.	Intra-dept	AIDEA	200.0	200.0
					232.8	250.0
					232.8	250.0
					232.8	46.2
					232.8	250.0
					232.8	46.2