

Alaska Intertie FY18 Draft Budget

	Proposed FY18 Budget	
REVENUES		
GVEA	1,546,918	
ML&P	143,456	
CEA	156,935	
MEA	211,572	
INTEREST		
TOTAL REVENUES	2,058,880	
EXPENSES		
FERC 562 - Station Operation Expenses		
GVEA - Substation Electricity Usage	7,000	Per GVEA
	7,000	
FERC 566 - Miscellaneous Transmission Expense		
Private Line Telephone Service for AKI SCADA (GVEA)	55,000	Per GVEA
Cell Phone Comm. Svc for Weather Monitoring (Verizon)	16,000	Per AEA
SLMS Support and Intertie Ground Patrol	60,000	Per AEA
Misc Studies as needed (Cyber Security Study)	-	
	131,000	
FERC 567 - Transmission Expenses - Rents		
Rents - Alaska Railroad	700	Fixed
MEA - Talkeetna Storage	7,200	Fixed
	7,900	
FERC 569 Maintenance of Structures		
MEA - Maintenance of Structures	-	Per MEA
	-	
FERC 570 - Maintenance of Station Equipment		
GVEA - Healy, Cantwell, Goldhill	63,380	Per GVEA
GVEA - SCADA Maintenance Healy, Cantwell, Gold Hill	10,000	Per GVEA
GVEA - Cantwell 4S2 Switch Repair	70,000	Per GVEA
GVEA - Replace Battery Healy SVC	25,000	Per GVEA
GVEA - Replace Battery Goldhill SVC	25,000	Per GVEA
GVEA - Perform Maintenance, repaint Reactors Healy SVC Yard	15,000	Per GVEA
CEA - Teeland Substation	93,000	Per CEA
MEA - Douglas Substation	54,300	Per MEA
CEA - Douglas Substation Communications	39,000	Per CEA
	394,680	
FERC 571 - Maintenance of Overhead Lines		
GVEA - Northern Maintenance	171,298	Per GVEA
GVEA - Northern ROW Clearing	20,000	Per GVEA
GVEA - Re-level Structures & Adjust Guys	26,000	Per GVEA
GVEA - Repair Tower 748	437,000	Per GVEA
GVEA - Repair Tower 692	20,000	Per GVEA
MEA - Special Patrols [Incl Helicopter Inspections]	102,000	Per MEA
MEA - Southern Maint (Incl Ground and Climbing Inspect)	74,700	Per MEA
MEA - Southern ROW Clearing	50,000	Per MEA
MEA - Equipment Repair and Replacement	50,000	Per MEA
	950,998	
FERC 924 - Property Insurance		
AK Intertie - Insurance	37,600	Per MEA (includes Aviation)
	37,600	
Intertie Operating Costs Total	1,529,178	
FERC 920 - AEA Administrative Costs		
Personal Services, Travel and Other Costs	50,000	Per AEA
	50,000	
FERC 920 - IMC Administrative Costs		
IMC Administrative Costs (Audit, meetings, legal)	40,000	Per IMC Chair
	40,000	
FERC 566 - Miscellaneous Transmission Expense		
Misc Studies: UFLS, PSS/E maint, PSS/E Update	325,000	MEA
	325,000	
Intertie Administration Costs Total	415,000	
TOTAL EXPENSE	1,944,178	
SURPLUS (SHORTAGE)	114,702	

ALASKA INTERTIE FISCAL YEAR 2018 ENERGY PROJECTION

MONTH		GVEA MWH	MEA MWH	CEA MWH	ML&P MWH	TOTAL MWH
Jul		36,591	2120	0	0	38,711
Aug		34,309	2170	0	0	36,479
Sep		30,943	2000	0	0	32,943
Oct		39,465	1860	0	0	41,325
Nov		37,806	1910	0	0	39,716
Dec		43,171	2200	0	0	45,371
Jan		41,009	2260	0	0	43,269
Feb		35,131	1920	0	0	37,051
Mar		34,634	1960	0	0	36,594
Apr		30,515	1830	0	0	32,345
May		33,342	2210	0	0	35,552
Jun		39,113	2180	0	0	41,293
TOTAL		436,029	24,620	0	0	460,649

USAGE			CAPACITY				ADMIN	CASH FLOW
GVEA	CEA	MEA	GVEA	MEA	ML&P	CEA		TOTALS
\$110,505	\$0	\$6,402	\$126,360	\$33,469	\$39,706	\$53,185	\$415,000	\$784,627
\$103,613	\$0	\$6,553						\$110,167
\$93,448	\$0	\$6,040						\$99,488
\$119,184	\$0	\$5,617						\$124,802
\$114,174	\$0	\$5,768						\$119,942
\$130,376	\$0	\$6,644						\$137,020
\$123,847	\$0	\$6,825						\$130,672
\$106,096	\$0	\$5,798						\$111,894
\$104,595	\$0	\$5,919						\$110,514
\$92,155	\$0	\$5,527						\$97,682
\$100,693	\$0	\$6,674						\$107,367
\$118,121	\$0	\$6,584						\$124,705
\$1,316,808	\$0	\$74,352	\$126,360	\$33,469	\$39,706	\$53,185	\$415,000	\$2,058,880
T. Energy: <u>\$1,391,160</u>			T. Cap: <u>\$252,720</u>					

TOTAL INTERTIE PROJECTED ENERGY USAGE 460,649 MWH
 Usage estimate reduced by 1/12 of Total for rate calculations 422,262 MWH
 Section 7.2.2 MINIMUM USEAGE CONTRACT VALUE 204,984 MWH

TOTAL MWH REVENUE \$2,058,880
 O&M BUDGET - Operating 1,529,178
 O&M BUDGET - Administrative 415,000
 TOTAL O&M BUDGET 1,944,178
 SURPLUS (SHORTAGE) \$114,702

UTILITY		FY 18
MEA	26.49%	20.66 MW
ML&P	31.42%	24.51 MW
CEA	42.09%	32.83 MW
GVEA	100.00%	78.00 MW
		<u>156.0</u>

Usage Rate per KWH \$ 0.00302
 Capacity Rate \$1.62

Annual Participant Administrative Contribution 103,750
 Monthly Contribution per Participant 8,645.83

**MINIMUM INTERTIE TRANSFER CAPABILITY RIGHTS
(MITCR) DETERMINATION
FOR FISCAL YEAR 2018**

Annual System Demand												
	14 15	15 16	16 17	3 YR AVG.								
<u>SOUTHERN UTILITY PARTICIPANTS (MW)</u>												
ML&P	161.0	164.0	166.0	163.7 MW		Draft	APPROVED	APPROVED	APPROVED	REVISED	APPROVED	
CEA	217.3	212.8	227.9	219.3 MW		6/30/2018	6/30/2017	6/30/2016	6/30/2015	3/17/2014	4/10/2013	
MEA	136.0	137.0	141.0	138.0 MW		FY18	FY17	FY16	FY15	FY14	FY14	
					USAGE	UNITS						
						KWH	422,262,000	357,388,000	167,958,000	515,900,000	501,508,000	515,900,000
					BUDGET	\$	1,529,178	1,089,145	1,255,900	2,017,780	1,677,800	1,906,800
					MITCR	KW	156,000	156,000	156,000	156,000	156,000	156,000
TOTAL				521.0 MW								
<u>NORTHERN UTILITY PARTICIPANTS (MW)</u>					ENERGY (A)	\$/KWH	\$0.00302	\$0.00254	\$0.00624	\$0.00327	\$0.00279	\$0.00309
					CAPACITY (B)	\$/KW	\$1.62	\$1.15	\$1.33	\$2.13	\$1.77	\$2.02
GVEA	201.8	200	205	202.3 MW								
TOTAL				202.3 MW								
<u>MITCR DETERMINATION</u>												
		FY 18				KWH	CAP RATE	CAP CHARGES				
MEA	26.49%	20.66 MW				20,660	\$1.62	33,469.20				
ML&P	31.42%	24.51 MW				24,510	\$1.62	39,706.20				
CEA	42.09%	32.83 MW				32,830	\$1.62	53,184.60				
GVEA	100.00%	78.00 MW				78,000	\$1.62	126,360.00				
		156.00 MW				156,000		252,720.00				

(A) See Section 7.2.5 AK Intertie Agreement
(B) See Section 7.2.6 AK Intertie Agreement