

**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE (BPMC)
REGULAR MEETING**

AGENDA

Friday, January 24, 2020

Immediately Following the 9:00 a.m. IMC meeting

**Alaska Energy Authority Board Room
813 W Northern Lights Blvd, Anchorage**

To participate dial 1-888-585-9008 and use code 134-503-899#

1. CALL TO ORDER
2. ROLL CALL FOR COMMITTEE MEMBERS
3. PUBLIC ROLL CALL
4. PUBLIC COMMENTS
5. AGENDA APPROVAL
6. APPROVAL OF PRIOR MINUTES – [October 11, 2019](#) and [November 22, 2019](#)
7. NEW BUSINESS
 - A. [FY19 Audited Financial Statements](#) (Refund Approval) Aldrich
 - B. [FY21 Draft Budget](#) Budget Subcommittee
8. OLD BUSINESS
 - A. [Battle Creek Project Update](#) AEA
 - B. Swan Lake Fire Update HEA
9. COMMITTEE REPORTS – [Budget to Actual](#) Budget Subcommittee
10. EXECUTIVE SESSION – Discuss confidential matters related to Battle Creek and the SQ Line
11. COMMITTEE ASSIGNMENTS
12. MEMBERS COMMENTS
13. NEXT MEETING DATE - March 27, 2020
14. ADJOURNMENT

**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE (BPMC)
SPECIAL MEETING**

Alaska Energy Authority Boardroom, Anchorage, Alaska
October 11, 2019

1. CALL TO ORDER

Chair Izzo called the special meeting of the Bradley Lake Hydroelectric Project Management Committee to order at 10:23 am. A quorum was established.

2. ROLL CALL FOR COMMITTEE MEMBERS

Tony Izzo (Matanuska Electric Association [MEA]); Cory Borgeson (Golden Valley Electric Association [GVEA]) (phone); Bryan Carey (Alaska Energy Authority [AEA]); Brian Hickey (Chugach Electric Association [CEA]) (phone); Brad Janorschke (Homer Electric Association [HEA]) (phone); Anna Henderson (Anchorage Municipal Light & Power [ML&P]); and John Foutz (City of Seward) (phone).

3. PUBLIC ROLL CALL

Ashton Doyle, Beazit Redzepi, Curtis Thayer, Kirk Warren (AEA); Gene Therriault (AG (sp) Services); Crystal Enkvist (Alaska Power Association)(phone); Don Maynor (ARECA Insurance Exchange)(phone); Matt Clarkson (phone), Lee Thibert, Russell Thornton, Burke Wick (CEA); Stephan Saldanha (Department of Law); Leo Quiachon (phone), Pete Sarauer (GVEA); Rick Baldwin (phone), Jim Butler (phone), Emily Hutchison (phone), Larry Jorgenson (phone), Alan Owens, Unidentified Speaker (phone) (HEA); Bob Day (Bradley Lake) (HEA); Kirk Gibson (McDowell Rackner Gibson, PC)(phone); Ed Jenkin (phone), Max McKimpson (sp), Unidentified Speaker (phone); Tony Zellers (MEA); Brian Garner (sp), Molly Unidentified (phone), Dean Thompson (phone), Jeff Warner (ML&P); Bernie Smith (Public); Jay Layne (RCA)(phone); Eric Meyers (sp) (SWCA)(phone); Sherri Highers (Unidentified)(phone); and Sunny Morrison (Accu-Type Depositions).

4. PUBLIC COMMENTS - None.

5. AGENDA APPROVAL

MOTION: Ms. Henderson made a motion to approve the agenda. Motion seconded by Mr. Foutz.

The motion to approve the agenda as presented passed unanimously.

6. NEW BUSINESS

6A. Quartz Creek to Soldotna Transmission Line Matters

Fire Update

Mr. Janorschke introduced Jim Butler, HEA, and requested he provide the update. Mr. Butler informed he participated in an AEA-sponsored flyover of the SQ Line on Tuesday. He expressed appreciation to AEA for the opportunity. HEA provided a map to the flyover participants showing the segments of the line and a general initial assessment of the structures. During the flyover, the participants were able to view the impacts of the terrain of the line.

Mr. Butler informed a meeting occurred with Kenai Wildlife Refuge staff, including the lead representative of the Burned Area Emergency Response (BAER) effort. Permitting issues were discussed. Authorization has been granted to begin access. Mitigation contingency measures will be monitored regarding erosion impacts from the mechanized equipment not typically allowed. There is a sensitive lake below the powerline. HEA has identified a consultant with background in natural resource damage and NEPA experience who will be available, if needed.

Fire safety issues continue, especially in areas with unburned fuels. The area remains closed to the public. The contractors are expected to assemble equipment at the staging area at Mile 62 and get inspected on Monday. The Refuge will conduct a fire safety management briefing for the crew. The contractors are expected to report on a daily basis to HEA.

Mr. Butler explained the objective of the clearing is to identify any hazards that can be mitigated and to provide a more detailed assessment of the poles in Zone 2. It is possible drones can be utilized to assess pole damage.

Mr. Butler gave an update regarding disaster funding. HEA has communicated with the local Borough Office of Emergency Management. Estimates of disaster declaration amounts are being compiled. In the event HEA qualifies as a potential recipient of disaster funds, the process will begin using the estimated amounts.

Mr. Borgeson expressed appreciation to Mr. Butler for his report. Mr. Borgeson requested the name of the contractors. Mr. Butler noted Carlos contractors are being utilized. Mr. Borgeson asked if an outside assessment regarding the ability to reenergize the line will occur. Mr. Butler advised EDM is the consultant who will evaluate the structure integrity.

Mr. Hickey asked for an estimated timeframe as to when the evaluation will be concluded. Mr. Butler discussed the contractor is hoping to complete the bulk of the clearing work within two weeks. The assessment crew will begin as soon as a land-cleared portion is available and will continue to follow the clearing crew.

Mr. Carey inquired if Carlos' scope of work includes both the right-of-way along 69 and 115. Mr. Butler informed the current priority is to open up access to evaluate the 115. The contractor will only remove any hazards along 69 to facilitate the access to 115.

Chair Izzo asked if it is possible the contractor can begin assessing the parts of the line accessible from the highway. Mr. Janorschke reported HEA has begun to assess the poles and structures accessible from the highway.

Plan to Energize Line

Chair Izzo explained the plan to energize the line is related to Mr. Wick's report of October 3, 2019, that was distributed to Committee members. The report concludes that following removal of the trees, the line could be returned to service. Chair Izzo requested comments.

Mr. Janorschke expressed disappointment in the published report. His expectations were higher than what was presented and he believes the potential damages were minimized. Mr. Janorschke is concerned with an airplane assessment of the transmission line, and the difficulty in identifying poles that are burnt from the center out. He understands Mr. Wick's report provided caveats regarding the airplane assessment.

Mr. Hickey clarified CEA flew over in a helicopter and assessed the 115 Line out of Cooper Landing in the Devil's Pass area about five miles before Soldotna. The line inspector from CEA used stabilized binoculars to view all the structures and conductors. He believes Mr. Wick's report includes the helicopter flyover, as well the airplane flyover.

Rate Payer Impact

Chair Izzo noted the economic impact to each utility was discussed during the helicopter flyover with the Governor. He indicated 580,000 Alaskans, not including those on the Peninsula, were negatively impacted by the higher cost of fuel, as a result of not having access to Bradley Power due to the Swan Lake fire. The overall cost of fuel is approximately \$12,000 higher per day for MEA. This does not consider wheeling. BPMC is expected to follow-up through Curtis Thayer, AEA, regarding the rate payer impacts for each individual utility.

Ms. Henderson noted ML&P estimates an increase of approximately \$13,000 per day in gas costs due to the SQ Line outage and no access to Bradley Lake.

Mr. Borgeson informed GVEA's calculations are complicated. On particular days, GVEA could be incurring an additional \$50,000 a day, depending on the loads and the availability at Healy 2. Healy 1 is down for a 23-day outage, which contributes to an additional expense.

Mr. Janorschke noted he does not have specific numbers today. He suggested comparisons begin with January 1st, for an 18-month period, in order to compile an accurate assessment. He informed HEA was islanded for two months, which added significant cost. After the first of the year, HEA will burn more gas, which is more

expensive under the Hillcorp contract. Mr. Janorschke reiterated the importance of getting the line reenergized.

Mr. Foutz informed City of Seward is watching the situation closely.

Mr. Hickey reported the production cost simulation was run over a 12-month period and resulted in a range between \$30,000 and \$50,000 cost per day depending on load and other unit outages. He noted CEA took photos and video of the poles during the flyover and will provide to HEA, if it would be helpful. Mr. Janorschke welcomed the photos and video.

Chair Izzo advised BPMC will provide the comments to AEA in order to be responsive to the Governor's question.

Chair Izzo informed Mr. Borgeson distributed a motion to all members today. He requested Mr. Borgeson discuss the information. Mr. Borgeson explained the information was presented as a motion, but could easily be assigned to the O&D by the Chair. CEA has significant experience in designing and building transmission lines utilizing outside consultants. Mr. Borgeson requested consideration of a collaboration including CEA in the process of working with HEA to repair the SQ Line.

Mr. Borgeson discussed the second part of the proposed motion is if HEA were to agree and allow another BPMC member to repair the SQ Line, the HEA ought to be defended and indemnified from any and all liability. The last part of the motion includes all utilities being responsible for the cost as project work, potentially from the R&C Fund. There is a possibility federal funds could eventually be used to cover some of the costs. Mr. Borgeson emphasized the compelling need the utilities each have to complete the repairs on the SQ Line safely, efficiently, and as quickly as possible.

Mr. Carey commented AEA would like to assist. He does not believe the costs could run through the BPMC budget because the definition of the Bradley project does not include the affected area.

Ms. Anderson expressed support for the O&D Committee to meet regularly to assess the status of the line, ongoing work, and viable plans for reenergizing the line. She disagreed any action should be taken at this time regarding indemnification and cost recovery.

Mr. Hickey advised CEA is willing to assist in any way. He concurs all the utilities have incentive to repair the line promptly. It is likely a financing mechanism will have to be created for the repairs. The hope is financing could be rolled into the BPMC budget. If that is not possible, the financing could be outside of the BPMC agreements.

Mr. Foutz expressed appreciation to Mr. Borgeson for his efforts in creating the motion for discussion. He agreed repairs need to occur as quickly and as safely as possible. Mr. Foutz suggested the Finance Committee can be assigned to review the possibility the

line repair costs can be included in the Bradley Lake project in some capacity. Chair Izzo indicated he may assign the repair cost financing issue to Kirk Gibson for an initial response.

Mr. Janorschke expressed appreciation for the offers of support. He reminded members the BPMC does not have jurisdiction over HEA assets. However, HEA views the BPMC as a good forum to communicate updates. Mr. Janorschke agrees all the utilities have a vested interest in repairing the line safely and as quickly as possible. He advised Eric Meyers of SWCA has been hired to assist with the process, including cost recovery and indemnification.

Chair Izzo requested feedback regarding the proposed assignment for the O&D Committee to receive weekly updates from HEA. Mr. Hickey expressed support. Mr. Janorschke agreed weekly updates would continue. Mr. Thayer stated AEA would appreciate the weekly updates and would forward the updates directly to the Governor's Office and legislators, as necessary.

7. COMMITTEE REPORTS - None

8. COMMITTEE ASSIGNMENTS

Chair Izzo assigned the O&D Committee receive weekly updates from HEA, and in turn, provide BPMC members with that weekly status.

9. MEMBER COMMENTS

Chair Izzo expressed appreciation to AEA for the flyover and to Mr. Butler for the concise information provided earlier this week.

Ms. Henderson echoed Chair Izzo's comments.

Mr. Hickey echoed Chair Izzo's comments.

Mr. Janorschke expressed appreciation to members for their patience. He encouraged members contact him with any questions.

Mr. Thayer thanked those who participated in the flyover. He noted the flyover included the Swan Lake fire damage, Bradley Lake Dam, and the Battle Creek construction activities.

10. NEXT MEETING DATE - November 22, 2019

The next meeting date is scheduled for November 22, 2019.

11. ADJOURNMENT

There being no further business for the committee, the meeting adjourned at 11:20 am.

BY: _____

Tony Izzo, Chair

Attest: _____

Alaska Energy Authority, Secretary

DRAFT

**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE (BPMC)
REGULAR MEETING**

Alaska Energy Authority Boardroom, Anchorage, Alaska
November 22, 2019

1. CALL TO ORDER

Chair Izzo called the special meeting of the Bradley Lake Hydroelectric Project Management Committee to order at 10:06 am. A quorum was established.

2. ROLL CALL FOR COMMITTEE MEMBERS

Tony Izzo (Matanuska Electric Association [MEA]); Cory Borgeson (Golden Valley Electric Association [GVEA]); Curtis Thayer (Alaska Energy Authority [AEA]); Brian Hickey (Chugach Electric Association [CEA]); Brad Janorschke (Homer Electric Association [HEA]); Anna Henderson (Anchorage Municipal Light & Power [ML&P]); and John Foutz (City of Seward).

3. PUBLIC ROLL CALL

Bryan Carey, Ashton Doyle, Jocelyn Garner, Beazit Redzepi (AEA); Amy Fenerty (Aldrich CPS)(phone); Matt Clarkson (phone), Sherri Highers (phone), Russell Thornton (CEA); Max Garner (sp), Stephan Saldanha (Department of Law); Ron Rebenitsch (Energy Engineering); Emily Hutchison (phone), Larry Jorgenson, Kirk Myers (phone) (HEA); Bob Day (Bradley Lake) (HEA); Kirk Gibson (McDowell Rackner Gibson, PC); Ed Jenkin, David Pease, Tony Zellers (MEA); Julie Harris (phone), Jeff Warner (ML&P); Bernie Smith (Public); Gene Therriault (public); Christina Unidentified (RCA) (phone), and Ladonna Lindley (Accu-Type Depositions).

4. PUBLIC COMMENTS - None.

5. AGENDA APPROVAL

MOTION: Mr. Thayer made a motion to approve the agenda. Motion seconded by Mr. Hickey.

Mr. Janorschke requested Item 9B. Operators Report and Motion to Add Operator is included in the agenda. There was no objection to amend the agenda.

The motion to approve the agenda with the amendment to include Item 9B. Operators Report and Motion to Add Operator passed unanimously.

6. PRIOR MINUTES - September 16, 2019 & September 27, 2019

MOTION: Mr. Janorschke made a motion to approve the Minutes of September 16, 2019, and September 27, 2019. Motion seconded by Ms. Henderson.

The motion to approve the Minutes as presented passed unanimously.

7. NEW BUSINESS

7A. SQ Line Update

Mr. Janorschke informed he has been occupied recently with the NWPPA E&O Conference. He received the EDM report yesterday and will provide members with a copy early next week. The DOT permit to shut down one lane of the highway will take 10 days' lead time. Procurement staff is working on obtaining mats to place on the wetland area. There are 14 poles out of the possible 64 poles in the entire burn area to be replaced. The integrity of most of the burned poles was fine and the poles have been authorized to be reenergized. The conductor appears to be in good shape. Multiple guy wires will be replaced that were damaged by the fire and the fire response team. Discussions are upcoming for the development of a cost recovery MOA.

Chair Izzo asked what date the line is expected to be energized. Mr. Janorschke indicated the goal is to energize the line before the end of the year, but specifics are unknown until crews can begin work. It is also unknown whether or not any repair or replacement will qualify for FEMA funding. The FEMA status is unknown at this time.

Chair Izzo requested additional information regarding insurance. Mr. Janorschke noted to his knowledge, there is no insurance on any poles or wires in the field. The pricing for the insurance would be cost prohibitive, and in many cases, the insurance is unavailable. He will discuss with Chair Izzo at a later time regarding the insurance carrier MEA utilizes.

Chair Izzo asked if splinting or bracing any of the 14 poles would be an option. Mr. Janorschke noted his supervisor is assessing onsite conditions in the field to determine staging and crew access points, and does not believe splinting will be successful. Chair Izzo commented on the high cost of replacement fuel. He reiterated the shared priority to reenergize the line as soon as possible, as safely as possible. Mr. Janorschke agreed.

Mr. Borgeson requested confirmation the Governor declared the fire a disaster. Mr. Janorschke confirmed.

8. OLD BUSINESS

8A. Battle Creek Project Update

Chair Izzo requested Bryan Carey, AEA, to present the Battle Creek Project Update. Mr. Carey informed the contractor is near completion with the diversion on the north side of the creek. The 96" intake pipe has been installed. Mr. Carey showed pictures of the

diversion intake connection pipe and explained the process of how the water will flow. During the next few weeks, the contractor will complete a true-up survey for the rock excavation on the upper access road. The concrete pours are occurring at the diversion site and special attention to heating the aggregate and water is continually monitored to meet the minimum strength.

The fusion machine and the orange HDPE pipe have arrived. The orange color helps identify defects and any future erosion of the pipe. The fusion machine has not yet been assembled. It is 21-feet wide and weighs approximately 56 tons. Vehicles will not be able to go around the fusion machine on the road, unless the road section exceeds the normal 32-foot width. Chair Izzo inquired about onsite installation and operation of the machine. Mr. Carey indicated individuals participated in training in Arizona regarding the fusion machine. The machine is highly automated and records daily data log information. The contractor also expects to have a second back-up fusion machine onsite that is smaller and less expensive.

Mr. Thayer inquired as to the final disposition of the fusion machine after the project is complete. Mr. Carey indicated AEA believes that because of the initial cost of the machine the contractor intends to sell the machine after the completion of the project. There is a possibility the fusion machine could be rented out, if not sold.

Mr. Carey commented on the success of the drone flights during the project period. They have been used for verifying contractor mapping surveys and documenting project advancement. He continued describing the next steps of the project schedule until January 2020 to complete the diversion. The work will begin again in April 2020, with anticipation of a finish date for the fusion in late June. The substantial completion date of July 22nd and final completion date of August 30th remains unchanged.

Kirk Gibson, McDowell Rackner Gibson, indicated Ron Rebenitsch, Energy Engineering, is available at today's meeting to provide additional information. Chair Izzo requested Mr. Rebenitsch join at the table for comment. Mr. Rebenitsch noted Mr. Carey gave a comprehensive update. Mr. Rebenitsch informed he conducted a site visit assessment yesterday. The progress is slowly proceeding due to difficult conditions, including weather issues and worker turnover. He believes the crews will continue working until the weather no longer permits. Weekly progress goals have proven to be aggressive and are not being met as quickly as he or the contractor would like.

Mr. Rebenitsch commented the survey data for the rock quantities has not been submitted in a timely manner. He expressed concern because this delay is an unusual behavior for a contractor. The reason for the delay has not been provided. Mr. Rebenitsch described the fusion machines and indicated the software that measures temperature and pressure is highly sophisticated. The crew is knowledgeable and experienced. Mr. Rebenitsch is able to monitor the readings daily.

Mr. Gibson informed Mr. Rebenitsch's contract is nearing the end of its budget allowance. He suggested HEA be assigned to evaluate the remaining balance and make a

recommendation to the BPMC regarding future plans and needs. Mr. Rebenitsch stated he has been keeping his hours to the lowest amounts possible. The original timeframe was for two years, and has since increased to a three-year timeframe. Chair Izzo indicated he will address this issue during committee assignments.

Mr. Borgeson inquired as to the specific source of the funding for Mr. Rebenitsch's services. Mr. Carey explained Mr. Rebenitsch's costs are run through the Battle Creek participants' operational budget that is part of the larger BPMC budget.

Mr. Foutz commented Mr. Rebenitsch has been very helpful on the project and supports the continued relationship until project end.

9. COMMITTEE REPORTS

9A. Budget to Actual

Beazit Redzeqi, AEA, presented the Bradley Lake Budget to Actual Expense Report through August 31, 2019. He reviewed:

- Capital purchases not funded by the R&C Fund
- Operations and Maintenance expenses
- R&C Fund disbursements and repayments
- Battle Creek capital purchases
- Battle Creek administrative costs

9B. Operators Report

Action: Add Operator

Bob Day, Bradley Lake, apologized for submitting his report late, due to medical issues. Mr. Day showed the effects of the SQ Line being down on the measured MWh usage. The average lake level in September was above spill, and in October, it was slightly below spill. The partial average for November is slightly above spill. Mr. Day explained there is no reason to restrict operation on Unit 2.

Mr. Day noted the Swan Lake fire continues to curtail the transmission of Bradley power, which has severely impacted the generation ability of Bradley. Adjustments and normal operations will proceed once the SQ is back on line. Poor weather conditions, including strong winds and heavy rains have been challenging at the site. Spill is expected to continue into December and possibly beyond. Mr. Day informed the divider repair has been delayed by the manufacturer. Inspections of the temporary repairs have occurred and there are no issues or concerns.

Mr. Day explained Unit 1 began leaking water out of the drains recently. Needles 3 and 4 were determined to be the problem needles on Unit 1. The same leak determination process developed by one of the staff will be used to identify the source of the oil leaks

on Unit 2. The poles are under repair in Canada. The fish water automation is working well, but struggles during the high spill activity.

Mr. Day reviewed the mandatory insurance liability amounts contractually required for contractors at Bradley Lake. He noted smaller contractors, who install glass or repair plumbing, do not carry the required insurance liability amounts, either because it is not available or it is cost prohibitive. Mr. Day expressed concerns he is unable to find small contractors who can meet this requirement. He has spoken with Mr. Carey, who is communicating with the Insurance Division to address the requirement.

Mr. Day informed the special approved budget appropriation for the generator repair was \$950,000 and approximately \$530,000 has been spent on repairs to-date. The new budget year is beginning and there are currently pole pieces and divider plates in the manufacturing process that have not yet been invoiced. He does not want to be in a position where the payment of the invoice is late due to budget year constrictions. Mr. Day requested continued authorization for the funds in the new budget year.

Chair Izzo requested Ms. Garner provide direction on the process. Ms. Garner informed the Budget Subcommittee needs to consider whether or not a budget amendment is necessary based on the dollar amount or if the BPMC could approve the continued budget authorization with a single motion.

MOTION: Mr. Borgeson made a motion to approve \$300,000 in repairs to Generator 2 in this calendar year. Motion seconded by Mr. Hickey.

The motion passed unanimously.

Mr. Day reviewed the spill tracking and spill volume information provided in the report. Any amount over 1,180 feet spills and the first 50 cfs over the dam is fish water and any remaining is spill water. He explained each utility has its own portion of the pond and the amount contained is categorized as over-ponded or under-ponded depending on usage. When there is unused pond, the other parties are free to keep over-pond is that area, which is categorized as water-at-risk. During a spill condition, the water-at-risk is the water that goes over the spillway first. After all of the water-at-risk has spilled, then any water that spills is spread amongst the participants based on their percentage usage amount. Mr. Day discussed the water-at-risk values for September and October.

Mr. Day discussed the action item request regarding the additional trainee, who is necessary for succession planning. He believes the Budget Committee discussed the item in their meeting yesterday.

MOTION: Mr. Janorschke made a motion to approve the costs associated of hiring a sixth person. The costs associated with the sixth person would be paid for from the Operating Fund FY20 O&M Budget. No budget amendment is necessary at this time. Motion seconded by Ms. Henderson.

Chair Izzo requested comment from the Budget Subcommittee. Ms. Garner informed the Budget Subcommittee met yesterday and discussed the O&D's support for an additional trainee. She explained the total costs associated with an additional trainee for seven months, including the 155% indirect costs to HEA, are approximately \$235,000, but the cost savings associated with an additional trainee offsets the costs and a budget amendment is not necessary. The O&M costs are currently under-budget.

Mr. Borgeson offered for discussion the possibility of postponing the hiring of the trainee until the SQ Line is back in service.

Mr. Hickey indicated support.

Mr. Janorschke indicated support and commented the succession planning the new trainee will fulfill needs to occur whether or not the SQ Line is in service. He noted Mr. Day will not be accountable if extensive staff overtime occurs because the Committee postponed hiring of additional personnel.

Ms. Henderson does not support the delay in hiring due to the concerns expressed by HEA and ML&P. She believes succession planning is important and understands the possible lengthy process of appropriate recruitment.

Mr. Foutz inquired as to the overlap time of a new position approved today and the person or persons retiring. Mr. Day explained he does not have a specific answer. The crew is IBEW and the ages include 59, 62, and 70 years.

Mr. Janorschke commented the operators are outstanding and their innovations are exceptional.

Chair Izzo requested a member of the O&D Committee provide comment. Jeff Warner, ML&P and O&D Committee, informed the issue has been discussed and unanimous support was given to move forward with the hiring of a sixth person due to the importance of succession planning.

The motion passed unanimously.

MOTION: Mr. Foutz made a motion to enter into Executive Session to discuss confidential matters related to legal and financial issues related to project facilities and the SQ Line, as well as legal issues regarding Battle Creek Diversion Project construction. Motion seconded by Mr. Borgeson.

The motion was approved without objection.

10. EXECUTIVE SESSION: 11:27 am

Discuss confidential matters related to:

A. Legal and financial issues related to Project Facilities and the SQ Line

The Committee reconvened its regular meeting at 12:25 pm.

11. COMMITTEE ASSIGNMENTS

Chair Izzo assigned HEA to review contract renewal processes for Mr. Rebenitsch. Chair Izzo expressed the value in extending the contract and the importance of project continuity.

Chair Izzo discussed the creation of a special committee.

MOTION: Mr. Borgeson made a motion to authorize the BPMC Chair to create a special committee to work on SQ Line operation and ownership opportunities, and to report back to the BPMC with an initial report by January 15, 2020. Motion seconded by Mr. Hickey.

A roll call vote was taken, and the motion passed, with Mr. Janorschke abstaining.

12. MEMBER COMMENTS

Ms. Henderson expressed appreciation to HEA for the continued diligence in operations.

Mr. Foutz extended happy Thanksgiving greetings.

Mr. Janorschke echoed the greetings.

Chair Izzo expressed appreciation to staff and members.

Mr. Thayer extended Merry Christmas greetings.

13. NEXT MEETING DATE - January 24, 2020

The next meeting date is scheduled for January 24, 2020.

14. ADJOURNMENT

There being no further business for the committee, the meeting adjourned at 12:29 pm.

BY: _____
Tony Izzo, Chair

Attest: _____
Alaska Energy Authority, Secretary

Bradley Lake Project Management Committee Operating and Revenue Funds

To the Bradley Lake Project Management Committee

Year Ended June 30, 2019

EXECUTIVE SUMMARY

To assist you in your responsibilities as a member of the Bradley Lake Project Management Committee, this section summarizes the most significant conclusions reached and issues addressed during our audit of the Bradley Lake Project Management Committee Operating and Revenue Funds for the year ended June 30, 2019.

SIGNIFICANT CONCLUSIONS AND ISSUES

We have completed our audit and issued our report dated January 15, 2020. Based on our work performed:

- We rendered an unmodified opinion on the special-purpose financial statements as of and for the year ended June 30, 2019.
- We have not identified any conditions that we consider to be material weaknesses in internal control, as defined by generally accepted auditing standards.
- We have not identified any instances that we consider to be material instances of noncompliance with certain provisions of laws, regulations, and contracts.
- We received the full cooperation of management and staff throughout the organization and were kept informed as to developments and plans affecting our audit scope.
- No restrictions were placed on the scope of our work.

The following report includes additional information and communications for the benefit of those charged with governance, as required by professional standards.

To the Bradley Lake Project Management Committee
Anchorage, Alaska

We have audited the special-purpose financial statements of the Bradley Lake Project Management Committee (the Committee) Operating and Revenue Funds for the year ended June 30, 2019, and have issued our report thereon dated January 15, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated October 28, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Committee Operating and Revenue Funds are described in Note 1 to the June 30, 2019 special-purpose financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2019. We noted no transactions entered into by the Committee Operating and Revenue Funds during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the special-purpose financial statements in the proper period.

Accounting estimates are an integral part of the special-purpose financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events.

Certain financial statement disclosures and changes are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures are:

- The disclosures in Note 1 related to revenue and expense recognition
- The disclosure of major contracts and agreements
- The disclosure of surplus refunds

The special-purpose financial statement disclosures are neutral, consistent and clear.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We are pleased to report that no such misstatements were noted during the course of our audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter that could be significant to the special-purpose financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 15, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Committee Operating and Revenue Funds' special-purpose financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties dealing with management in performing and completing our audit.

Other Audit Findings or Issues

We will generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Committee Operating and Revenue Funds' auditors. However, these discussions occurred in the normal course of our professional relationship and our responses are not a condition to our retention.

Other Matters

With respect to the supplemental information accompanying the special-purpose financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting requirements of the Operating and Revenue Funds established under the Alaska Energy Authority Power Revenue Bond Resolution, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the special-purpose financial statements. We compared and reconciled the supplemental information to the underlying accounting records used to prepare the special-purpose financial statements or to the special-purpose financial statements themselves.

This information is intended solely for the use of the Committee and management of the Committee Operating and Revenue Funds and is not intended to be and should not be used by anyone other than these specified parties.

Aldrich CPAs + Advisors LLP

Bradley Lake Project Management Committee Operating and Revenue Funds

Financial Statements with Supplemental Information

Years Ended June 30, 2019 and 2018
(With Independent Auditor's Report)



**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS**

Financial Statements with Supplemental Information

Years Ended June 30, 2019 and 2018

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INDEPENDENT AUDITORS' REPORT

Bradley Lake Project Management Committee
Anchorage, Alaska

We have audited the accompanying special-purpose financial statements of the Bradley Lake Project Management Committee (a project management committee) Operating and Revenue Funds, which are comprised of the special-purpose statements of assets and liabilities as of June 30, 2019 and 2018, the related special-purpose statements of revenues and expenses, the special-purpose statements of cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

The Bradley Lake Project Management Committee is responsible for the preparation and fair presentation of these special-purpose financial statements in accordance with accounting requirements of the Operating and Revenue Funds established under the Alaska Energy Authority Power Revenue Bond Resolution as described in Note 1. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these special-purpose financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform each audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the assets and liabilities of the Bradley Lake Project Management Committee Operating and Revenue Funds, as of June 30, 2019 and 2018, its revenues and expenses, and its cash flows for the years then ended, on the basis of accounting described in Note 1.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the special-purpose financial statements as a whole. The supplemental special-purpose Statements of Expenses is presented for purposes of additional analysis and is not a required part of the special-purpose financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the special-purpose financial statements. The supplemental information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the special-purpose financial statements or to the special-purpose financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated in all material respects in relation to the special-purpose financial statements as a whole.

INDEPENDENT AUDITORS' REPORT, CONTINUED

Basis of Accounting

We draw attention to Note 1 of the special-purpose financial statements, which describes the basis of accounting. The special-purpose financial statements are prepared on the basis of the accounting requirements of the Operating and Revenue Funds established under the Alaska Energy Authority Power Revenue Bond resolution, as discussed in Note 1, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with accounting requirements of the bond resolution referred to above. Our opinion is not modified with respect to that matter.

Restriction on Use

This report is intended solely for the information and use of the Bradley Lake Project Management Committee and is not intended to be and should not be used by anyone other than that specified party.

Aldrich CPAs + Advisors LLP

Anchorage, Alaska
January 15, 2020

**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS**

Statements of Assets and Liabilities

June 30, 2019 and 2018

ASSETS

Current Assets:

Cash and cash equivalents (Note 2)

	<u>2019</u>		<u>2018</u>
\$	3,741,545	\$	3,363,177

Due from R & C fund (Note 5)

88,384	440,987
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Accounts receivable

2,500	21,000
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Prepaid expenses

<u>-</u>	<u>51,269</u>
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Total Assets

\$	<u><u>3,832,429</u></u>	\$	<u><u>3,876,433</u></u>
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LIABILITIES

Current Liabilities:

Due to AEA (Note 4)

\$	574,995	\$	87,286
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Accounts payable

995,595	1,308,769
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Payable to utilities - O&M refund (Note 5)

785,931	1,004,466
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Payable to utilities - R&C refund (Note 5)

88,384	440,987
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Payable to utilities - Battle Creek refund (Note 5)

964,826	635,702
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Unearned revenue (Note 1)

<u>422,698</u>	<u>399,223</u>
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Total Liabilities

\$	<u><u>3,832,429</u></u>	\$	<u><u>3,876,433</u></u>
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BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE**OPERATING AND REVENUE FUNDS****Statements of Revenues and Expenses**

Years Ended June 30, 2019 and 2018

	2019		Variance Favorable (Unfavorable)	2018 Actual
	Budget	Actual		
Revenues:				
Utility contributions, net of surplus refund	\$ 21,291,779	\$ 19,452,639	\$ (1,839,140)	\$ 18,871,545
Capital reserve contributions	-	-	-	2,796,378
Interest receipts	1,911,754	2,013,515	101,761	2,079,212
Other revenue	-	2,501	2,501	17,251
Total Revenues	<u>23,203,533</u>	<u>21,468,655</u>	<u>(1,734,878)</u>	<u>23,764,386</u>
Expenses, Fixed Asset Replacements, Transfers and Debt Service:				
Operations and maintenance	7,987,524	7,322,530	664,994	6,702,278
Debt service, net of IRS subsidy	14,527,122	13,406,112	1,121,010	13,102,048
Capital reserve contributions	-	-	-	2,796,378
Cost of issuance	-	-	-	25,730
Arbitrage transfer	295,533	431,480	(135,947)	270,777
Fixed asset replacements	272,500	187,679	84,821	970,560
Interfund transfer	120,854	120,854	-	(103,385)
Total Expenses, Fixed Asset Replacements, Transfers and Debt Service	<u>23,203,533</u>	<u>21,468,655</u>	<u>1,734,878</u>	<u>23,764,386</u>
Excess of Revenues Over Expenses, Fixed Asset Replacements, Transfers and Debt Service	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

See accompanying notes to financial statements.

**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS**

Statements of Cash Flows

Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash Flows from Operating Activities:		
Excess of revenues over expenses, fixed asset replacements, transfers and debt service	\$ -	\$ -
Adjustments to reconcile excess of revenues over expenses fixed asset replacements, transfers and debt service to net cash provided by (used in) operating activities:		
Changes in assets and liabilities:		
Due from R & C fund	352,603	706,676
Accounts receivable	18,500	(21,000)
Prepaid expenses	51,269	(51,269)
Due to AEA	487,709	(534,721)
Accounts payable	(313,174)	272,974
Payable to utilities - O&M refund	(218,535)	(218,943)
Payable to utilities - R&C refund	(352,603)	(706,676)
Payable to utilities - Battle Creek refund	329,124	635,702
Unearned revenue	<u>23,475</u>	<u>(489,344)</u>
Net Cash Provided by (Used in) Operating Activities	<u>378,368</u>	<u>(406,601)</u>
Cash and Cash Equivalents, beginning of year	<u>3,363,177</u>	<u>3,769,778</u>
Cash and Cash Equivalents, end of year	\$ <u><u>3,741,545</u></u>	\$ <u><u>3,363,177</u></u>
Supplemental Disclosure of Cash Flows Information:		
Interest paid	\$ <u><u>3,808,120</u></u>	\$ <u><u>2,589,650</u></u>

See accompanying notes to financial statements.

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE OPERATING AND REVENUE FUNDS

Notes to Financial Statements

Years Ended June 30, 2019 and 2018

Note 1 - Significant Accounting Policies

Description of Business

The Bradley Lake Project Management Committee (the Committee) was established pursuant to Section 13 of the Agreement for the Sale and Purchase of Electric Power (Power Sales Agreement) dated December 8, 1987. The purpose of the Committee is to arrange for the operation and maintenance of the Bradley Lake Hydroelectric Project (the Project), which became operational in September 1991, and the scheduling, production and dispatch of power. The members of the Committee include the Alaska Energy Authority (AEA) and the five purchasers under the Power Sales Agreement - Chugach Electric Association, Inc. (CEA); Golden Valley Electric Association, Inc.; the Municipality of Anchorage (Municipal Light & Power); the City of Seward (Seward Electric System); and the Alaska Electric Generation & Transmission Cooperative, Inc. (AEG&T). AEG&T assigned its rights pertaining to Homer Electric Association, Inc. (HEA) under the Power Sales Agreement to Alaska Electric and Energy Cooperative, Inc. (AE&EC) in 2003. HEA and the Matanuska Electric Association, Inc. (MEA) are additional parties to the Power Sales Agreement but are included as power purchasers for purposes of representation while AEG&T and AE&EC have no direct vote as a consequence of the individual representation of HEA and MEA.

Section 13 of the Power Sales Agreement delineates other Committee responsibilities, including: establishing procedures for each party's water allocation, budgeting for annual Project costs and calculating each party's required contribution to fund annual Project costs. Committee approval of operations and maintenance arrangements for the Project, sufficiency of the annual budgets and wholesale power rates and the undertaking of optional Project work requires a majority affirmative vote and the affirmative vote of AEA.

The Power Sales Agreement extends until the later of: 1) 50 years after commencement of commercial operation or 2) the complete retirement of bonds outstanding under the AEA Power Revenue Bond Resolution along with the satisfaction of all other payment obligations under the Power Sales Agreement. Renewal options for additional terms exist.

The Committee is developing a project which will divert the water flows of Battle Creek into Bradley Lake to increase the water for use by the Project. All purchasers are supportive of the expansion of the capabilities of the Project through the development of the Battle Creek Diversion Project (BCD Project). The activities of the Committee regarding the BCD Project are authorized as Optional Project Work under the Power Sales Agreement. Not all purchasers are participating in the BCD Project. The participating purchasers, who make up the Battle Creek Participating Utilities (BCPU), are; CEA, HEA, MEA, and City of Seward.

During the years ended June 30, 2019 and 2018, approximately \$15.9 million and \$6.9 million, respectively, of capital additions occurred relating to the Battle Creek Diversion project to enhance the Bradley Lake Hydroelectric Project. This project will divert the upper part of Battle Creek into Bradley Lake and the increase in water will enable the Project to produce an additional annual average of 37,000 Megawatt hours (nearly a 10% increase in Bradley Lake's annual energy). An amendment to the Bradley Lake Hydroelectric Project Federal Energy Regulatory Commission license was received in September 2016. Construction began in 2018 and is anticipated to be complete in the fall of 2020. The construction cost estimate for this project is \$47.2 million.

To date funding for the BCD Project has come from debt proceeds, State appropriations, the Bradley Lake R & C Fund, and direct contributions from the BCPU. Debt was issued in December 2017 to fund the construction of the project. Capital additions paid for with debt proceeds was \$15.3 million and \$6.6 million during the years ended June 30, 2019 and June 30, 2018, respectively. No state funds were used in the years ended June 30, 2019 and June 30, 2018, respectively. The BCPU began direct funding the project in October 2017 and funded approximately \$150,000 and \$335,000 in the years ended June 30, 2019 and 2018, respectively.

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE

OPERATING AND REVENUE FUNDS

Notes to Financial Statements

Years Ended June 30, 2019 and 2018

Note 1 - Significant Accounting Policies, continued

Establishment of Trust Funds

Article V, Section 502 of the Alaska Energy Authority's Power Revenue Bond Resolution established a Revenue Fund and an Operating Fund, including an Operating Reserve account, to be held by AEA. In actuality these funds, along with the Debt Service, Excess Investment Earnings (arbitrage), and various construction funds related to the Bradley Lake Hydroelectric Project are all held by the Corporate Trust Department of US Bank in Seattle, Washington.

In December 2017, AEA issued debt for the construction of the Battle Creek Diversion project. This debt is parity debt under the current Power Revenue Bond Resolution. A separate Revenue Fund, Operating Fund, Operating Reserve account, Construction Fund, Capital Reserve Fund, and Debt Service Fund were established related to the Battle Creek Diversion project.

All deposits, including utility contributions and interest transferred from other funds, are made into the Revenue Funds. Monthly, transfers approximately equal to one-twelfth of the annual operating and maintenance budget are transferred from the Revenue Funds into the Operating Funds. Additional transfers are made from the Revenue Funds to the Debt Service Funds in order to satisfy semiannual interest payments and annual principal payments on the Project's outstanding bonds payable.

Interest earnings available for operations and maintenance are derived from the following funds: Debt Service Funds; Operating Reserve Funds; Operating Funds; Revenue Funds; Capital Reserve Funds; and the Renewal & Contingency Fund when the fund balance is \$5,000,000 or greater.

Revenue and Expense Recognition

Utility contributions are recognized as revenue when due to be received under the terms of the Power Sales Agreement. Utility contributions of \$422,698 and \$399,223 for the years ended June 30, 2020 and 2019, respectively, were received prior to June 30, 2019 and 2018, respectively, and are included in liabilities as unearned revenue. Transfers from other funds are recognized when the transfer is made and interest earnings are recognized when received. Operating and maintenance expenses are recognized when incurred, while transfers to Debt Service Fund and Excess Earnings Funds are recognized when the transfer is made. Purchases of fixed asset replacements are expensed when purchased. The Renewal and Contingency Reserve Fund (R & C Fund) is reimbursed for capital costs over a four year period. Transfers to the R & C Fund for repayment of funds withdrawn for capital costs occur monthly based on the budgeted R & C expenditures. At year end, the actual Operating Fund expenses and R & C Fund repayments are compared to the actual revenue and a refund is given to the utilities when a surplus of revenues occurs or invoices are issued to the utilities if expenses exceed revenues.

Estimates

The preparation of the special-purpose financial statements of the Operating and Revenue Funds requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Committee is exempt from income taxation under Section 501(a) of the Internal Revenue Code. Therefore, the Committee had no deferred tax liabilities or assets or tax carryforwards as of June 30, 2019 and 2018 and no current or deferred tax expense for the years then ended.

Subsequent Events

The Committee has evaluated subsequent events through January 15, 2020, the date on which the special-purpose financial statements were available to be issued.

**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS**

Notes to Financial Statements

Years Ended June 30, 2019 and 2018

Note 2 - Cash and Cash Equivalents

At June 30, 2019, \$39,758 of the balance in the Operating Funds was invested in First American Treasury Obligations money market fund and \$1,117,332 of the balance in the Operating Funds was invested in collateralized guaranteed investment contracts with JP Morgan Chase Bank through the trust department of US Bank. At June 30, 2018, \$2,610 of the balance in the Operating Fund was invested in First American Treasury Obligations money market fund and \$855,664 of the balance was invested in collateralized guaranteed investment contracts with JP Morgan Chase Bank through the trust department of US Bank.

At June 30, 2019, \$1,704,933 of the balance in the Revenue Fund is invested in First American Treasury Obligations money market fund, and \$879,522 of the balance is invested in collateralized guaranteed investment contracts with JP Morgan Chase Bank. At June 30, 2018, \$399,223 of the balance in the Revenue Fund is in deposits, \$733,871 of the balance in the Revenue fund is invested in First American Treasury Obligations money market fund and \$1,371,809 of the balance was invested in collateralized guaranteed investment contracts with JP Morgan Chase Bank. The specified interest rate for monies from the Operating and Revenue Funds invested in the contracts with JP Morgan Chase is 7.38% per annum. Balances at June 30, 2019 and 2018 are as follows:

	2019	2018
Operating Fund	\$ 1,157,090	\$ 858,274
Revenue Fund	2,584,455	2,504,903
Total cash and cash equivalents	\$ 3,741,545	\$ 3,363,177

Investments are sold as needed to cover operating requisitions submitted to the trustee and are therefore considered to be short-term and available for sale. Investments are presented at aggregate cost, which is equal to fair value.

Management considers the full amount of the cash and cash equivalents balance to be cash available for operations.

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE OPERATING AND REVENUE FUNDS

Notes to Financial Statements

Years Ended June 30, 2019 and 2018

Note 3 - Major Contracts and Agreements

During May 1994, the Alaska Energy Authority (AEA) entered into the Master Maintenance and Operating agreement with the Committee. The purpose of the agreement is to establish contract administration and budgeting procedures for maintenance and operation contracts of the Bradley Lake Hydroelectric Project and to provide for the lease or other use of facilities and equipment in a manner consistent with the requirements of the Power Sales Agreement. The term of the Master Agreement is indefinite, remaining in effect until termination of the Power Sales Agreement or until AEA no longer legally exists. This agreement authorizes AEA to enter into any contracts necessary to perform operating or maintenance-type services to the Project, subject to the approval of the Committee.

On behalf of the Committee, the AEA entered into an agreement with Chugach Electric Association, Inc. (CEA) in August 1996, for the provision of all services necessary to dispatch the Project's electric power output. The dispatch agreement runs concurrently with the wheeling and related services contract entered into by and among the parties to the Power Sales Agreement in December 1987 and remains in effect for the term of the wheeling agreement unless CEA ceases to be the output dispatcher.

In August 1996, AEA entered into an agreement with CEA on behalf of the Committee for the provision of operations and maintenance services for the Daves Creek and Soldotna Static VAR Compensation System (SVS). This agreement terminated as to the Soldotna SVS upon the termination of the lease related to the Soldotna SVS. In January 2018, the Alaska Energy Authority entered into the Soldotna Static VAR Compensation System Operation and Maintenance Agreement with Alaska Electric and Energy Cooperative, Inc. (AE&EC). This agreement continues from year to year, except upon written notice to terminate by either party. Notice of termination must be given two years in advance of date of termination.

In March 2019, AEA entered into an agreement with Homer Electric Association, Inc. (HEA) for the operations and maintenance of the Bradley Lake Hydroelectric Project with an effective date of January 1, 2019. HEA is to be reimbursed for costs associated with the operation, maintenance and repair of the Project as authorized by the annual project operations and maintenance budget. The term of this agreement is five and one-half years from the effective date and shall automatically be renewed for successive three-year terms thereafter until terminated. Notice of termination shall be given no less than two years in advance of the end of the term.

Prior to March 2019, HEA operated and maintained the Bradley Lake Hydroelectric project under an operation and maintenance agreement dated February 11, 1994, between HEA and AEA. HEA was reimbursed for costs associated with the operation, maintenance and repair of the Project as determined in advance through the submission of an annual budget based upon prudent estimates and anticipated operation and maintenance costs. The Second Amended and Restated Operations and Maintenance Agreement effective as of July 1, 2008 automatically continued in successive five year terms thereafter unless terminated by either party as set forth in the amended agreement. AEA gave notice of termination to the Second Amended and Restated Operation and Maintenance Agreement for the Bradley Lake Project on December 27, 2016. The agreement, as amended effective June 15, 2016, was extended to January 1, 2019. In January 2019, the Committee authorized AEA to enter into a Second Amendment to the Second Amended and Restated Operation and Maintenance agreement which extended the agreement for three months to March 31, 2019.

In August 1996, the agreement was amended to separate the maintenance of the transmission facilities from the hydroelectric project. The transmission agreement continues from year-to-year, except upon written notice to terminate by either party. Notice of termination must be given six months in advance of termination dates. In June 1999, the transmission agreement was again amended to require HEA to provide communication services in addition to the other services.

**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS**

Notes to Financial Statements

Years Ended June 30, 2019 and 2018

Note 4 - Related Party Transactions

During the years ended June 30, 2019 and 2018, costs incurred under the various contracts with related parties described in Note 3 were as follows:

	2019	2018
Homer Electric Association, Inc. - operation, maintenance, substation service maintenance, communications, and fixed asset replacements	\$ 4,627,389	\$ 3,223,101
Chugach Electric Association, Inc. - substation service maintenance and fixed asset replacements	\$ 49,878	\$ 1,389,802
Alaska Energy Authority - administrative fees	\$ 368,000	\$ 222,000

For the years ended June 30, 2019 and 2018, Chugach Electric Association, Inc. provided dispatch services to the Committee at the agreed upon amount which is zero.

Amounts payable to related parties at June 30, 2019 and 2018 were as follows:

	2019	2018
Included in accounts payable:		
Homer Electric Association, Inc.	\$ 1,001,495	\$ 1,038,874
Chugach Electric Association, Inc.	\$ 8,966	\$ 8,151
Due to others:		
Alaska Energy Authority - short-term borrowing for vendor payments	\$ 574,995	\$ 87,286

Note 5 - Surplus Refunds

The \$785,931 operations and maintenance and \$88,384 renewal and contingency surpluses at June 30, 2019 will be refunded to member utilities in fiscal year 2020 pursuant to the Power Sales Agreement and direction of the Committee. The \$964,826 Battle Creek Participating Utilities surplus at June 30, 2019 will be refunded to member utilities in fiscal year 2020 pursuant to the Power Sales Agreement, the Battle Creek Diversion Project Share Allocation, and direction of the Committee.

The \$1,004,466 operations and maintenance and \$440,987 renewal and contingency surpluses at June 30, 2018 were refunded to member utilities in fiscal year 2019 pursuant to the Power Sales Agreement and direction of the Committee. The \$635,702 Battle Creek Participating Utilities surplus at June 30, 2018 was refunded to member utilities in fiscal year 2019 pursuant to the Power Sale Agreement, the Battle Creek Diversion Project Share Allocation, and direction of the committee.

SUPPLEMENTAL INFORMATION

**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS**

Statements of Expenses

Years Ended June 30, 2019 and 2018

	2019		Variance	2018
	Budget	Actual	Favorable (Unfavorable)	Actual
Expenses:				
Generation expense:				
Operation supervision and engineering	\$ 291,674	\$ 277,305	\$ 14,369	\$ 271,485
Hydraulic operation	134,230	128,469	5,761	70,008
Electric plant operation	370,765	341,989	28,776	216,990
Hydraulic power generation operation	595,452	407,892	187,560	479,587
FERC land use fees	-	(35,289)	35,289	202,079
Structure maintenance	631,883	415,792	216,091	402,310
Reservoir, dam, and waterway maintenance	101,984	12,410	89,574	9,314
Electric plant maintenance	615,554	573,517	42,037	364,198
Hydraulic plant maintenance	161,404	143,995	17,409	139,689
System control and load dispatching	401,147	366,183	34,964	371,550
Substation operation and maintenance	153,718	138,869	14,849	134,770
Overhead line maintenance	96,120	38,165	57,955	64,301
Total Generation Expense:	<u>3,553,931</u>	<u>2,809,297</u>	<u>744,634</u>	<u>2,726,281</u>
Administrative, general and regulatory expense:				
Insurance	656,834	617,640	39,194	624,705
Administrative fees	376,193	375,421	772	225,525
Committee costs	344,498	539,004	(194,506)	269,145
Regulatory commission:				
FERC administrative fees	185,000	101,775	83,225	176,523
FERC licensing and study	125,000	104,560	20,440	100,999
Total Administrative, General and Regulatory Expense	<u>1,687,525</u>	<u>1,738,400</u>	<u>(50,875)</u>	<u>1,396,897</u>
Total Operations and Maintenance Expenses, before Capital Project Reimbursement	5,241,456	4,547,697	693,759	4,123,178
R & C Fund Repayment	<u>2,746,068</u>	<u>2,774,833</u>	<u>(28,765)</u>	<u>2,579,100</u>
Total Operations and Maintenance Expenses	<u>\$ 7,987,524</u>	<u>\$ 7,322,530</u>	<u>\$ 664,994</u>	<u>\$ 6,702,278</u>

See accompanying notes to financial statements.

**ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
2021 DRAFT BUDGET**

DATE: 01/24/20



**ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
2021 Budget Contents**

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ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
Overview of Budget Changes between FY20 Amended Budget and FY21 Draft Budget

FY20 Amended Budgeted Utility Contributions	<u>19,584,485</u>
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From Schedule A

REVENUES

Increase in interest income	(110,000)
Increase in other available funds	<u>(1,325,513)</u>
	<u>(1,435,513)</u>

EXPENSES

Increase Operations & Maintenance	317,741
Decrease Renewals/Replacements (R&C Fund Repayments)	91,389
Increase Non R&C Capital Purchases	(485,000)
Increase Transfer To(From) Operating Reserve	(49,167)
Increase Debt Service	(1,325,513)
Increase Arbitrage Transfer	<u>(44,153)</u>
	<u>(1,494,702)</u>

Net change in utility contributions	<u><u>(2,930,215)</u></u>
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FY21 Budgeted Utility Contributions	<u>16,654,270</u>
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Battle Creek-FY20 Amended Budgeted Utility Contributions	<u>2,562,036</u>
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From Schedule A

EXPENSES

Increase in Battle Creek Administrative costs	37,290
Increase in Transfer To(From) Operating Reserve	19,170
Increase in Debt Service	2,395
Decrease in Capital Purchases	(175,000)
	<u>(116,145)</u>

Net change in utility contributions	<u><u>(116,145)</u></u>
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Battle Creek-FY21 Budgeted Utility Contributions	<u>2,445,891</u>
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ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
Budget Summary
Schedule A

	FY2016 <u>Actuals</u>	FY2017 <u>Actuals</u>	FY2018 <u>Actuals</u>	FY2019 <u>Actuals</u>	FY2020 Approved <u>Budget</u>	FY2021 Draft <u>Budget</u>	Inc(Dec) From FY20 Approved <u>Budget</u>
Bradley Lake (excluding Battle Creek shown below)							
Revenues, Expenses & Changes in surplus							
<u>Revenues</u>							
Utility Contributions (sch C)	17,828,513	17,172,295	18,373,909	18,132,905	19,584,485	16,654,270	(2,930,215)
Interest Income	1,930,547	1,991,555	2,064,454	1,946,023	1,810,000	1,920,000	110,000
Other Miscellaneous	0	0	17,251	2,501	0	0	0
Other Available Funds						1,325,513	1,325,513
	19,759,060	19,163,850	20,455,614	20,081,429	21,394,485	19,899,783	(1,494,702)
<u>Expenses</u>							
Operations & Maintenance (sch B)	4,273,634	4,011,783	3,985,722	4,019,975	5,351,042	5,668,783	317,741
Renewals/Replacements (R&C Fund Repayments) (sch D)	2,692,710	2,476,905	2,579,100	2,774,832	2,121,400	2,212,789	91,389
Non R&C Capital Purchases (sch A-1)	26,444	89	954,060	37,738	685,000	200,000	(485,000)
Transfer To(From) Operating Reserve	(9,747)	(85,531)	(112,145)	38,816	112,715	63,548	(49,167)
Debt Service (net of Capital Reserve Reductions)	12,494,600	12,426,200	12,778,100	12,778,588	12,778,775	11,453,263	(1,325,513)
Arbitrage Transfer	281,419	334,404	270,777	431,480	345,553	301,400	(44,153)
	19,759,060	19,163,850	20,455,614	20,081,429	21,394,485	19,899,783	(1,494,702)
Surplus (Deficit)	0	0	0	0	0		
Other Project Costs - Battle Creek							
Revenues, Expenses & Changes in surplus							
<u>Revenues - Battle Creek</u>							
Utility Contributions (sch G)	0	800,000	333,860	0	0	0	0
Utility Contributions (sch G)	0	0	497,636	1,319,734	2,562,036	2,445,891	(116,145)
Capital Reserve Contributions	0	0	2,796,378	0	0	0	0
Other Available Funds	0	0	0	0	0	0	0
Interest Income	0	0	14,758	67,492	0	0	0
	0	800,000	3,642,632	1,387,226	2,562,036	2,445,891	(116,145)
<u>Expenses - Battle Creek</u>							
Battle Creek Administrative costs (sch F)	0	0	137,456	527,723	395,424	432,714	37,290
Capital Purchases (sch E)	0	800,000	333,860	0	0	0	0
Capital Purchases - Revenue Fund (sch E)	0	0	16,500	149,941	425,000	250,000	(175,000)
Transfer To(From) Operating Reserve	0	0	8,760	82,038	(11,712)	7,458	19,170
Debt Service	0	0	895,824	1,748,534	1,753,324	1,755,719	2,395
IRS Subsidy	0	0	(571,876)	(1,121,010)	0	0	0
Cost of Issuance 9th Series	0	0	25,730	0	0	0	0
Capital Reserve Contribution	0	0	2,796,378	0	0	0	0
	0	800,000	3,642,632	1,387,226	2,562,036	2,445,891	(116,145)
Surplus (Deficit)	0	0	0	0	0		
Other Information							
Operating Reserve *	1,116,353	1,030,822	918,677	957,494	1,070,208	1,133,757	
Operating Reserve - Battle Creek*			8,760	90,798	79,085	86,543	
Monthly Contributions	1,654,119	1,628,614	1,651,614	1,511,075	1,632,040	1,387,856	
Monthly Contributions Battle Creek			52,780	109,978	213,503	203,824	

* Required to be 20% of budgeted operating expense

ALASKA ENERGY AUTHORITY
 BRADLEY LAKE HYDROELECTRIC PROJECT
 Capital Purchases Not Funded by R&C Fund
 Schedule A-1

	FY17	FY18	FY19	FY20	FY21	
Capital Project Description	Actuals	Actuals	Actuals	Approved Budget	Draft Budget	Comments for FY21:
Replace/Automate Fish Water Valves & Actuators	89	361,430	17,142	-	40,000	Actuator has failed
Equipment storage shed (unheated bus barn)	-	67,539	-	-	-	
1 ton Flatbed with Plow	-	57,016	-	-	-	
Battle Creek Bridge Repair Refurbishment (2)	-	-	-	220,000	-	
Mobil Crane 40 to 50 tons (used)	-	88,875	-	-	-	
Replace Michigan Loader	-	263,306	-	-	-	
Upgrade Crews Quarters\Residence Kitchen	-	1,850	-	-	-	
Replace 1988 Suburban Ambulance	-	59,430	5,350	-	-	
1/2 ton Pick up truck	-	34,693	-	-	-	
Replace High Bay Lighting in Power Plant		19,920	-	-	-	
Turbine Nozzle Repair	-	-	-	-	-	
Tire machine	-	-	15,246	-	-	
Replace dump truck and sander	-	-	-	170,000	-	
Pick up truck	-	-	-	45,000	-	
UPS Replacement	-	-	-	75,000	37,000	Need 2nd Battery Charger
Rough terrain fork lift (with plow for snow)	-	-	-	130,000	-	
IRIS Air gap monitoring system (computer)	-	-	-	45,000	45,000	New generator analysis computer
KVM switch for Emerson	-	-	-	-	3,000	Emerson upgrade causes need for new switch
Spare Trash Pump	-	-	-	-	20,000	Leaking needles cause the trash pump to run all the time - need spare
Heavy Duty trailer for equipment	-	-	-	-	55,000	Need trailer to haul excavator and bulldozer up mountain
Total Non R&C Capital Purchases	89	954,060	37,738	685,000	200,000	

**ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
Operations & Maintenance Budget
Schedule B**

Schedule B	HEA	3,209,154		HEA	2,704,303		HEA	3,145,798		HEA		4,090,378
	CEA	190,187		CEA	183,499		CEA	183,491		CEA		101,785
	AEA	1,754,770		AEA	1,705,585		AEA	1,458,178		AEA		1,657,865
	FY17			FY18			FY19			FY20		
	FY17 Amended Budget		(Over) Under Budget to date	FY18 Amended Budget		(Over) Under Budget to date	FY19 Amended Budget		(Over) Under Budget to date	FY20 Amended Budget	FY21 Draft Budget	Increase (Decrease) from FY20
Summary by cost type												
Labor & Benefits	2,005,079	1,533,371	471,708	1,889,814	1,578,236	311,578	1,572,497	1,307,514	264,983	1,219,935	1,413,288	193,353
Indirect Costs	-	-	-	-	-	-	583,803	579,115	4,688	1,383,388	1,330,587	(52,801)
Travel	132,950	27,009	105,941	76,950	16,114	60,836	33,950	28,380	5,570	45,950	44,950	(1,000)
Training	49,300	35,736	13,564	49,300	14,046	35,254	49,300	20,957	28,343	49,300	49,300	-
Contractual	1,217,418	850,184	367,234	841,062	659,773	181,289	1,033,216	633,895	399,321	869,842	1,016,340	146,498
Supplies & Materials	229,358	113,150	116,208	183,345	152,799	30,546	204,345	156,340	48,005	346,345	389,345	43,000
Other Costs	381,744	297,447	84,297	387,818	276,371	111,447	69,818	31,293	38,525	67,818	70,818	3,000
Equipment, Furniture and Machinery	11,500	10,137	1,363	7,000	25,562	(18,562)	7,000	6,879	121	176,000	157,000	(19,000)
Maintenance Projects	-	-	-	-	3,381	(3,381)	-	44,926	(44,926)	-	-	-
Administrative Costs	1,126,761	1,144,749	(17,988)	1,158,098	1,259,440	(101,342)	1,233,537	1,210,676	22,861	1,192,464	1,378,400	185,936
Battle Creek O&M	-	-	-	-	-	-	-	-	-	-	(181,245)	(181,245)
	5,154,110	4,011,784	1,142,326	4,593,387	3,985,722	607,665	4,787,467	4,019,975	767,492	5,351,042	5,668,783	317,741
Bradley Lake O&M 4% charge to Battle Creek												
Battle Creek O&M	-	-	-	-	-	-	-	-	-	-	(181,245)	(181,245)
Bradley Lake O&M 4% charge to Battle Creek												
FERC 535 - Operation Supervision & Engineering												
Operations Sup/Eng												
Bradley Lake Operating												
Labor & Benefits	299,649	266,820	32,829	265,587	262,431	3,156	189,074	182,059	7,015	107,453	107,453	0
Indirect Costs	-	-	-	-	-	-	77,849	74,535	3,314	155,698	155,698	-
Travel	10,450	9,452	998	10,450	2,271	8,179	10,450	13,462	(3,012)	10,450	10,450	-
Training	9,300	11,171	(1,871)	9,300	3,452	5,848	9,300	4,305	4,995	9,300	9,300	-
Contractual	1,400	300	1,100	1,000	121	879	1,000	257	743	1,000	11,000	10,000
Supplies & Materials	4,100	5,781	(1,681)	4,000	3,210	790	4,000	2,688	1,312	4,000	4,000	-
Bradley Lake Operating Total	324,899	293,523	31,376	290,337	271,485	18,852	291,673	277,306	14,367	287,901	297,901	10,000
FERC 535 - Operation Supervision & Engineering Total	324,899	293,523	31,376	290,337	271,485	18,852	291,673	277,306	14,367	287,901	297,901	10,000

	FY17			FY18			FY19			FY20	FY21	
	FY17 Amended Budget	Actual	(Over) Under Budget to date	FY18 Amended Budget	Actual	(Over) Under Budget to date	FY19 Amended Budget	Actual	(Over) Under Budget to date	FY20 Amended Budget	FY21 Draft Budget	Increase (Decrease) from PY
FERC 537 - Hydraulic Expenses												
Hydraulic Expenses												
Bradley Lake Operating												
Labor & Benefits	92,746	65,670	27,076	94,453	69,032	25,421	88,714	71,767	16,947	84,081	84,192	111
Indirect Costs	-	-	-	-	-	-	41,515	42,543	(1,028)	107,519	114,320	6,801
Travel	-	-	-	-	-	-	-	-	-	10,000	10,000	-
Contractual	4,000	5,647	(1,647)	2,000	-	2,000	2,000	11,524	(9,524)	22,000	59,000	37,000
Supplies & Materials	2,900	886	2,014	2,000	976	1,024	2,000	2,636	(636)	19,000	59,000	40,000
Equipment, Furniture and Machinery	-	-	-	-	-	-	-	-	-	81,000	32,000	(49,000)
Bradley Lake Operating Total	99,646	72,202	27,444	98,453	70,008	28,445	134,230	128,470	5,760	323,600	358,512	34,912
FERC 537 - Hydraulic Expenses Total	99,646	72,202	27,444	98,453	70,008	28,445	134,230	128,470	5,760	323,600	358,512	34,912

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	FY17			FY18			FY19			FY20	FY21	Increase (Decrease) from PY
	FY17 Amended Budget	Actual	(Over) Under Budget to date	FY18 Amended Budget	Actual	(Over) Under Budget to date	FY19 Amended Budget	Actual	(Over) Under Budget to date	FY20 Amended Budget	FY21 Draft Budget	
FERC 538 - Electric Expenses												
Electric Expenses												
Bradley Lake Operating												
Labor & Benefits	242,940	193,058	49,882	232,294	202,969	29,325	224,811	209,646	15,165	208,745	218,044	9,299
Indirect Costs	-	-	-	-	-	-	102,222	110,544	(8,322)	242,067	262,004	19,937
Travel	7,000	8,638	(1,638)	7,000	6,877	123	7,000	4,890	2,110	7,000	7,000	-
Training	25,000	23,737	1,263	25,000	231	24,769	25,000	12,406	12,594	25,000	25,000	-
Contractual	2,000	1,400	600	2,000	1,400	600	2,000	-	2,000	7,000	2,000	(5,000)
Supplies & Materials	8,500	4,672	3,828	9,732	5,513	4,219	9,732	4,503	5,229	50,732	41,732	(9,000)
Equipment, Furniture and Machinery	-	-	-	-	-	-	-	-	-	63,000	73,000	10,000
Other Costs	-	-	-	-	-	-	-	-	-	-	5,000	5,000
Bradley Lake Operating Total	285,440	231,505	53,934	276,026	216,990	59,036	370,765	341,989	28,776	603,544	633,780	30,236
FERC 538 - Electric Expenses Total	285,440	231,505	53,934	276,026	216,990	59,036	370,765	341,989	28,776	603,544	633,780	30,236
FERC 539 - Misc. Hydraulic Power Generation Expenses												
Misc Hydro Power Exp												
Bradley Lake Operating												
Labor & Benefits	178,991	137,740	41,251	179,530	172,689	6,841	168,044	116,910	51,134	104,936	105,047	111
Indirect Costs	-	-	-	-	-	-	41,515	42,396	(881)	107,519	114,320	6,801
Training	15,000	829	14,171	15,000	10,363	4,637	15,000	4,245	10,755	15,000	15,000	-
Contractual	297,048	214,899	82,149	287,525	212,841	74,684	287,525	147,555	139,970	287,525	287,525	-
Supplies & Materials	17,900	19,695	(1,795)	17,900	18,271	(371)	17,900	31,565	(13,665)	17,900	17,900	-
Bradley Lake Operating Total	508,939	373,162	135,777	499,955	414,164	85,791	529,984	342,671	187,313	532,879	539,791	6,912
BRADLEY CIRCUITS/RADIO TO BERNICE LK												
Other Costs	35,695	35,696	(1)	35,695	35,696	(1)	35,695	35,696	(1)	35,695	35,695	-
BRADLEY CIRCUITS/RADIO TO BERNICE LK Total	35,695	35,696	(1)	35,695	35,696	(1)	35,695	35,696	(1)	35,695	35,695	-
BRADLEY CIRCUITS BERNICE LK TO ANCH												
Other Costs	29,773	29,540	233	29,773	29,728	45	29,773	29,524	249	29,773	29,773	-
BRADLEY CIRCUITS BERNICE LK TO ANCH Total	29,773	29,540	233	29,773	29,728	45	29,773	29,524	249	29,773	29,773	-
FERC 539 - Misc. Hydraulic Power Generation Expenses Total	574,407	438,398	136,009	565,423	479,588	85,835	595,452	407,891	187,561	598,347	605,259	6,912
FERC 540 - Rents												
FERC Land Use Fee												
Bradley Lake Operating												
Other Costs	312,176	230,614	81,562	318,000	202,079	115,921	-	(35,289)	35,289	-	-	-
Bradley Lake Operating Total	312,176	230,614	81,562	318,000	202,079	115,921	-	(35,289)	35,289	-	-	-
FERC 540 - Rents Total	312,176	230,614	81,562	318,000	202,079	115,921	-	(35,289)	35,289	-	-	-
FERC 541 - Maintenance Supervision & Engineering												
Maint Supervision/Eng												
Bradley Lake Operating												
Labor & Benefits	224,284	229,602	(5,318)	272,586	263,101	9,485	195,817	181,894	13,923	114,456	270,154	155,698
Indirect Costs	-	-	-	-	-	-	77,849	74,373	3,476	155,698	-	(155,698)
Bradley Lake Operating Total	224,284	229,602	(5,318)	272,586	263,101	9,485	273,666	256,267	17,399	270,154	270,154	-

	FY17			FY18			FY19			FY20	FY21	
	FY17 Amended Budget	Actual	(Over) Under Budget to date	FY18 Amended Budget	Actual	(Over) Under Budget to date	FY19 Amended Budget	Actual	(Over) Under Budget to date	FY20 Amended Budget	FY21 Draft Budget	Increase (Decrease) from PY
FERC 541 - Maintenance Supervision & Engineering Total	224,284	229,602	(5,318)	272,586	263,101	9,485	273,666	256,267	17,399	270,154	270,154	-

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	FY17			FY18			FY19			FY20	FY21	Increase (Decrease) from PY
	FY17 Amended Budget	Actual	(Over) Under Budget to date	FY18 Amended Budget	Actual	(Over) Under Budget to date	FY19 Amended Budget	Actual	(Over) Under Budget to date	FY20 Amended Budget	FY21 Draft Budget	
FERC 542 - Maintenance of Structures												
Maintenance of Structures												
Bradley Lake Operating												
Labor & Benefits	92,746	65,629	27,117	94,453	70,197	24,256	85,438	67,934	17,504	76,499	77,639	1,140
Indirect Costs	-	-	-	-	-	-	37,066	37,809	(743)	97,823	105,421	7,599
Contractual	10,000	-	10,000	10,000	-	10,000	10,000	-	10,000	91,000	59,000	(32,000)
Supplies & Materials	53,713	42,233	11,480	53,713	57,919	(4,206)	53,713	46,903	6,810	88,713	100,713	12,000
Equipment, Furniture and Machinery	11,500	8,318	3,182	7,000	8,513	(1,513)	7,000	6,879	121	32,000	52,000	20,000
Maintenance Projects	-	-	-	-	2,581	(2,581)	-	-	-	-	-	-
Bradley Lake Operating Total	167,959	116,180	51,779	165,166	139,210	25,956	193,217	159,525	33,692	386,035	394,773	8,738
BRADLEY UPGRADE CREWS QUARTERS/RESIDENCE KITCHEN												
Contractual	-	-	-	-	-	-	165,000	-	-	-	-	-
BRADLEY UPGRADE CREWS QUARTERS/RESIDENCE KITCHEN	-	-	-	-	-	-	165,000	-	-	-	-	-
FERC 542 - Maintenance of Structures Total	167,959	116,180	51,779	165,166	139,210	25,956	358,217	159,525	198,692	386,035	394,773	8,738
FERC 543 - Maintenance of Reservoirs, Dams & Waterways												
Maint Res, Dams, W Ways												
Bradley Lake Operating												
Labor & Benefits	50,409	50,035	374	50,610	9,314	41,296	45,552	4,723	40,829	45,080	40,744	(4,336)
Indirect Costs	-	-	-	-	-	-	19,932	87	19,845	56,322	56,689	367
Travel											5,000	5,000
Contractual	5,200	63,704	(58,504)	6,500	-	6,500	6,500	7,600	(1,100)	6,500	6,500	-
Supplies & Materials											15,000	15,000
Bradley Lake Operating Total	55,609	113,739	(58,130)	57,110	9,314	47,796	71,984	12,410	59,574	107,902	123,933	16,031
BRADLEY NUKA REPAIR												
Contractual	15,000	980	14,020	15,000	-	15,000	15,000	-	15,000	-	-	-
Supplies & Materials	-	-	-	-	-	-	-	-	-	-	-	-
Equipment, Furniture and Machinery	-	-	-	-	-	-	-	-	-	-	-	-
BRADLEY NUKA REPAIR Total	15,000	980	14,020	15,000	-	15,000	15,000	-	15,000	-	-	-
BRADLEY POWER TUNNEL MAINT (Dam)												
Contractual	15,000	9,431	5,569	15,000	-	15,000	15,000	-	15,000	15,000	15,000	-
BRADLEY POWER TUNNEL MAINT (Dam) Total	15,000	9,431	5,569	15,000	-	15,000	15,000	-	15,000	15,000	15,000	-
FERC 543 - Maintenance of Reservoirs, Dams & Waterways Total	85,609	124,151	(38,542)	87,110	9,314	77,796	101,984	12,410	89,574	122,902	138,933	16,031

	FY17			FY18			FY19			FY20	FY21	
	FY17 Amended Budget	Actual	(Over) Under Budget to date	FY18 Amended Budget	Actual	(Over) Under Budget to date	FY19 Amended Budget	Actual	(Over) Under Budget to date	FY20 Amended Budget	FY21 Draft Budget	Increase (Decrease) from PY
FERC 544 - Maintenance of Electric Plant												
Maintenance of Elec Plant												
Bradley Lake Operating												
Labor & Benefits	370,983	266,161	104,822	379,102	291,662	87,440	342,265	285,366	56,899	273,620	309,110	35,490
Indirect Costs	-	-	-	-	-	-	148,789	156,963	(8,174)	368,424	423,178	54,754
Travel	4,500	740	3,760	4,500	-	4,500	4,500	216	4,284	4,500	4,500	-
Contractual	79,000	36,844	42,156	70,000	59,793	10,207	70,000	69,475	525	49,000	49,000	-
Supplies & Materials	27,245	13,081	14,164	20,000	12,743	7,257	20,000	16,571	3,429	70,000	38,000	(32,000)
Maintenance Projects	-	-	-	-	-	-	-	44,926	(44,926)	-	-	-
Bradley Lake Operating Total	481,728	316,826	164,902	473,602	364,198	109,404	585,554	573,517	12,037	765,544	823,788	58,244
BRADLEY HIGH BAY LIGHTS												
Supplies & Materials	-	-	-	-	-	-	30,000	-	30,000	-	-	-
BRADLEY HIGH BAY LIGHTS Total	-	-	-	-	-	-	30,000	-	30,000	-	-	-
FERC 544 - Maintenance of Electric Plant Total	481,728	316,826	164,902	473,602	364,198	109,404	615,554	573,517	42,037	765,544	823,788	58,244

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	FY17			FY18			FY19			FY20	FY21	Increase (Decrease) from PY
	FY17 Amended Budget	Actual	(Over) Under Budget to date	FY18 Amended Budget	Actual	(Over) Under Budget to date	FY19 Amended Budget	Actual	(Over) Under Budget to date	FY20 Amended Budget	FY21 Draft Budget	
FERC 545 - Maintenance of Misc. Hydraulic Plant												
Maint of Misc Hydr Plant												
Bradley Lake Operating												
Labor & Benefits	92,746	66,129	26,617	94,453	86,833	7,620	85,438	70,963	14,475	69,395	69,297	(98)
Indirect Costs	-	-	-	-	-	-	37,066	39,864	(2,798)	92,318	98,957	6,639
Contractual	3,900	5,274	(1,374)	3,900	2,009	1,891	3,900	-	3,900	3,900	3,900	-
Supplies & Materials	43,000	20,631	22,369	35,000	49,502	(14,502)	35,000	33,168	1,832	63,000	58,000	(5,000)
Bradley Lake Operating Total	139,646	92,034	47,612	133,353	138,344	(4,991)	161,404	143,995	17,409	228,613	230,154	1,541
BRADLEY FISH WATER DSGN/MIDDLE FORK SHACK IMPR												
Contractual	20,000	-	20,000	-	-	-	-	-	-	-	-	-
Supplies & Materials	-	-	-	-	1,345	(1,345)	-	-	-	-	-	-
BRADLEY FISH WATER DSGN/MIDDLE FORK SHACK IMPR Total	20,000	-	20,000	-	1,345	(1,345)	-	-	-	-	-	-
FERC 545 - Maintenance of Misc. Hydraulic Plant Total	159,646	92,034	67,612	133,353	139,689	(6,336)	161,404	143,995	17,409	228,613	230,154	1,541
FERC 556 - System Control & Load Dispatching												
System Cntl & Load Disp												
Bradley Lake Operating												
Labor & Benefits	49,502	27,294	22,207	20,618	34,363	(13,745)	21,506	20,920	586	21,140	21,140	-
Contractual	60,500	66,135	(5,635)	53,000	35,618	17,382	53,000	44,800	8,200	53,000	53,000	-
Supplies & Materials	6,000	2,229	3,771	6,000	642	5,358	6,000	613	5,387	6,000	6,000	-
Equipment, Furniture and Machinery	-	-	-	-	16,254	(16,254)	-	-	-	-	-	-
Bradley Lake Operating Total	116,002	95,657	20,344	79,618	86,877	(7,259)	80,506	66,333	14,173	80,140	80,140	-
BRADLEY EMERSON ANTIVIRUS UPGRADE												
Contractual	-	-	-	-	-	-	40,000	41,740	(1,740)	-	-	-
BRADLEY EMERSON ANTIVIRUS UPGRADE Total	-	-	-	-	-	-	40,000	41,740	(1,740)	-	-	-

	FY17			FY18			FY19			FY20	FY21		Increase (Decrease) from PY
	FY17 Amended Budget	Actual	(Over) Under Budget to date	FY18 Amended Budget	Actual	(Over) Under Budget to date	FY19 Amended Budget	Actual	(Over) Under Budget to date	FY20 Amended Budget	FY21 Draft Budget		
Snow Measurement													
Bradley Lake Operating													
Contractual	10,000	10,000	-	10,000	10,000	-	12,000	10,000	2,000	10,000	10,000	AEA	-
Bradley Lake Operating Total	10,000	10,000	-	10,000	10,000	-	12,000	10,000	2,000	10,000	10,000		-
Seismic Service													
Bradley Lake Operating													
Contractual	60,370	61,358	(988)	62,000	61,285	715	62,000	61,569	431	62,000	62,000	AEA	-
Bradley Lake Operating Total	60,370	61,358	(988)	62,000	61,285	715	62,000	61,569	431	62,000	62,000		-
Streamgauging Serv													
Bradley Lake Operating													
Contractual	310,000	157,164	152,836	213,137	213,137	-	206,291	186,291	20,000	209,917	259,615	AEA	49,698
Bradley Lake Operating Total	310,000	157,164	152,836	213,137	213,137	-	206,291	186,291	20,000	209,917	259,615		49,698
Permits													
Bradley Lake Operating													
Other Costs	100	450	(350)	350	250	100	350	250	100	350	350	AEA	-
Bradley Lake Operating Total	100	450	(350)	350	250	100	350	250	100	350	350		-
FERC 556 - System Control & Load Dispatching Total	496,472	324,629	171,842	365,105	371,549	(6,444)	401,147	366,183	34,964	362,407	412,105		49,698
FERC 562 - Station Expenses													
Station Expenses													
SVC/Substation Maintenance Contract													
Labor & Benefits	130,414	151,868	(21,455)	123,726	111,165	12,561	94,718	83,226	11,492	59,774	55,712	CEA	(4,062)
Travel	6,000	-	6,000	6,000	1,701	4,299	2,000	1,632	368	4,000	4,500	CEA	500
Contractual	4,000	3,447	554	4,000	-	4,000	32,000	35,207	(3,207)	2,000	1,800	CEA	(200)
Supplies & Materials	16,000	3,848	12,152	16,000	2,678	13,322	21,000	17,692	3,308	12,000	10,000	CEA	(2,000)
Other Costs	4,000	1,148	2,852	4,000	8,618	(4,618)	4,000	1,112	2,888	2,000	-	CEA	(2,000)
Equipment, Furniture and Machinery	-	-	-	-	795	(795)	-	-	-	-	-	CEA	-
Maintenance Projects	-	-	-	-	800	(800)	-	-	-	-	-	CEA	-
Labor & Benefits	-	-	-	-	1,573	(1,573)	-	-	-	27,298	27,298	HEA	-
Contractual	-	-	-	-	7,440	(7,440)	-	-	-	-	37,000	HEA	37,000
Supplies & Materials	-	-	-	-	-	-	-	-	-	10,000	34,000	HEA	24,000
SVC/Substation Maintenance Contract Total	160,414	160,311	103	153,726	134,770	18,956	153,718	138,869	14,849	117,072	170,309		53,238
FERC 562 - Station Expenses Total	160,414	160,311	103	153,726	134,770	18,956	153,718	138,869	14,849	117,072	170,309		53,238

	FY17			FY18			FY19			FY20	FY21		
	FY17 Amended Budget	Actual	(Over) Under Budget to date	FY18 Amended Budget	Actual	(Over) Under Budget to date	FY19 Amended Budget	Actual	(Over) Under Budget to date	FY20 Amended Budget	FY21 Draft Budget		Increase (Decrease) from PY
FERC 571 - Maintenance of Overhead Lines													
Maint of OH Lines													
Bradley Lake Operating													
Labor & Benefits	179,671	7,014	172,657	82,402	2,907	79,495	31,120	12,110	19,010	27,459	27,459		-
Travel	95,000	8,179	86,821	49,000	5,265	43,735	10,000	8,180	1,820	10,000	-		(10,000)
Contractual	50,000	-	50,000	86,000	56,046	29,954	50,000	17,875	32,125	50,000	100,000		50,000
Supplies & Materials	50,000	95	49,905	19,000	-	19,000	5,000	-	5,000	5,000	5,000		-
Equipment, Furniture and Machinery	-	584	(584)	-	-	-	-	-	-	-	-		-
Bradley Lake Operating Total	374,671	15,871	358,800	236,402	64,218	172,184	96,120	38,165	57,955	92,459	132,459		40,000
BRADLEY JUNCTION SWITCH REMOVAL													
Travel	5,000	-	5,000	-	-	-	-	-	-	-	-		-
Contractual	70,000	73,076	(3,076)	-	-	-	-	-	-	-	-		-
Other Costs	-	-	-	-	-	-	-	-	-	-	-		-
BRADLEY JUNCTION SWITCH REMOVAL Total	75,000	73,076	1,924	-	-	-	-	-	-	-	-		-
MARKER BALL REPLACEMENT													
Labor & Benefits	-	6,352	(6,352)	-	-	-	-	-	-	-	-		-
Travel	5,000	-	5,000	-	-	-	-	-	-	-	-		-
Contractual	200,000	140,526	59,474	-	83	(83)	-	-	-	-	-		-
Equipment, Furniture and Machinery	-	1,235	(1,235)	-	-	-	-	-	-	-	-		-
MARKER BALL REPLACEMENT Total	205,000	148,113	56,887	-	83	(83)	-	-	-	-	-		-
FERC 571 - Maintenance of Overhead Lines Total	654,671	237,060	417,611	236,402	64,301	172,101	96,120	38,165	57,955	92,459	132,459	HEA	40,000
FERC 920 & 930 - Administrative Expense													
AEA Bradley Admin Fees													
Bradley Lake Operating													
Administrative Costs	200,000	200,000	-	200,000	200,000	-	200,000	200,000	-	200,000	241,000	AEA	41,000
Administrative Costs											2,500	AEA	2,500
Travel											3,500	AEA	3,500
Bradley Lake Operating Total	200,000	200,000	-	200,000	200,000	-	200,000	200,000	-	200,000	247,000		47,000
Operating Committee Exp-Audit													
Bradley Lake Operating													
Administrative Costs	16,494	16,500	(6)	16,800	16,800	-	16,500	19,900	(3,400)	19,900	19,900	AEA	-
Bradley Lake Operating Total	16,494	16,500	(6)	16,800	16,800	-	16,500	19,900	(3,400)	19,900	19,900		-
Operating Committee Exp-Legal													
Bradley Lake Operating													
Administrative Costs	25,000	57,444	(32,444)	25,000	115,610	(90,610)	25,000	140,453	(115,453)	30,000	70,000	AEA	40,000
Bradley Lake Operating Total	25,000	57,444	(32,444)	25,000	115,610	(90,610)	25,000	140,453	(115,453)	30,000	70,000		40,000

	FY17			FY18			FY19			FY20	FY21		Increase (Decrease) from PY
	FY17 Amended Budget	Actual	(Over) Under Budget to date	FY18 Amended Budget	Actual	(Over) Under Budget to date	FY19 Amended Budget	Actual	(Over) Under Budget to date	FY20 Amended Budget	FY21 Draft Budget		
Operat Committee Exp-Arbitrage													
Bradley Lake Operating													
Administrative Costs	3,630	3,630	-	3,380	2,535	845	2,935	2,785	150	3,000	5,000	AEA	2,000
Bradley Lake Operating Total	3,630	3,630	-	3,380	2,535	845	2,935	2,785	150	3,000	5,000		2,000
Trust & Account Fees													
Bradley Lake Operating													
Administrative Costs	12,000	11,918	82	11,918	11,918	-	11,918	11,918	-	11,918	12,000	AEA	82
Bradley Lake Operating Total	12,000	11,918	82	11,918	11,918	-	11,918	11,918	-	11,918	12,000		82
Misc Admin													
Bradley Lake Operating													
Administrative Costs	-	10,000	(10,000)	10,000	10,350	(350)	10,350	11,646	(1,296)	11,646	12,000	AEA	354
Bradley Lake Operating Total	-	10,000	(10,000)	10,000	10,350	(350)	10,350	11,646	(1,296)	11,646	12,000		354
FERC 920 & 930 - Administrative Expense Total	257,124	299,492	(42,368)	267,098	357,213	(90,115)	266,703	386,702	(119,999)	276,464	365,900		89,436
FERC 924 & 925 - Insurance Premiums													
Insurance Premiums													
Bradley Lake Operating													
Administrative Costs	500,000	502,391	(2,391)	525,000	580,915	(55,915)	600,834	599,218	1,616	575,000	600,000	AEA	25,000
Administrative Costs	64,637	52,279	12,358	56,000	43,790	12,210	56,000	18,422	37,578	56,000	56,000	HEA	-
Bradley Lake Operating Total	564,637	554,670	9,967	581,000	624,705	(43,705)	656,834	617,640	39,194	631,000	656,000		25,000
FERC 924 & 925 - Insurance Premiums Total	564,637	554,670	9,967	581,000	624,705	(43,705)	656,834	617,640	39,194	631,000	656,000		25,000
FERC 928 - Regulatory Commission Expenses													
FERC Admin Fees													
Administrative Costs	180,000	122,210	57,791	185,000	176,523	8,477	185,000	101,775	83,225	185,000	175,000	AEA	(10,000)
Bradley Lake Operating Total	180,000	122,210	57,791	185,000	176,523	8,477	185,000	101,775	83,225	185,000	175,000		-
FERC Related Prof Services													
FERC Part 12 Inspection													
Administrative Costs	25,000	24,113	887	-	-	-	-	-	-	-	75,000	AEA	75,000
Contractual Engineer-FERC license issues													
Administrative Costs	100,000	144,264	(44,264)	125,000	100,999	24,001	125,000	104,560	20,440	100,000	110,000	AEA	10,000
Bradley Lake Operating Total	125,000	168,377	(43,377)	125,000	100,999	24,001	125,000	-	125,000	100,000	185,000		85,000
FERC 928 - Regulatory Commission Expenses Total	305,000	290,586	14,414	310,000	277,522	32,478	310,000	206,335	103,665	285,000	360,000		75,000
Total Bradley Lake Budget	5,154,110	4,011,784	1,142,326	4,593,387	3,985,722	607,665	4,787,467	4,019,975	767,492	5,351,042	5,668,783		317,741

ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
Monthly Utility Contributions
Schedule C

<u>Power Purchaser</u>	<u>Percent Share</u>	<u>FY2017 Amended Budget</u>	<u>FY2018 Amended Budget</u>	<u>FY2019 Amended Budget</u>	<u>FY2020 Amended Budget</u>	<u>FY2021 Draft Budget</u>	<u>FY2020 to FY2021 Change</u>
Chugach Electric	30.4%	5,941,176	6,025,086	5,778,204	5,953,680	5,062,884	(890,796)
Municipality of Anchorage	25.9%	5,061,732	5,133,216	4,922,868	5,072,376	4,313,460	(758,916)
Homer Electric	12.0%	2,345,208	2,378,322	2,280,864	2,350,140	1,998,516	(351,624)
Matanuska Electric	13.8%	2,696,988	2,735,076	2,622,996	2,702,664	2,298,288	(404,376)
Golden Valley Electric	16.9%	3,302,832	3,349,470	3,212,220	3,309,780	2,814,576	(495,204)
City of Seward	1.0%	195,432	198,192	190,068	195,840	166,548	(29,292)
<i>Rounding</i>		3		(1)	5	5	
	100.0%	19,543,371	19,819,362	19,007,219	19,584,485	16,654,277	(2,930,208)

<u>Power Purchaser</u>	<u>Percent Share</u>	<u>FY2017 Monthly</u>	<u>FY2018 Monthly Accelerated</u>	<u>FY2019 Monthly</u>	<u>FY2020 Monthly</u>	<u>FY2021 Monthly</u>	
Chugach Electric	30.4%	495,098	1,004,181	481,517	496,140	421,907	
Municipality of Anchorage	25.9%	421,811	855,536	410,239	422,698	359,455	
Homer Electric	12.0%	195,434	396,387	190,072	195,845	166,543	
Matanuska Electric	13.8%	224,749	455,846	218,583	225,222	191,524	
Golden Valley Electric	16.9%	275,236	558,245	267,685	275,815	234,548	
City of Seward	1.0%	16,286	33,032	15,839	16,320	13,879	
	100.0%	1,628,614	3,303,227	1,583,935	1,632,040	1,387,856	-

ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
R&C Fund Disbursements and Repayments
Schedule D

Description	Actual	ACTUAL	Actual	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	Disburse	TO REPAY at 06/30/18	Disburse	TO REPAY at 06/30/19	Disburse	TO REPAY at 06/30/20	Disburse	TO REPAY at 06/30/21
R&C FUND PROJECTS								
Governor	0.00	4,052,070.14	0.00	4,052,070.14	0.00	4,052,070.14	0.00	4,052,070.14
Replace RFLS	0.00	251,092.69	0.00	251,092.69	0.00	251,092.69	0.00	251,092.69
Replace Runners	0.00	1,946,732.79	0.00	1,946,732.79	0.00	1,946,732.79	0.00	1,946,732.79
Replace cable from dam to power house	0.00	2,321,922.94	0.00	2,321,922.94	0.00	2,321,922.94	0.00	2,321,922.94
Replace power system stabilizer	0.00	619,205.10	0.00	619,205.10	0.00	619,205.10	0.00	619,205.10
Replace two RTUs	0.00	86,905.27	0.00	86,905.27	0.00	86,905.27	0.00	86,905.27
Culvert Repairs	0.00	675,966.79	0.00	675,966.79	0.00	675,966.79	0.00	675,966.79
Trans Towers Frost Jacking Repairs	0.00	887,596.62	0.00	887,596.62	0.00	887,596.62	0.00	887,596.62
Replace Plant and SCADA Controls	0.00	1,344,683.05	0.00	1,344,683.05	0.00	1,344,683.05	0.00	1,344,683.05
Vibration Monitoring System	0.00	490.00	0.00	490.00	0.00	490.00	0.00	490.00
Battle Creek Feasibility	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fire Alarm System Replacement	0.00	0.00	0.00	0.00	150,000.00	150,000.00	150,000.00	300,000.00
Battle Creek Diversion	0.00	1,170,000.00	0.00	1,170,000.00	0.00	1,170,000.00	0.00	1,170,000.00
Replace Electro-Mechanical Relays	0.00	1,277,197.06	0.00	1,277,197.06	0.00	1,277,197.06	0.00	1,277,197.06
Fishwater Screen Debris Removal	0.00	312,236.43	0.00	312,236.43	0.00	312,236.43	0.00	312,236.43
Turbine Nozzle Repair	0.00	1,428,861.07	0.00	1,428,861.07	0.00	1,428,861.07	0.00	1,428,861.07
Spillway Raise	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SVC replacement Daves Creek Soldotna	1,341,405.96	8,517,991.11	0.00	8,517,991.11	0.00	8,517,991.11	0.00	8,517,991.11
Equipment Storage Shed	0.00	0.00	510,550.13	510,550.13	0.00	510,550.13	0.00	510,550.13
Emerson Operating System Upgrade	0.00	0.00	622,665.00	622,665.00	0.00	622,665.00	0.00	622,665.00
Generator #2 Relacement	0.00	0.00	582,341.67	582,341.67	0.00	582,341.67	0.00	582,341.67
Road Grader	0.00	0.00	0.00	0.00	0.00	0.00	370,000.00	370,000.00
	1,341,405.96	24,892,951.06	1,715,556.80	26,608,507.86	150,000.00	26,758,507.86	520,000.00	27,278,507.86
Current Year R&C Repayment		(2,793,306.00)		(2,746,068.00)		(2,212,788.96)		(1,024,240.69)
Adjust bal to \$5 mill (won't be corrected until year end)		0.00		0.00		0.00		0.00
Less Interest in Fund Applied to Repayment		(226,781.00)		(117,149.21)		0.00		0.00
Net Transfer from Revenue Fund		(3,020,087.00)		(2,863,217.21)		(2,212,788.96)		(1,024,240.69)
Cumulative Prior Years R&C Repayments		(17,886,155.09)		(20,465,255.55)		(23,240,089.01)		(25,452,877.97)
Due back to Utilities		440,986.54		88,383.75		0.00		0.00
R&C Cumulative Interest (Retained) Applied As Part of Repayme		0.00		0.00		0.00		0.00
Net R&C Repayments		(17,445,168.55)		(20,376,871.80)		(23,240,089.01)		(25,452,877.97)
NET DUE TO R&C FUND		4,427,695.51		3,368,418.85		1,305,629.89		801,389.20
R&C FUND CASH FLOW PROJECTION								
Beginning Investment Balance		3,219,624.39		1,013,291.03		2,435,913.25		3,694,370.11
Disbursements-current year		(1,341,405.96)		(999,608.45)		(150,000.00)		(520,000.00)
Disbursements-prior year accrued		(2,737,351.03)		0.00		(715,948.35)		0.00
R&C Repayment to utilities		(1,147,663.37)		(440,986.54)		(88,383.75)		0.00
Net other cash inflow(outflow)		0.00		0.00		0.00		0.00
Current year interest earnings		226,781.00		117,149.21		0.00		0.00
Current year Participants Contributions to R&C		2,793,306.00		2,746,068.00		2,212,788.96		1,024,240.69
Ending Investment Balance		1,013,291.03		2,435,913.25		3,694,370.11		4,198,610.80
Accrued R&C Payable at year end-Due to Utilities		(440,986.54)		(88,383.75)		0.00		0.00
Accrued R&C vendor Payable at year end		0.00		(715,948.35)		0.00		0.00
PROJECTED NET DUE + ENDING INVESTMENT BALANCE		5,000,000.00		5,000,000.00		5,000,000.00		5,000,000.00
REPAYMENT AMOUNT								
\$3,330,802.80 X 25% yr 1 32% yr 2 25% yr 3	3rd yr	832,700.70	4th yr	599,544.50				
\$5,644,193.08 x 25% all 4 years	2nd yr	1,411,048.27	3rd yr	1,411,048.27	4th yr	1,411,048.27		
\$1,341,405.96 x 25% all 4 years	1st yr	335,351.49	2nd yr	335,351.49	3rd yr	335,351.49	4th yr	335,351.49
\$1,350,000 x 25% all 4 years			1st yr	428,889.20	2nd yr	428,889.20	3rd yr	428,889.20
\$150,000 x 25% all 4 years					1st yr	37,500.00	2nd yr	37,500.00
\$150,000 x 25% all 4 years							1st yr	130,000.00
\$370,000 x 25% all 4 years							1st yr	92,500.00
		2,579,100.46		2,774,833.46		2,212,788.96		1,024,240.69

ALASKA ENERGY AUTHORITY
 BRADLEY LAKE HYDROELECTRIC PROJECT
 Battle Creek Capital Construction Purchases
 Schedule E

Capital Construction Project Description	FY18 <u>Actuals</u>	FY19 <u>Actuals</u>	FY20 Approved <u>Budget</u>	FY21 Draft <u>Budget</u>	Comments
Battle Creek Diversion	333,860	-	-		
Total Construction	333,860	-	-	-	
Used 2007 Chevrolet Silverado	8,800	-	-		
Used 2006 Chevrolet Silverado	7,700	-	-		
Battle Creek Diversion	-	149,941	425,000	250,000	Claims consultants
Total capital revenue fund purchases	16,500	149,941	425,000	250,000	

ALASKA ENERGY AUTHORITY
 BRADLEY LAKE HYDROELECTRIC PROJECT
 Battle Creek Administrative Costs Budget
 Schedule F

	HEA	-		HEA	262,438		HEA	268,524		HEA	92,569	92,569
	CEA	-		CEA	-		CEA	-		CEA	-	-
	AEA	43,000		AEA	191,550		AEA	126,900		AEA	158,900	158,900
	FY18			FY19			FY20			FY21		
	FY18		(Over)	FY19		(Over)	FY20			FY21		Increase
	Amended	Actual @	Under	Amended	Actual	Under	Approved			Draft		(Decrease)
	Budget	12/31/18	Budget	Budget		Budget	Budget			Budget		from PY
Summary by cost type												
Administrative Costs	43,000	137,435	(94,435)	453,988	527,724	(73,736)	395,424			251,469	(143,955)	
Battle Creek O&M	-	-	-	-	-	-	-			181,245	181,245	
	43,000	137,435	(94,435)	453,988	527,724	(73,736)	395,424			432,714	37,290	
Bradley Lake O&M 4% charge to Battle Creek												
Battle Creek O&M	-	-	-	-	-	-	-			181,245	181,245	
FERC 920 & 930 - Administrative Expense												
Battle Creek Admin Fees												
Administrative Costs	-	3,525	(3,525)	8,193	7,421	772	12,274	HEA		11,419	HEA	(855)
Administrative Costs	22,000	22,000	-	168,000	168,000	-	105,000	AEA		122,000	AEA	17,000
Battle Creek Admin Fees Total	22,000	25,525	(3,525)	176,193	175,421	772	117,274			133,419		16,145
Operating Committee Exp-Owners Representative												
Administrative Costs	-	89,196	(89,196)	254,245	311,652	(57,407)	256,250	HEA		81,150	HEA	(175,100)
Operating Committee Exp-Owners Representative Total	-	89,196	(89,196)	254,245	311,652	(57,407)	256,250			81,150		(175,100)
Operating Committee Exp-Legal												
Administrative Costs	15,000	17,082	(2,082)	15,000	34,795	(19,795)	15,000	AEA		30,000	AEA	15,000
Operating Committee Exp-Legal Total	15,000	17,082	(2,082)	15,000	34,795	(19,795)	15,000			30,000		15,000
Operat Committee Exp-Arbitrage												
Administrative Costs	2,000	2,180	(180)	2,000	1,690	310	2,000	AEA		2,000	AEA	-
Operat Committee Exp-Arbitrage Total	2,000	2,180	(180)	2,000	1,690	310	2,000			2,000		-
Trust & Account Fees												
Administrative Costs	3,500	1,197	2,303	6,550	4,083	2,467	4,800	AEA		4,800	AEA	-
Trust & Account Fees Total	3,500	1,197	2,303	6,550	4,083	2,467	4,800			4,800		-
Operating Committee Exp-Other												
Administrative Costs	500	2,255	(1,755)	-	83	(83)	100	AEA		100	AEA	-
Operating Committee Exp-Other Total	500	2,255	(1,755)	-	83	(83)	100			100		-
FERC 920 & 930 - Administrative Expense Total	43,000	137,435	(94,435)	453,988	527,724	(73,736)	395,424			251,469		(143,955)
Total Bradley Lake Budget	43,000	137,435	(94,435)	453,988	527,724	(73,736)	395,424			432,714		37,290

ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
Battle Creek Monthly Participating Purchaser Contributions
Schedule G

POWER PURCHASER	Percent Share	FY2017 Amended Budget	FY2018 7/28/2017 Amended Budget	FY2018 2/2/2018 Amended Budget *(1)	FY2018 3/5/2018 Amend 3 Budget	FY2019 Amended Budget	FY2020 Amended Budget	FY2021 Draft Budget	FY2019 to FY2020 Change
Chugach Electric Association	39.38%	315,040	157,520	236,521	249,416	519,711	1,008,930	963,192	(45,738)
Municipal Light & Power	0.00%	-	-	-	-	-	-	-	-
Homer Electric Association	41.44%	331,520	165,760	116,938	262,463	546,898	1,061,708	1,013,577	(48,131)
Matanuska Electric Association	17.88%	143,040	71,520	107,389	113,244	235,968	458,092	437,325	(20,767)
Golden Valley Electric Association	0.00%	-	-	-	-	-	-	-	-
City of Seward	1.30%	10,400	5,200	7,808	8,234	17,157	33,306	31,797	(1,509)
Rounding				1				-	
	100.00%	800,000	400,000	468,657	633,357	1,319,734	2,562,036	2,445,891	(116,145)

POWER PURCHASER	Percent Share			FY2018 March Contribution	FY2018 April-June Monthly	FY2019 Monthly	FY2020 Monthly	FY2021 Proposed
Chugach Electric Association	39.38%	-	-	59,130	80,749	43,309	86,867	80,266
Municipal Light & Power	0.00%	-	-	-	-	-	-	-
Homer Electric Association	41.44%	-	-	29,235	51,985	45,575	91,411	84,465
Matanuska Electric Association	17.88%	-	-	26,847	36,663	19,664	39,441	36,444
Golden Valley Electric Association	0.00%	-	-	-	-	-	-	-
City of Seward	1.30%	-	-	1,952	2,666	1,430	2,868	2,650
	100.0%	-	-	117,164	172,064	109,978	220,587	203,824

* (1) The calculation the FY2018 2/2/2018 Amended Budget is shown below.

Original Capital Reserve Contributions	Corrected Capital Reserve Contributions	Other Available Funds	Contributions Prior to Other Available Funds	FY2018 2/2/2018 Amended Budget
1,246,143	1,101,213	144,930	381,451	236,521
-	-	-	-	-
1,443,286	1,158,819	284,467	401,405	116,938
565,796	499,992	65,804	173,193	107,389
-	-	-	-	-
41,137	36,353	4,784	12,592	7,808
			(1)	1
3,296,363	2,796,378	499,985	968,640	468,657

BPMC
West Fork Upper Battle Creek Update
January 24, 2020

Events:

- The HDPE pipe and fusing machine arrived onsite during multiple barge trips in September, October, and November.
- The contractor has been building the diversion dam this fall/winter and construction has taken longer than expected.
- While December weather was mild, the temperatures dropped substantially in January requiring a change in cement mix, heating, and insulation.
- During each pour a concrete tester is on site taking samples and concrete has been meeting specifications.

Schedule:

- Last contractor schedule (data date January 5, 2020) has diversion dam construction proceeding forward through mid-February 2020.
- Two more concrete pours, drilling several foundation drains, placing drain rock and rip rap, and removal of super sack diversion dam will complete the diversion structure and the season.
- Orion plans to remobilize to the site in early April and start HDPE fusing May 1, 2020.
- Schedule shows substantial completion July 2020 (same as contract).
- Schedule is achievable.

Budget:

- Little change in budget.
- Increases in rock excavation quantities (expected) balance out with reductions in MSE walls areas.
- Contract amount is within 1% of initial.

Photo 1: Diversion Dam Stage 2 (November)



Photo 2: Diversion Dam Stage 3 (December)



Photo 3: Heating Aggregate



Photo 4: Spillway & Left Abutment



Photo 5: Spillway & Right Abutment



Photo 6: Talon Fusion Machine



Photo 7: HDPE Pipe



Bradley Lake
Budget to Actual Expense Report

07/01/2019 to 11/30/2019

ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
Schedule A-1
Expenses for the period 07/01/19 to 11/30/19

CAPITAL PURCHASES NOT FUNDED BY R&C FUND	FY18 ACTUALS	FY19 ACTUALS	FY20 BUDGET	FY20 ACTUALS
Replace/Automate Fish Water Valve Actuators	361,430	364	-	2,931
Equipment storage shed (unheated bus barn)	67,539	-	-	
1 ton Flatbed with Plow	57,016	-	-	
Battle Creek Bridge Repair Refurbishment (2)	-	-	220,000	
Mobil Crane 40 to 50 tons (used)	88,875	-	-	
Replace Michigan Loader	263,306	-	-	
Upgrade Crews Quarters and Residents Kitchen	1,850	-	-	
Replace 1988 Suburban Ambulance	59,430	5,350	-	
1/2 ton Pick up truck	34,693	-	-	
Replace High Bay Lighting in Power Plant	19,920	-	-	
Turbine Nozzle Repair	-	-	-	
Tire Machine	-	15,246	-	
UPS Replacement			75,000	
IRIS Air Gap Monitoring System (computer)			45,000	41,720
Replace Dump Truck and Sander			170,000	
Rough Terrain Fork Lift (with Plow)			130,000	131,593
Pick up Truck			45,000	41,484
Total Non R&C Capital Purchases	954,059	20,960	685,000	217,728

ALASKA ENERGY AUTHORITY
BRADLEY LAKE OPERATIONS & MAINTENANCE
SCHEDULE B
BUDGET TO ACTUAL EXPENSES
FOR THE PERIOD 07/01/2019 THROUGH 11/30/2019

	FY20 Approved Budget	FY 20						FY 19	
		BUDGET % 07/01/2019 - 11/30/2019	HEA Actual	CEA Actual	AEA Actual	Total Actual	(Over) Under Budget to Date	FY19 Approved Budget	FY19 Actual
Summary by expense type									
Default	-	-	-	-	-	-	-	-	-
Labor & Benefits	1,219,936	508,306	377,573	18,371	-	395,944	112,362	1,572,497	1,307,514
Travel	45,950	19,147	6,193	531	-	6,724	12,423	33,950	28,380
Training	49,300	20,542	3,654	-	-	3,654	16,889	49,300	20,957
Contractual	869,842	362,434	105,738	11,454	85,227	202,418	160,016	1,033,216	633,895
Supplies & Materials	346,345	144,311	44,110	101	-	44,211	100,100	204,345	156,340
Other Costs	67,818	28,257	14,873	12,111	400	27,384	873	69,818	31,293
Equipment, Furniture and Machinery	176,000	73,333	3,343	-	-	3,343	69,990	7,000	6,879
Maintenance Projects	-	-	-	-	-	-	-	-	44,926
Administrative Costs	1,192,464	496,861	8,154	-	444,497	452,651	44,210	1,233,537	1,210,676
Indirect Costs	1,383,388	576,413	488,405	-	-	488,405	88,008	583,803	579,115
	5,351,043	2,229,604	1,052,043	42,568	530,123	1,624,733	604,871	4,787,466	4,019,975
FERC 535 - Operation Supervision & Engineering									
Operations Sup/Eng									
Bradley Lake Operating									
Labor & Benefits	107,453	44,772	36,542	-	-	36,542	8,230	189,074	182,059
Travel	10,450	4,354	36	-	-	36	4,318	10,450	13,462
Training	9,300	3,875	856	-	-	856	3,019	9,300	4,305
Contractual	1,000	417	41	-	-	41	376	1,000	257
Supplies & Materials	4,000	1,667	2,161	-	-	2,161	(494)	4,000	2,688
Indirect Costs	155,698	64,874	52,070	-	-	52,070	12,804	77,849	74,535
Bradley Lake Operating Total	287,901	119,959	91,707	-	-	91,707	28,252	291,673	277,306
FERC 535 - Operation Supervision & Engineering Total	287,901	119,959	91,707	-	-	91,707	28,252	291,673	277,306
FERC 537 - Hydraulic Expenses									
Hydraulic Expenses									
Bradley Lake Operating									
Labor & Benefits	84,081	35,034	25,749	-	-	25,749	9,285	88,714	71,766
Travel	10,000	4,167	-	-	-	-	4,167	-	-
Contractual	22,000	9,167	-	-	-	-	9,167	2,000	11,524
Supplies & Materials	19,000	7,917	2,653	-	-	2,653	5,264	2,000	2,636
Equipment, Furniture and Machinery	81,000	33,750	-	-	-	-	33,750	-	-
Indirect Costs	107,519	44,800	38,025	-	-	38,025	6,775	41,515	42,543
Bradley Lake Operating Total	323,600	134,835	66,427	-	-	66,427	68,408	134,229	128,470
FERC 537 - Hydraulic Expenses Total	323,600	134,835	66,427	-	-	66,427	68,408	134,229	128,470
FERC 538 - Electric Expenses									
Electric Expenses									
Bradley Lake Operating									
Labor & Benefits	208,745	86,977	83,196	-	-	83,196	3,781	224,811	209,644
Travel	7,000	2,917	1,627	-	-	1,627	1,290	7,000	4,890
Training	25,000	10,417	2,797	-	-	2,797	7,620	25,000	12,406
Contractual	7,000	2,917	-	-	-	-	2,917	2,000	-
Supplies & Materials	50,732	21,138	365	-	-	365	20,773	9,732	4,503
Equipment, Furniture and Machinery	63,000	26,250	-	-	-	-	26,250	-	-
Indirect Costs	242,067	100,861	100,751	-	-	100,751	110	102,222	110,544
Bradley Lake Operating Total	603,544	251,477	188,735	-	-	188,735	62,742	370,765	341,989
FERC 538 - Electric Expenses Total	603,544	251,477	188,735	-	-	188,735	62,742	370,765	341,989
FERC 539 - Misc. Hydraulic Power Generation Expenses									
Misc Hydro Power Exp									
Bradley Lake Operating									
Labor & Benefits	104,936	43,723	25,686	-	-	25,686	18,037	168,044	116,910
Training	15,000	6,250	-	-	-	-	6,250	15,000	4,245
Contractual	287,525	119,802	68,948	-	-	68,948	50,854	287,525	147,555
Supplies & Materials	17,900	7,458	7,140	-	-	7,140	318	17,900	31,565
Indirect Costs	107,519	44,800	37,927	-	-	37,927	6,873	41,515	42,396
Bradley Lake Operating Total	532,880	222,033	139,701	-	-	139,701	82,332	529,984	342,672
BRADLEY CIRCUITS/RADIO TO BERNICE LK									
Other Costs	35,695	14,873	14,873	-	-	14,873	(0)	35,695	35,696
BRADLEY CIRCUITS/RADIO TO BERNICE LK Total	35,695	14,873	14,873	-	-	14,873	(0)	35,695	35,696
BRADLEY CIRCUITS BERNICE LK TO ANCH									
Other Costs	29,773	12,405	-	12,111	-	12,111	294	29,773	29,524
BRADLEY CIRCUITS BERNICE LK TO ANCH Total	29,773	12,405	-	12,111	-	12,111	294	29,773	29,524
FERC 539 - Misc. Hydraulic Power Generation Expenses Total	598,348	249,311	154,575	12,111	-	166,686	82,625	595,452	407,892
FERC 540 - Rents									
FERC Land Use Fee									
Bradley Lake Operating									
Other Costs	-	-	-	-	-	-	-	-	(35,289)
Bradley Lake Operating Total	-	-	-	-	-	-	-	-	(35,289)
FERC 540 - Rents Total	-	-	-	-	-	-	-	-	(35,289)

ALASKA ENERGY AUTHORITY
BRADLEY LAKE OPERATIONS & MAINTENANCE
SCHEDULE B
BUDGET TO ACTUAL EXPENSES
FOR THE PERIOD 07/01/2019 THROUGH 11/30/2019

	FY20 Approved Budget	FY 20						FY 19	
		BUDGET % 07/01/2019 - 11/30/2019	HEA Actual	CEA Actual	AEA Actual	Total Actual	(Over) Under Budget to Date	FY19 Approved Budget	FY19 Actual
FERC 541 - Maintenance Supervision & Engineering									
Maint Supervision/Eng									
Bradley Lake Operating									
Labor & Benefits	114,456	47,690	34,873	-	-	34,873	12,817	195,817	181,894
Indirect Costs	155,698	64,874	49,472	-	-	49,472	15,402	77,849	74,373
Bradley Lake Operating Total	270,154	112,564	84,345	-	-	84,345	28,219	273,666	256,267
FERC 541 - Maintenance Supervision & Engineering Total	270,154	112,564	84,345	-	-	84,345	28,219	273,666	256,267
FERC 542 - Maintenance of Structures									
Maintenance of Structures									
Bradley Lake Operating									
Labor & Benefits	76,499	31,875	23,570	-	-	23,570	8,305	85,438	67,934
Contractual	91,000	37,917	-	-	-	-	37,917	10,000	-
Supplies & Materials	88,713	36,964	16,755	-	-	16,755	20,209	53,713	46,903
Equipment, Furniture and Machinery	32,000	13,333	3,240	-	-	3,240	10,093	7,000	6,879
Indirect Costs	97,823	40,760	34,702	-	-	34,702	6,058	37,066	37,809
Bradley Lake Operating Total	386,035	160,849	78,267	-	-	78,267	82,582	193,217	159,525
BRADLEY UPGRADE CREWS QTRS/RESIDENCE KITCHEN									
Contractual	-	-	-	-	-	-	-	165,000	-
BRADLEY UPGRADE CREWS QTRS/RESIDENCE KITCHEN Total	-	-	-	-	-	-	-	165,000	-
FERC 542 - Maintenance of Structures Total	386,035	160,849	78,267	-	-	78,267	82,582	358,217	159,525
FERC 543 - Maintenance of Reservoirs, Dams & Waterways									
Maint Res, Dams, W Ways									
Bradley Lake Operating									
Labor & Benefits	45,080	18,783	529	-	-	529	18,254	45,552	4,722
Contractual	6,500	2,708	-	-	-	-	2,708	6,500	7,600
Indirect Costs	56,322	23,468	739	-	-	739	22,729	19,932	87
Bradley Lake Operating Total	107,902	44,959	1,268	-	-	1,268	43,691	71,984	12,410
BRADLEY NUKA REPAIR									
Contractual	-	-	-	-	-	-	-	15,000	-
BRADLEY NUKA REPAIR Total	-	-	-	-	-	-	-	15,000	-
BRADLEY POWER TUNNEL MAINT (Dam)									
Contractual	15,000	6,250	-	-	-	-	6,250	15,000	-
BRADLEY POWER TUNNEL MAINT (Dam) Total	15,000	6,250	-	-	-	-	6,250	15,000	-
FERC 543 - Maintenance of Reservoirs, Dams & Waterways Total	122,902	51,209	1,268	-	-	1,268	49,941	101,984	12,410
FERC 544 - Maintenance of Electric Plant									
Maintenance of Elec Plant									
Bradley Lake Operating									
Labor & Benefits	273,620	114,008	95,224	-	-	95,224	18,784	342,265	285,367
Travel	4,500	1,875	-	-	-	-	1,875	4,500	216
Contractual	49,000	20,417	8,326	-	-	8,326	12,091	70,000	69,475
Supplies & Materials	70,000	29,167	2,480	-	-	2,480	26,687	20,000	16,571
Maintenance Projects	-	-	-	-	-	-	-	-	44,926
Indirect Costs	368,424	153,510	139,704	-	-	139,704	13,806	148,789	156,963
Bradley Lake Operating Total	765,544	318,977	245,734	-	-	245,734	73,243	585,554	573,517
BRADLEY REPLACE LIGHTING IN POWER PLANT									
Supplies & Materials	-	-	-	-	-	-	-	30,000	-
BRADLEY REPLACE LIGHTING IN POWER PLANT Total	-	-	-	-	-	-	-	30,000	-
FERC 544 - Maintenance of Electric Plant Total	765,544	318,977	245,734	-	-	245,734	73,243	615,554	573,517
FERC 545 - Maintenance of Misc. Hydraulic Plant									
Maint of Misc Hydr Plant									
Bradley Lake Operating									
Labor & Benefits	69,395	28,915	23,946	-	-	23,946	4,969	85,438	70,964
Contractual	3,900	1,625	6,763	-	-	6,763	(5,138)	3,900	-
Supplies & Materials	63,000	26,250	9,370	-	-	9,370	16,880	35,000	33,168
Indirect Costs	92,318	38,466	35,015	-	-	35,015	3,451	37,066	39,864
Bradley Lake Operating Total	228,613	95,256	75,093	-	-	75,093	20,163	161,404	143,995
FERC 545 - Maintenance of Misc. Hydraulic Plant Total	228,613	95,256	75,093	-	-	75,093	20,163	161,404	143,995

ALASKA ENERGY AUTHORITY
BRADLEY LAKE OPERATIONS & MAINTENANCE
SCHEDULE B
BUDGET TO ACTUAL EXPENSES
FOR THE PERIOD 07/01/2019 THROUGH 11/30/2019

	FY20 Approved Budget	FY 20						FY 19	
		BUDGET % 07/01/2019 - 11/30/2019	HEA Actual	CEA Actual	AEA Actual	Total Actual	(Over) Under Budget to Date	FY19 Approved Budget	FY19 Actual
FERC 556 - System Control & Load Dispatching									
System Cntl & Load Disp									
Bradley Lake Operating									
Labor & Benefits	21,140	8,808	15,280	-	-	15,280	(6,472)	21,506	20,920
Contractual	53,000	22,083	2,469	-	-	2,469	19,614	53,000	44,800
Supplies & Materials	6,000	2,500	3,187	-	-	3,187	(687)	6,000	613
Bradley Lake Operating Total	80,140	33,391	20,936	-	-	20,936	12,455	80,506	66,333
BRADLEY EMERSON ANTIVIRUS UPGRADE									
Contractual	-	-	-	-	-	-	-	40,000	41,740
BRADLEY EMERSON ANTIVIRUS UPGRADE Total	-	-	-	-	-	-	-	40,000	41,740
Snow Measurement									
Bradley Lake Operating									
Contractual	10,000	4,167	-	-	10,000	10,000	(5,833)	12,000	10,000
Bradley Lake Operating Total	10,000	4,167	-	-	10,000	10,000	(5,833)	12,000	10,000
Seismic Service									
Bradley Lake Operating									
Contractual	62,000	25,833	-	-	27,747	27,747	(1,914)	62,000	61,569
Bradley Lake Operating Total	62,000	25,833	-	-	27,747	27,747	(1,914)	62,000	61,569
Streamgauging Serv									
Bradley Lake Operating									
Contractual	209,917	87,465	-	-	47,479	47,479	39,986	206,291	186,291
Bradley Lake Operating Total	209,917	87,465	-	-	47,479	47,479	39,986	206,291	186,291
Permits									
Bradley Lake Operating									
Other Costs	350	146	-	-	400	400	(254)	350	250
Bradley Lake Operating Total	350	146	-	-	400	400	(254)	350	250
FERC 556 - System Control & Load Dispatching Total	362,407	151,002	20,936	-	85,627	106,563	44,439	401,147	366,183
FERC 562 - Station Expenses									
Station Expenses									
Bradley Lake Operating									
Labor & Benefits	87,072	36,280	10,469	18,371	-	28,840	7,440	94,718	83,224
Travel	4,000	1,667	-	531	-	531	1,136	2,000	1,632
Contractual	2,000	833	19,191	11,454	-	30,644	(29,811)	32,000	35,207
Supplies & Materials	22,000	9,167	-	101	-	101	9,066	21,000	17,692
Other Costs	2,000	833	-	-	-	-	833	4,000	1,112
Bradley Lake Operating Total	117,072	48,780	29,660	30,457	-	60,116	(11,336)	153,718	138,869
FERC 562 - Station Expenses Total	117,072	48,780	29,660	30,457	-	60,116	(11,336)	153,718	138,869
#N/A									
Weather Monitoring Power Sup									
Bradley Lake Operating									
Bradley Lake Operating Total	-	-	-	-	-	-	-	-	-
#N/A									
FERC 571 - Maintenance of Overhead Lines									
Maint of OH Lines									
Bradley Lake Operating									
Labor & Benefits	27,459	11,441	2,507	-	-	2,507	8,934	31,120	12,110
Travel	10,000	4,167	4,530	-	-	4,530	(363)	10,000	8,180
Contractual	50,000	20,833	-	-	-	-	20,833	50,000	17,875
Supplies & Materials	5,000	2,083	-	-	-	-	2,083	5,000	-
Equipment, Furniture and Machinery	-	-	103	-	-	103	(103)	-	-
Bradley Lake Operating Total	92,459	38,524	7,141	-	-	7,141	31,383	96,120	38,165
FERC 571 - Maintenance of Overhead Lines Total	92,459	38,524	7,141	-	-	7,141	31,383	96,120	38,165
FERC 920 & 930 - Administrative Expense									
AEA Bradley Fixed Admin Fees									
Bradley Lake Operating									
Administrative Costs	200,000	83,333	-	-	83,333	83,333	(0)	200,000	200,000
Bradley Lake Operating Total	200,000	83,333	-	-	83,333	83,333	(0)	200,000	200,000
Operating Committee Exp-Audit									
Bradley Lake Operating									
Administrative Costs	19,900	8,292	-	-	-	-	8,292	16,500	19,900
Bradley Lake Operating Total	19,900	8,292	-	-	-	-	8,292	16,500	19,900
Operating Committee Exp-Legal									
Bradley Lake Operating									
Administrative Costs	30,000	12,500	-	-	49,609	49,609	(37,109)	25,000	140,453
Bradley Lake Operating Total	30,000	12,500	-	-	49,609	49,609	(37,109)	25,000	140,453
Operat Committee Exp-Arbitrage									
Bradley Lake Operating									
Administrative Costs	3,000	1,250	-	-	-	-	1,250	2,935	2,785
Bradley Lake Operating Total	3,000	1,250	-	-	-	-	1,250	2,935	2,785
Trust & Account Fees									
Bradley Lake Operating									
Administrative Costs	11,918	4,966	-	-	5,959	5,959	(993)	11,918	11,918
Bradley Lake Operating Total	11,918	4,966	-	-	5,959	5,959	(993)	11,918	11,918

ALASKA ENERGY AUTHORITY
BRADLEY LAKE OPERATIONS & MAINTENANCE
SCHEDULE B
BUDGET TO ACTUAL EXPENSES
FOR THE PERIOD 07/01/2019 THROUGH 11/30/2019

	FY20 Approved Budget	FY 20						FY 19	
		BUDGET % 07/01/2019 - 11/30/2019	HEA Actual	CEA Actual	AEA Actual	Total Actual	(Over) Under Budget to Date	FY19 Approved Budget	FY19 Actual
Misc Admin									
Bradley Lake Operating									
Administrative Costs	11,646	4,853	-	-	12,000	12,000	(7,147)	10,350	11,646
Bradley Lake Operating Total	11,646	4,853	-	-	12,000	12,000	(7,147)	10,350	11,646
FERC 920 & 930 - Administrative Expense Total	276,464	115,194	-	-	150,902	150,902	(35,708)	266,703	386,702
FERC 924 & 925 - Insurance Premiums									
Insurance Premiums									
Bradley Lake Operating									
Administrative Costs	631,000	262,917	8,154	-	255,742	263,897	(980)	656,834	617,640
Bradley Lake Operating Total	631,000	262,917	8,154	-	255,742	263,897	(980)	656,834	617,640
FERC 924 & 925 - Insurance Premiums Total	631,000	262,917	8,154	-	255,742	263,897	(980)	656,834	617,640
FERC 928 - Regulatory Commission Expenses									
FERC Admin Fees									
Bradley Lake Operating									
Administrative Costs	185,000	77,083	-	-	-	-	77,083	185,000	101,775
Bradley Lake Operating Total	185,000	77,083	-	-	-	-	77,083	185,000	101,775
FERC Related Prof Services									
BRADLEY CONTRACTUAL ENGINEER-FERC LICENSE ISSUES									
Administrative Costs	100,000	41,667	-	-	37,853	37,853	3,814	125,000	104,560
BRADLEY CONTRACTUAL ENGINEER-FERC LICENSE ISSUES	100,000	41,667	-	-	37,853	37,853	3,814	125,000	104,560
FERC 928 - Regulatory Commission Expenses Total	285,000	118,750	-	-	37,853	37,853	80,897	310,000	206,335
Total Bradley Lake Budget	5,351,043	2,229,604	1,052,043	42,568	530,123	1,624,733	604,871	4,787,466	4,019,975

BRADLEY LAKE

R&C FUND DISBURSEMENTS AND REPAYMENTS

SCHEDULE D

Expenses for the Period 07/1/19 through 11/30/2019

Description	Actual @06/30/19 Expense	Actual TO REPAY @6/30/19	Actual @ 11/30/19 Expense	Actual TO REPAY @6/30/20	Budget FY20
R&C FUND PROJECTS					
Governor	0.00	4,052,070.14	0.00	4,052,070.14	0.00
Replace RFLS	0.00	251,092.69	0.00	251,092.69	0.00
Replace Runners	0.00	1,946,732.79	0.00	1,946,732.79	0.00
Replace cable from dam to power house	0.00	2,321,922.94	0.00	2,321,922.94	0.00
Replace power system stabilizer	0.00	619,205.10	0.00	619,205.10	0.00
Replace two RTUs	0.00	86,905.27	0.00	86,905.27	0.00
Culvert Repairs	0.00	675,966.79	0.00	675,966.79	0.00
Tower Repair for Jack Frost Heaves	0.00	887,596.62	0.00	887,596.62	0.00
Replace Plant and SCADA Controls	0.00	1,344,683.05	0.00	1,344,683.05	0.00
Vibration Monitoring System	0.00	490.00	0.00	490.00	0.00
Fire Alarm System Replacement	0.00	0.00	0.00	0.00	150,000.00
Battle Creek Diversion	0.00	1,170,000.00	0.00	1,170,000.00	0.00
Bradley Replace Electro-Mechanical Relays	0.00	1,277,197.06	0.00	1,277,197.06	0.00
Fishwater Screen Debris Removal	0.00	312,236.43	0.00	312,236.43	0.00
Turbine Nozzel Repair	0.00	1,428,861.07	0.00	1,428,861.07	0.00
Spillway Raise	0.00	0.00		0.00	
SVC replacement Daves Creek Soldotna	0.00	8,517,991.11	0.00	8,517,991.11	0.00
Equipment Storage Shed	510,550.13	510,550.13	0.00	510,550.13	0.00
Emerson Operating System Upgrade	622,665.00	622,665.00	0.00	622,665.00	0.00
Generator #2 Replacement	582,341.67	582,341.67	5,945.90	588,287.57	0.00
	1,715,556.80	26,608,507.86	5,945.90	26,614,453.76	150,000.00
Current Year R&C Repayment		(2,746,068.00)		(883,915.00)	
Adjust to balance to \$5million		0.00		0.00	
Interest in Fund Applied to Repayment		(117,149.21)		(80,177.42)	
Net Transfer from Revenue Fund		(2,863,217.21)		(964,092.42)	
Cumulative Prior Years R&C Repayments		(20,465,255.55)		(23,240,089.01)	
Due Back to Utilities		88,383.75		(1,212,683.02)	
Adjust Due to R&C Actual		0.00		0.00	
		(20,376,871.80)		(24,452,772.03)	
NET DUE TO R&C FUND		3,368,418.85		1,197,589.31	
R&C FUND CASH FLOW PROJECTION					
Beginning Investment Balance		1,013,291.03		2,435,913.25	
Disbursements-current year -Accrual		(999,608.45)		0.00	
Disbursements-prior year accrued		0.00		(715,948.35)	
Utilities' R&C Refund		(440,986.54)		0.00	
Net other cash inflow(outflow)		0.00		0.00	
Current year interest earnings		117,149.21		80,177.42	
Participants Contributions to R&C Fund		2,746,068.00		883,915.00	
Ending Investment Balance		2,435,913.25		2,684,057.32	
Accrued Due to Utilities		(88,383.75)		1,124,299.27	
R&C payable back to the revenue fund		0.00		0.00	
Accrued R&C vendor Payable at Year End		(715,948.35)		(5,945.90)	
PROJECTED NET DUE + ENDING INVESTMENT BALANCE		5,000,000.00		5,000,000.00	
REPAYMENT AMOUNT					
\$5,644,193.08 x 25% all 4 years	4th	1,411,048.27	4th	1,411,048.27	
\$1,341,405.96 x 25% all 4 years	3rd	335,351.49	3rd	335,351.49	
\$1,625,945.94 x 25% all 4 years	2nd	428,889.20	2nd	428,889.20	
\$5,945.90 x 25% all 4 years	1st		1st	1,486.48	
		2,774,833.46		2,176,775.44	

ALASKA ENERGY AUTHORITY
 BRADLEY LAKE HYDROELECTRIC PROJECT
 Battle Creek Capital Purchases
 Schedule E
 Expenses for the period 07/01/19 to 11/30/19

Battle Creek Capital Purchases	FY18 <u>Actuals</u>	FY19 <u>Actuals</u>	FY20 <u>Budget</u>	FY20 <u>Actual</u>
Used 2007 Chevrolet Silverado	8,800	-		
Used 2006 Chevrolet Silverado	7,700	-		
Battle Creek-Interface Consulting	-	-	425,000	413,759
Total capital revenue fund purchases	16,500	-	425,000	413,759

ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
Battle Creek Administrative Costs
Schedule F
Expenses for the period 07/01/19 through 11/30/19

Run Date: 01/15/20

Entry No. Range: 1..2701924

	FY20 Approved Budget	FY 20					FY 19	
		Budget % 07/01/19 - 11/30/19	HEA Actual	AEA Actual	Total Actual	(Over) Under Budget to Date	FY19 Approved Budget	Total Actual
Summary By Expense Type								
Administrative Costs	\$ 395,424.00	\$ 164,760.00	\$ 183,879.05	\$ 125,255.19	\$ 309,134.24	\$ (144,374.24)	\$ -	\$ 527,723.00
	\$ 395,424.00	\$ 164,760.00	\$ 183,879.05	\$ 125,255.19	\$ 309,134.24	\$ (144,374.24)	\$ -	\$ 527,723.00
FERC 920 & 930 - Administrative Expense								
Bond Issue Costs								
Administrative Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bond Issue Costs Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
AEA Bradley Fixed Admin Fees								
Administrative Costs	\$ 117,274.00	\$ 48,864.17	\$ 9,555	\$ 43,761	\$ 53,316	\$ (4,452.20)	\$ -	\$ 175,421
AEA Bradley Fixed Admin Fees Total	\$ 117,274.00	\$ 48,864.17	\$ 9,555	\$ 43,761	\$ 53,316	\$ (4,452.20)	\$ -	\$ 175,421
Operating Committee Exp-Legal								
Administrative Costs	\$ 15,000.00	\$ 6,250.00	\$ -	\$ 81,466	\$ 81,466	\$ (75,216.19)	\$ -	\$ 34,795
Operating Committee Exp-Legal Total	\$ 15,000.00	\$ 6,250.00	\$ -	\$ 81,466	\$ 81,466	\$ (75,216.19)	\$ -	\$ 34,795
Operat Committee Exp-Arbitrage								
Administrative Costs	\$ 2,000.00	\$ 833.33	\$ -	\$ -	\$ -	\$ 833.33	\$ -	\$ 1,690
Operat Committee Exp-Arbitrage Total	\$ 2,000.00	\$ 833.33	\$ -	\$ -	\$ -	\$ 833.33	\$ -	\$ 1,690
Trust & Account Fees								
Administrative Costs	\$ 4,800.00	\$ 2,000.00	\$ -	\$ -	\$ -	\$ 2,000.00	\$ -	\$ 4,083
Trust & Account Fees Total	\$ 4,800.00	\$ 2,000.00	\$ -	\$ -	\$ -	\$ 2,000.00	\$ -	\$ 4,083
Misc Admin								
Administrative Costs	\$ 100.00	\$ 41.67	\$ -	\$ 28	\$ 28	\$ 14.11	\$ -	\$ 83
Misc Admin Total	\$ 100.00	\$ 41.67	\$ -	\$ 28	\$ 28	\$ 14.11	\$ -	\$ 83
Professional consultants								
Administrative Costs	\$ 256,250.00	\$ 106,770.83	\$ 174,324	\$ -	\$ 174,324	\$ (67,553.29)	\$ -	\$ 311,652
Professional consultants Total	\$ 256,250.00	\$ 106,770.83	\$ 174,324	\$ -	\$ 174,324	\$ (67,553.29)	\$ -	\$ 311,652
FERC 920 & 930 - Administrative Expense Total	\$ 395,424.00	\$ 164,760.00	\$ 183,879	\$ 125,255	\$ 309,134	\$ (144,374.24)	\$ -	\$ 527,723