

Alaska Energy Authority  
Alaska Intertie  
Proposed FY2025 Budget  
Date: March 22, 2024

**ALASKA ENERGY AUTHORITY  
ALASKA INTERTIE  
FY25 Proposed Budget Contents**

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**Alaska Intertie FY25 Proposed Budget  
Proposed Budget Summary**

<u>Revenues</u>	(Total Paid by Utilities)							
	<u>O&amp;M</u>	<u>Grant</u>	<u>Total</u>	<u>Total GVEA</u>	<u>Total CEA</u>	<u>Total MEA</u>	<u>Total HEA</u>	<u>Total</u>
Revenue from Operations	3,966,365	-	3,966,365	2,838,837	431,626	695,903	-	3,966,365
Grant Match	-	536,362	536,362	442,794	32,859	60,709	4,805	536,362
	<u>3,966,365</u>	<u>536,362</u>	<u>4,502,727</u>	<u>3,281,630</u>	<u>464,485</u>	<u>756,612</u>	<u>4,805</u>	<u>4,502,727</u>
<u>Expenses</u>								
Operations	2,957,100	-	2,957,100					
Admin	785,000	-	785,000					
Grant	-	536,362	536,362					
	<u>3,742,100</u>	<u>536,362</u>	<u>4,278,462</u>					
Surplus/(Shortage)	224,265	-	224,265					

## Alaska Intertie FY25 Proposed Budget

data @ 1/4/24						
	FY21 Actual	FY22 Actual	FY23 Actual	FY24 ACTUALS 12/31/23	Approved FY24 Budget	Draft FY25 Budget
<b>REVENUES</b>						
GVEA	1,942,988	2,075,721	1,632,539	2,008,550	3,631,114	2,838,837
CEA	290,065	265,259	405,435	322,773	471,717	431,626
MEA	460,479	413,239	450,409	328,562	654,520	695,903
INTEREST	903	1,668	58,981	19,609	-	-
<b>TOTAL REVENUES</b>	<b>2,694,435</b>	<b>2,755,887</b>	<b>2,547,364</b>	<b>2,679,494</b>	<b>4,757,352</b>	<b>3,966,365</b>
<b>EXPENSES</b>						
<b>FERC 562 - Station Operation Expenses</b>						
GVEA - Substation Electricity Usage	9,382	45,889	478	-	-	-
	<b>9,382</b>	<b>45,889</b>	<b>478</b>	-	-	-
<b>FERC 566 - Miscellaneous Transmission Expense</b>						
Private Line Telephone Service for AKI SCADA (GVEA)	5,556	5,556	5,788	5,005	6,000	6,000
Cell Phone Comm. Svc for Weather Monitoring (Verizon)	11,904	12,025	11,983	-	13,000	13,000
SLMS Support and Intertie Ground Patrol	98,540	154,947	145,346	21,205	175,000	175,000
	<b>116,000</b>	<b>172,528</b>	<b>163,116</b>	<b>26,210</b>	<b>194,000</b>	<b>194,000</b>
<b>FERC 567 - Transmission Expenses - Rents</b>						
Rents - Alaska Railroad	700	700	1,500	1,000	1,000	1,000
MEA - Talkeetna Storage	7,200	7,200	7,200	2,400	7,200	7,200
Equipment Rental	-	375	102	-	-	-
	<b>7,900</b>	<b>8,275</b>	<b>8,802</b>	<b>3,400</b>	<b>8,200</b>	<b>8,200</b>
<b>FERC 569 Maintenance of Structures</b>						
MEA - Re-insulate 20 dead-end structures	-	-	-	-	75,000	300,000
MEA - Re-insulate 30 tangent structures	-	-	-	-	75,000	250,000
	-	-	-	-	<b>150,000</b>	<b>550,000</b>
<b>FERC 570 - Maintenance of Station Equipment</b>						
GVEA - HLSB17 Sync PT Replacement	-	-	-	-	-	25,000
GVEA - Healy, Cantwell, Goldhill	154,917	63,163	141,248	-	125,000	64,500
GVEA - Replace Healy Substation Breaker B17	-	-	-	-	-	350,000
GVEA - Healy and Goldhill Digital Fault Recorders	-	53,255	-	-	-	-
GVEA - Gold Hill SVC Cooling	-	460	-	-	-	-
GVEA - Cantwell Install Breakers or Load Break Switches	-	182,606	-	-	306,000	306,000
GVEA - Cantwell 4S2 Switch Repair	-	-	43,217	-	-	-
GVEA - Perform Maintenance, repaint Reactors Healy SVC Yard	145,494	-	4,472	-	-	-
GVEA - Perform Maintenance, repaint Reactors Gold Hill SVC Yard	-	7,452	-	-	-	-
GVEA - Capacitor Spares	-	-	-	-	20,000	-
GVEA - Cantwell Standby Generator Replacement	29,016	-	-	-	-	-
GVEA - SVC Intertie Trust Fund Eligible Expenses	-	-	-	-	-	-
GVEA - Intertie - SVC Project	-	-	-	-	-	50,000
CEA - AK Intertie Yard	-	-	-	-	-	-
CEA - Teeland Substation Communication	-	-	-	-	5,000	5,000
CEA - Teeland Substation	183,401	115,365	74,128	82,488	170,000	170,000
CEA - Douglas Substation Communication	-	-	-	1,554	-	2,400
MEA - Douglas Substation	26,115	-	-	1,441	-	-
MEA - Douglas Substation 138 kV BKR Inspections	-	-	-	-	25,000	25,000
CEA - Telecomm Support (Douglas, Teeland, Anc-Fbks Leased Circuits)	-	1,742	-	-	-	-
	<b>538,943</b>	<b>424,043</b>	<b>263,065</b>	<b>85,482</b>	<b>651,000</b>	<b>997,900</b>
<b>FERC 571 - Maintenance of Overhead Lines</b>						
GVEA - Northern Maintenance	68,204	107,641	99,464	-	150,000	-
GVEA - Northern ROW Clearing	36,721	68,882	328,252	-	550,000	550,000
GVEA - Northern ROW Remote Sensing and Analysis	-	-	-	-	400,000	-
GVEA - Landing Pads	-	-	-	-	75,000	75,000
GVEA - Re-level Structures & Adjust Guys	-	-	-	-	80,000	-

GVEA - Repair Tower 531 Foundation	-	-	-	-	150,000	-
GVEA - Repair Tower 532 Foundation	-	-	-	-	150,000	-
GVEA - Helicopter Patrols	-	-	-	-	-	80,000
MEA - Special Patrols [Incl Helicopter Inspections]	-	599	11,603	-	-	15,000
MEA - Southern Maint (Incl Ground and Climbing Inspect)	138,199	191,358	78,729	-	140,000	140,000
MEA - Southern ROW Clearing	228,413	168,367	525,520	-	500,000	300,000
MEA - Southern ROW Remote Sensing and Analysis	-	-	-	-	125,000	10,000
MEA - Equipment Repair and Replacement	780,866	76,494	803,393	152,755	350,000	-
	<b>1,252,403</b>	<b>613,341</b>	<b>1,846,961</b>	<b>152,755</b>	<b>2,670,000</b>	<b>1,170,000</b>
<b>FERC 924 - Property Insurance</b>						
AK Intertie - Insurance	38,773	37,133	40,178	11,334	37,000	37,000
	<b>38,773</b>	<b>37,133</b>	<b>40,178</b>	<b>11,334</b>	<b>37,000</b>	<b>37,000</b>
<b>Intertie Operating Costs Total</b>	<b>1,963,401</b>	<b>1,301,209</b>	<b>2,322,601</b>	<b>279,180</b>	<b>3,710,200</b>	<b>2,957,100</b>
<b>FERC 570 - Maintenance of Station Equipment</b>						
MEA - Replace Protective Relay Schemes Douglas	-	-	-	-	-	-
	-	-	-	-	-	-
<b>Intertie Cost of Improvements Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FERC 920 - AEA Administrative Costs</b>						
Personal Services, Travel and Other Costs	210,409	235,608	190,236	49,077	230,000	250,000
	<b>210,409</b>	<b>235,608</b>	<b>190,236</b>	<b>49,077</b>	<b>230,000</b>	<b>250,000</b>
<b>FERC 920 - IMC Administrative Costs</b>						
IMC Administrative Costs (Audit, meetings, legal)	30,890	29,276	14,579	2,861	20,000	20,000
	<b>30,890</b>	<b>29,276</b>	<b>14,579</b>	<b>2,861</b>	<b>20,000</b>	<b>20,000</b>
<b>FERC 566 - Miscellaneous Transmission Expense</b>						
Misc Studies: System Reserves Study (IBR), PSS/E maint, 230 kV Upgrade System Impact Study	186,675	145,327	150,368	28,200	266,000	515,000
LIDAR study (complete lidar, vegetation, PLS CADD file with drawings, structure/foundation movement, infrared, and imaging)	226,125	-	-	-	-	-
Synchrophaser System (Moved to GRANT BUDGET worksheet)	-	-	-	-	250,000	-
	<b>412,800</b>	<b>145,327</b>	<b>150,368</b>	<b>28,200</b>	<b>516,000</b>	<b>515,000</b>
<b>Intertie Administration Costs Total</b>	<b>654,099</b>	<b>410,211</b>	<b>355,182</b>	<b>80,138</b>	<b>766,000</b>	<b>785,000</b>
<b>TOTAL EXPENSE</b>	<b>2,617,500</b>	<b>1,711,420</b>	<b>2,677,783</b>	<b>359,318</b>	<b>4,476,200</b>	<b>3,742,100</b>
<b>SURPLUS (SHORTAGE)</b>	<b>76,935</b>	<b>1,044,468</b>	<b>(130,419)</b>	<b>2,320,176</b>	<b>281,152</b>	<b>224,265</b>

**Alaska Intertie FY25 Proposed Budget**

**Utility Grant Matching Contributions**

**Snow Loading Grant to re-insulate from Douglas north 80 miles**

(Proposed Allocation Option #2 - Revenue excluding Admin Fee from Allocation)

GVEA Grant Submittal to AEA (\$13.8M grant with \$3M in matching funds & \$500k in-kind in-house labor) AEA to revise per agreed payment

Total Match Amount

**\$ 491,167**

<u>Power Purchaser</u>	<u>Percent Share</u>	<u>FY24 Match</u>
GVEA	81.95%	402,511
CEA	6.69%	32,859
MEA	11.36%	55,797
	100.00%	491,167

<b>DOE Resiliency Grant - AK Intertie Snow Load Resiliency</b>				
<u>Year</u>	<u>Project Total Cost</u>	<u>Grant Reimbursement</u>	<u>Grant Match (Cash and In-Kind)</u>	
1	\$1,964,668	\$1,473,501	\$491,167	
2	\$2,942,956	\$2,207,217	\$735,739	
3	\$2,942,956	\$2,207,217	\$735,739	
4	\$2,942,956	\$2,207,217	\$735,739	
5	\$2,965,356	\$2,224,017	\$741,339	
<b>Total</b>	<b>\$13,758,890</b>	<b>\$10,319,167</b>	<b>\$3,439,722</b>	

**Synchrophaser System Grant**

(Proposed Allocation Option #3 - Revenue Excluding Capacity and Admin Fee from Allocation)

Per GVEA Grant Submittal to AEA (\$2.2M grant with \$50k in matching funds & \$500k in-kind in-house labor) AEA to revise budget for approved payment methods

Total Match Amount

**\$ 50,000**

<u>Power Purchaser</u>	<u>Percent Share</u>	<u>FY24 Match</u>
HEA (Load Ratio Share)	9.61%	4,805
GVEA	89.13%	40,282
CEA	0.00%	-
MEA	10.87%	4,913
	100.00%	45,195

HEA is contributing because they are receiving benefit from the Synchrophaser System (Railbelt wide)

This is 9.61% of the Total Match Amount and is based on their load ratio share per resolution.

<b>DOE Resiliency Grant - Synchrophasor Project - Five Year Average</b>				
<u>Year</u>	<u>Project Cost</u>	<u>Railbelt Utilities Combined Cash Match</u>	<u>Railbelt Utilities In Kind Contribution</u>	<u>Grant Contribution</u>
1	\$440,245	\$9,839	\$100,222	\$330,183
2	\$440,245	\$9,839	\$100,222	\$330,183
3	\$440,245	\$9,839	\$100,222	\$330,183
4	\$440,245	\$9,839	\$100,222	\$330,183
5	\$440,245	\$9,839	\$100,222	\$330,183
<b>Total</b>	<b>\$2,201,225</b>	<b>\$49,195</b>	<b>\$501,110</b>	<b>\$1,650,915</b>

ALASKA INTERTIE  
FISCAL YEAR 2025  
ENERGY PROJECTION

MONTH	True up to Contract	GVEA	MEA	CEA		TOTAL
	Value	MWH	MWH	MWH		MWH
Jul		12,275	2,187	0		14,462
Aug		14,077	2,295	0		16,372
Sep		14,766	2,210	0		16,976
Oct		27,634	2,165	0		29,799
Nov		27,147	2,339	0		29,486
Dec		26,405	2,633	0		29,038
Jan		11,268	2,458	0		13,726
Feb		11,151	2,261	0		13,412
Mar		7,727	2,466	0		10,193
Apr		10,367	2,258	0		12,625
May		10,823	2,321	0		13,144
Jun		4,728	1,935	0		6,662
TOTAL	0	178,366	27,527	0		205,893

USAGE			CAPACITY			ADMIN	CASH FLOW
GVEA	MEA	CEA	GVEA	MEA	CEA	GVEA   MEA   CEA	TOTALS
\$160,554	\$28,603	\$0	\$244,140	\$74,181	\$169,959	\$65,417	\$742,854
\$184,125	\$30,017	\$0				\$65,417	\$279,559
\$193,137	\$28,908	\$0				\$65,417	\$287,461
\$361,455	\$28,312	\$0				\$65,417	\$455,184
\$355,078	\$30,600	\$0				\$65,417	\$451,094
\$345,372	\$34,440	\$0				\$65,417	\$445,229
\$147,383	\$32,152	\$0				\$65,417	\$244,952
\$145,858	\$29,574	\$0				\$65,417	\$240,848
\$101,074	\$32,250	\$0				\$65,417	\$198,741
\$135,598	\$29,532	\$0				\$65,417	\$230,546
\$141,560	\$30,364	\$0				\$65,417	\$237,340
\$61,837	\$25,303	\$0				\$65,417	\$152,557
\$2,333,030	\$360,055	\$0	\$244,140	\$74,181	\$169,959	\$785,000	\$3,966,365
Total Energy: \$2,693,085			Total Capacity : \$488,280				

TOTAL INTERTIE PROJECTED ENERGY USAGE	205,893 MWH
Usage estimate reduced by 1/12 of Total for rate calculations	188,736 MWH
Section 7.2.2 MINIMUM USAGE CONTRACT VALUE	204,984 MWH

UTILITY	FY 25	
MEA	30.40%	23.70 MW
CEA	69.60%	54.30 MW
GVEA	100.00%	78.00 MW
		156.0

Usage Rate per KWH \$ 0.01308  
Capacity Rate \$3.13

TOTAL MWH REVENUE	\$3,966,365
O&M BUDGET - Operating	2,957,100
	-
O&M BUDGET - Administrative	785,000
TOTAL O&M BUDGET	3,742,100
SURPLUS (SHORTAGE)	\$224,265
Annual Participant Administrative Contribution	261,666.67
Monthly Contribution per Participant	21,805.56

## MINIMUM INERTIE TRANSFER CAPABILITY RIGHTS (MITCR) DETERMINATION FOR FISCAL YEAR 2025

[illegible]

(A) See Section 7.2.5 AK Intertie Agreement

(B) See Section 7.2.6 AK Intertie Agreement