

Alaska Energy Authority
Alaska Intertie
Proposed FY2025 Budget Amendment 1
Date: January 17, 2025

Proposed FY2025 Budget Amendment 1 Summary

**ALASKA ENERGY AUTHORITY
ALASKA INTERTIE
Proposed FY2025 Budget Amendment 1 Contents**

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Proposed FY2025 Budget Amendment 1

Proposed Budget Summary

PROPOSED FY25 AMEND 1

<u>Revenues</u>	<u>O&M</u>	<u>Grant</u>	<u>Total</u>	<u>(Total Paid by Utilities)</u>				<u>Total</u>
				<u>Total GVEA</u>	<u>Total CEA</u>	<u>Total MEA</u>	<u>Total HEA</u>	
Revenue from Operations	4,345,270	-	4,345,270	3,061,282	462,878	821,110	-	4,345,270
Grant Match	-	120,195	120,195	101,745	5,018	13,433	4,805	120,195
	<u>4,345,270</u>	<u>120,195</u>	<u>4,465,465</u>	<u>3,163,027</u>	<u>467,896</u>	<u>834,542</u>	<u>4,805</u>	<u>4,465,465</u>
Expenses								
Operations	3,271,100	-	3,271,100					
Admin	825,000	-	825,000					
Grant	-	120,195	120,195					
	<u>4,096,100</u>	<u>120,195</u>	<u>4,216,295</u>					
Surplus/(Shortage)	249,170	-	249,170					

APPROVED BUDGET

<u>Revenues</u>	<u>O&M</u>	<u>Grant</u>	<u>Total</u>	<u>(Total Paid by Utilities)</u>				<u>Total</u>
				<u>Total GVEA</u>	<u>Total CEA</u>	<u>Total MEA</u>	<u>Total HEA</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>
Expenses								
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					

Proposed FY2025 Budget Amendment 1

	FY23 Actual	FY24 Actual	FY25 Actual @11/30/24	Approved FY25 Budget	Proposed FY25 Changes	Proposed FY25 Budget Amend 1
REVENUES						
GVEA	1,632,539	3,896,647	1,369,915	2,838,837	222,446	3,061,282
CEA	405,435	471,717	278,987	431,626	31,252	462,878
MEA	450,409	674,787	325,349	695,903	125,207	821,110
INTEREST	58,625	106,406	69,470	-	-	-
OTHER	27,357	113,875	-	-	-	-
TOTAL REVENUES	2,574,364	5,263,432	2,043,721	3,966,365	378,905	4,345,270
EXPENSES						
FERC 562 - Station Operation Expenses						
GVEA - Substation Electricity Usage	478	-	-	-	-	-
	478	-	-	-	-	-
FERC 566 - Miscellaneous Transmission Expense						
Private Line Telephone Service for AKI SCADA (GVEA)	5,788	2,315	4,001	6,000	-	6,000
Cell Phone Comm. Svc for Weather Monitoring (Verizon)	11,983	12,007	-	13,000	-	13,000
SLMS Support and Intertie Ground Patrol	145,346	133,342	-	175,000	-	175,000
	163,116	147,664	4,001	194,000	-	194,000
FERC 567 - Transmission Expenses - Rents						
Rents - Alaska Railroad	1,500	1,000	1,000	1,000	-	1,000
MEA - Talkeetna Storage	7,200	7,200	3,000	7,200	-	7,200
Equipment Rental	102	-	-	-	-	-
	8,802	8,200	4,000	8,200	-	8,200
FERC 569 Maintenance of Structures						
MEA - Maintenance of Structures	-	5,204	-	550,000	(400,000)	150,000
	-	5,204	-	550,000	(400,000)	150,000
FERC 570 - Maintenance of Station Equipment						
GVEA - HLSB17 Sync PT Replacement	-	-	-	25,000	-	25,000
GVEA - Healy, Cantwell, Goldhill	141,248	80,624	-	64,500	-	64,500
GVEA - SCADA Maintenance Healy, Cantwell, Gold Hill	-	1,120	-	-	-	-
GVEA - Replace Healy Substation Breaker B17	-	-	-	350,000	-	350,000
GVEA - Healy and Goldhill Digital Fault Recorders	-	6,046	-	-	-	-
GVEA - Gold Hill SVC Cooling	-	2,059	-	-	-	-
GVEA - Cantwell Install Breakers or Load Break Switches	-	-	-	306,000	344,000	650,000
GVEA - Cantwell 4S2 Switch Repair	43,217	748	-	-	-	-
GVEA - Perform Maintenance, repaint Reactors Healy SVC Yard	4,472	-	-	-	-	-
GVEA - Intertie - SVC Project	-	-	-	50,000	70,000	120,000
CEA - Teeland Substation Communication	-	6,787	-	5,000	-	5,000
CEA - Teeland Substation	74,128	168,737	56,712	170,000	-	170,000
CEA - Douglas Substation Communication	-	-	1,578	2,400	-	2,400
MEA - Douglas Substation	-	5,181	5,807	-	300,000	300,000
MEA - Douglas Substation 138 kV BKR Inspections	-	-	-	25,000	-	25,000
	263,065	271,301	64,097	997,900	714,000	1,711,900
FERC 571 - Maintenance of Overhead Lines						
GVEA - Northern Maintenance	99,464	99,237	-	-	-	-
GVEA - Northern ROW Clearing	328,252	626,189	-	550,000	-	550,000
GVEA - Northern ROW Remote Sensing and Analysis	-	335,516	-	-	-	-
GVEA - Landing Pads	-	-	-	75,000	-	75,000
GVEA - Repair Tower 531 Foundation	-	154,915	-	-	-	-
GVEA - Repair Tower 532 Foundation	-	154,915	-	-	-	-

GVEA - Helicopter Patrols	-	-	-	80,000	-	80,000
MEA - Special Patrols [Incl Helicopter Inspections]	11,603	6,510	19,982	15,000	-	15,000
MEA - Southern Maint (Incl Ground and Climbing Inspect)	78,729	-	-	140,000	-	140,000
MEA - Southern ROW Clearing	525,520	287,124	47,854	300,000	-	300,000
MEA - Southern ROW Remote Sensing and Analysis	-	104,849	5,561	10,000	-	10,000
MEA - Equipment Repair and Replacement	803,393	152,755	-	-	-	-
FERC 924 - Property Insurance	1,846,961	1,922,010	73,397	1,170,000	-	1,170,000
AK Intertie - Insurance	40,178	42,558	14,476	37,000	-	37,000
	40,178	42,558	14,476	37,000	-	37,000
Intertie Operating Costs Total	2,322,601	2,396,938	159,971	2,957,100	314,000	3,271,100
FERC 570 - Maintenance of Station Equipment						
MEA - Replace Protective Relay Schemes Douglas	-	-	-	-	-	-
	-	-	-	-	-	-
Intertie Cost of Improvements Total	-	-	-	-	-	-
FERC 920 - AEA Administrative Costs						
Personal Services, Travel and Other Costs	190,236	254,493	103,037	250,000	-	250,000
	190,236	254,493	103,037	250,000	-	250,000
FERC 920 - IMC Administrative Costs						
IMC Administrative Costs (Audit, meetings, legal)	14,579	20,672	4,697	20,000	-	20,000
	14,579	20,672	4,697	20,000	-	20,000
FERC 566 - Miscellaneous Transmission Expense						
Misc Studies: System Reserves Study (IBR), PSS/E maint, 230 kV Upgrade System Impact Study	150,368	57,544	5,725	515,000	-	515,000
LIDAR study (complete lidar, vegetation, PLS CADD file with drawings, structure/foundation movement, infrared, and imaging)	-	-	-	-	40,000	40,000
Synchrophaser System (Moved to GRANT BUDGET worksheet)	-	-	-	-	-	-
	150,368	57,544	5,725	515,000	40,000	555,000
Intertie Administration Costs Total	355,182	332,708	113,459	785,000	40,000	825,000
TOTAL EXPENSE	2,677,783	2,729,646	273,430	3,742,100	354,000	4,096,100
SURPLUS (SHORTAGE)	(103,419)	2,533,786	1,770,292	224,265	24,905	249,170

Proposed FY2025 Budget Amendment 1

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

PROPOSED FY25 AMEND 1 (Anticipating January 2025 start)

Total Match Amount

\$ 75,000

<u>Power Purchaser</u>	<u>Percent Share</u>	<u>FY25 Match</u>
GVEA	81.95%	61,463
CEA	6.69%	5,018
MEA	11.36%	8,520
	100.00%	75,000

DOE Resiliency Grant - AK Intertie Snow Load Resiliency			
<u>Year</u>	<u>Project Total Cost</u>	<u>Grant Reimbursement</u>	<u>Grant Match (Cash and In-Kind)</u>
1	\$300,000	\$225,000	\$75,000
2	\$3,497,845	\$2,623,384	\$874,461
3	\$3,497,845	\$2,623,384	\$874,461
4	\$3,497,845	\$2,623,384	\$874,461
5	\$2,965,356	\$2,224,017	\$741,339
Total	\$13,758,890	\$10,319,167	\$3,439,722

APPROVED BUDGET

Total Match Amount

\$ 491,167

<u>Power Purchaser</u>	<u>Percent Share</u>	<u>FY25 Match</u>
GVEA	81.95%	402,511
CEA	6.69%	32,859
MEA	11.36%	55,797
	100.00%	491,167

DOE Resiliency Grant - AK Intertie Snow Load Resiliency			
<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
Total	\$13,758,890	\$10,319,167	\$3,439,722

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>FY25 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.

DOE Resiliency Grant - Synchrophasor Project - Five Year Average				
<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
Total	\$2,201,225	\$49,195	\$501,110	\$1,650,915

ALASKA INTERTIE FISCAL YEAR 2025 ENERGY PROJECTION Proposed FY25 Amend 1 Usage Projection

MONTH	True up to	GVEA MWH	MEA MWH	CEA MWH		TOTAL MWH
	Contract Value					
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		8,460	2,458	0		10,918
Feb		0	2,261	0		2,261
Mar		5,060	2,466	0		7,526
Apr		5,310	2,258	0		7,568
May		4,060	2,321	0		6,381
Jun		4,060	1,935	0		5,995
TOTAL	0	149,253	27,527	0		176,780

USAGE			CAPACITY			ADMIN			CASH FLOW
GVEA	MEA	CEA	GVEA	MEA	CEA	GVEA	MEA	CEA	TOTALS
\$206,953	\$36,869	\$0	\$269,880	\$82,002	\$187,878				\$852,332
\$237,335	\$38,692	\$0							\$344,777
\$248,951	\$37,262	\$0							\$354,964
\$465,913	\$36,494	\$0							\$571,156
\$457,692	\$39,443	\$0							\$565,884
\$445,182	\$44,393	\$0							\$558,325
\$142,636	\$41,444	\$0							\$252,830
\$0	\$38,120	\$0							\$106,870
\$85,312	\$41,569	\$0							\$195,631
\$89,527	\$38,067	\$0							\$196,343
\$68,452	\$39,139	\$0							\$176,340
\$68,452	\$32,616	\$0							\$169,817
\$2,516,402	\$464,108	\$0	\$269,880	\$82,002	\$187,878				\$4,345,270
Total Energy: <u>\$2,980,510</u>			Total Capacity : <u>\$539,760</u>						

TOTAL INTERTIE PROJECTED ENERGY USAGE 176,780 MWH
 Usage estimate reduced by 1/12 of Total for rate calculations 162,048 MWH
 Section 7.2.2 MINIMUM USAGE CONTRACT VALUE 204,984 MWH

TOTAL MWH REVENUE \$4,345,270
 O&M BUDGET - Operating 3,271,100
 -
 O&M BUDGET - Administrative 825,000
 TOTAL O&M BUDGET 4,096,100
 SURPLUS (SHORTAGE) \$249,170

Annual Participant Administrative Contribution 275,000.00
 Monthly Contribution per Participant 22,916.67

UTILITY	FY 25	
MEA	30.40%	23.70 MW
CEA	69.60%	54.30 MW
GVEA	100.00%	78.00 MW
		<u>156.0</u>

Usage Rate per KWH \$ 0.01686
 Capacity Rate \$3.46

ALASKA INTERTIE FISCAL YEAR 2025 ENERGY PROJECTION Approved FY25 Usage Projection

MONTH	True up to	GVEA MWH	MEA MWH	CEA MWH		TOTAL MWH
	Contract Value					
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: <u>\$2,693,085</u>			Total Capacity : <u>\$488,280</u>						

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

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

UTILITY	FY 25	
MEA	30.40%	23.70 MW
CEA	69.60%	54.30 MW
GVEA	100.00%	78.00 MW
		<u>156.0</u>

Annual Participant Administrative Contribution	261,666.67
Monthly Contribution per Participant	21,805.56

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

