



**Request for Proposals for Investment Banking and Underwriting Services
On Behalf of the**

Alaska Energy Authority

**Proposals Due: 2:00 PM Alaska Time on
May 19th, 2026**

PURPOSE

The Alaska Energy Authority (“AEA” or the “Authority”) is seeking proposals from investment banking firms to provide underwriting services in connection with the issuance of tax-exempt revenue bonds or other financing strategies by the Authority. The Authority may choose to select a pool of underwriters from which it can draw upon based on their unique financing expertise. The Authority is exploring several financing mechanisms, including a short-term bridge financing in concurrence with the bond issuance.

BACKGROUND

The AEA is a public corporation of the State of Alaska, created in 1976, with the mission of reducing the cost of energy for Alaskans. AEA serves as the State’s primary vehicle for owning, financing, and administering energy infrastructure, including the Bradley Lake Hydroelectric Project.

The Authority is seeking financing for an expansion of the Bradley Lake Hydroelectric Project, the largest renewable energy facility in Alaska, located near Homer. The Expansion Project will divert glacial runoff from Dixon Glacier into Bradley Lake, increasing the project's output by up to 50%, an estimated 165,000 MWh annually. This additional renewable energy generation will displace approximately 1.5 billion cubic feet of natural gas annually.

The Expansion Project includes:

- A diversion dam and intake structure at Dixon Glacier.
- A 4.7-mile-long, 14-foot diameter tunnel conveying water from the Martin River to Bradley Lake.
- Modifications to the existing Bradley Lake dam and spillway to raise the maximum operating pool level by 16 feet.
- One mile of new road construction for access to the tunnel outlet.

The total project cost is \$420.7MM, with \$400 million expected financing need. AEA is in the process of evaluating financing options, including tax exempt bonds, ranging from \$200 million to the full \$400 million. AEA also is in the process of evaluating federal tax credit eligibility; however, even if tax credits can be secured, the tax credits would not be available until after the construction period and thus interim financing will be needed.

The Authority’s financial statements are available here:

<https://www.akenergyauthority.org/Who-We-Are/Newsroom/Publications-and-Resources#98523-financial-statements>

Additional information about the project can be found here:

<https://www.akenergyauthority.org/BLEP>

PROPOSAL FORMAT AND CONTENT

Proposals are to be limited to 12 pages. Additional marketing materials, financial reports and detailed numbers will not be considered part of the 12-page limit and should be included as an appendix.

Please provide the following information in your proposal:

- A. Cover letter.
- B. Qualifications. A summary of the qualifications of your firm including (i) ability to contribute to the development of a comprehensive funding plan and (ii) ability to successfully sell bonds similar in size, security, and quality to the Authority’s prospective bonds.
- C. Personnel. The personnel to be assigned, their location, and their background and experience with similar types of financing. Clearly describe the role and relevant experience of each person to be assigned. Please identify the individual who will be the lead banker and primary contact. Please include the location and experience of the underwriter(s) expected to be responsible for pricing the Authority’s bonds.
- D. Structure.
 - a. The Authority intends to issue approximately \$400 million of tax-exempt power revenue bonds. Please discuss financing options and recommendations in the current interest rate environment assuming the draw schedule as shown below. Please provide details of your analysis and interest rate assumptions, and include as an appendix detailed number runs, annual debt service and TIC for each structure.

Hypothetical Draw Schedule		
Date	Draw	Outstanding
12/1/2026	\$23,252,814	\$23,252,814
6/30/2027	10,070,788	33,323,601
6/30/2028	60,679,830	94,003,432
6/30/2029	98,864,176	192,867,608

6/30/2030	122,809,112	315,676,720
6/30/2031	80,299,603	395,976,323
6/30/2032	4,023,677	400,000,000
	\$400,000,000	

- b. AEA may seek to defer payments due until the project is operational, which should occur 2031. Please provide an alternative financing approach to accomplish this goal.

Note that the Authority may also explore options directly with commercial banks such as a line of credit.

- E. Credit considerations. Provide a description of the Authority’s ability to access the capital markets for a tax-exempt bond issuance. Note that tax counsel has confirmed that AEA can issue tax-exempt bonds for the Expansion Project. Discuss your recommended approach to rating agencies, including which rating agencies to use on the upcoming bond issuance, and areas of credit strength or weakness for the Authority.
- F. Please describe how your marketing plan for the bonds (or other financing option) will benefit the Authority. How will you work to ensure broad distribution and lowest interest costs? Please provide your interest rate outlook.
- G. Underwriter spread and counsel. Provide your proposed underwriting compensation, clearly setting forth your assumptions and details. For underwriter’s counsel (if anticipated), please include an estimated or maximum fee as well as a proposed firm and individual.
- H. Underwriting team. Please discuss any advantages and disadvantages to having a co-manager on an issue of the size and type proposed for the Bonds. How can a co-manager be used to provide maximum benefit to the Authority? What is an ideal mix of co-managers, if any, to complement the marketing reach of your firm?

PROPOSAL EVALUATION

Proposals will be evaluated based on responses to the information requested herein. The Authority may interview selected firms as part of the evaluation process. While proposed compensation will be one of the factors considered in selecting a firm, the Authority will consider all information provided in response to this request in making its selection.

COMMUNICATION AND REQUESTS FOR ADDITIONAL INFORMATION

Proposing firms are requested to have no contact with the Authority staff, management, or rating agencies in regard to the activities contemplated by this request for proposal until conclusion of the review process. Firms are to rely only on written statements regarding this request for proposals and any other communication will be considered unofficial and non-binding on the Authority. Communication directed to parties other than AEA’s financial advisor may result in disqualification of the proposing firm.

For additional information regarding this RFP, you may contact PFM Financial Advisors LLC in Seattle (Thomas Toepfer at 206-858-5360 or toepfert@pfm.com, or Matt Schoenfeld at 206-858-5365 or schoenfeldm@pfm.com). PFM will coordinate with the Authority or others to provide answers to any questions.

RFP TIMELINE

The following timeline is expected, relative to this RFP, although dates are subject to change:

4/24/26	Distribution of RFP
5/4/26	Deadline for questions to be requested via email to PFM
5/8/26	Target date to respond to questions or requests for clarification
5/19/26	Proposal due at 2:00 PM Alaska Time
Week of 5/25/26	Interviews with selected firms (if necessary)
5/29/26	Appointment of underwriter(s)
Week of 6/1/26	Initial meeting relative to potential transactions

PROPOSAL SUBMITTAL

Questions or requests for clarification or additional information must be received via email to toepfert@pfm.com and schoenfeldm@pfm.com in accordance with the RFP Timeline set forth above.

Please submit proposals, clearly labeled as AEA RFP for Underwriting Services by the date and time above. Proposals may be submitted in person using AEA's Dropbox, by mail, or emailed to scray@akenergyauthority.org and aeaprocedurement@akenergyauthority.org.