# SOUTHEAST ALASKA POWER AGENCY

## Regular Board Meeting
## AGENDA

Nolan Center | Wrangell, Alaska

June 19, 2018 (1 p.m. - 5 p.m. AKDT) | June 20, 2018 (9 a.m. to 2 p.m. AKDT)

**For Telephonic Participation: Dial 1-800-315-6338 (Access Code: 73272#)**

1. Call to Order
   - A. Roll Call
   - B. Communications/Lay on the Table Items
   - C. Disclosure of Conflicts of Interest

2. Approval of the Agenda
   - A. Agenda for June 19-20, 2018 Board Meeting

3. Persons to be Heard

4. Review and Approve Minutes
   - A. February 8, 2018 Minutes of Regular Board Meeting
   - B. April 17, 2018 Minutes of Special Board Meeting

5. Financial Reports
   - A. CEO Financial Cover Memo
   - B. Controller's Report
   - C. kWh Graph
   - D. Grant Summary
   - E. Financial Statements – April and March 2018
   - F. R&R Reports
   - G. Disbursements

6. New Business
   - A. Presentation, Consideration, and Approval of FY19 SEAPA Budget
   - B. Consideration and Approval of Resolution #2018-070 Adopting the Rate Stabilization Fund Policy and Establishing the Rate Stabilization Fund, and Initial Funding
   - C. Discussion, Consideration, and Approval of FY18 Rebate
   - D. Consideration and Approval of Wholesale Power Rate for FY19
   - E. Consideration and Approval of Sole Source to Andritz Hydro

7. CEO Report

8. Staff Reports
   - A. Operations Manager's Report *(Hammer)*
     - (i) Tyee Lake Report
     - (ii) Swan Lake Report
   - B. Power System Specialist's Report *(Schofield)*
   - C. Director of Engineering & Technical Services Presentation (*Siedman)*

9. Next Meeting Date(s):
   September 27, 2018 (Thursday) in Ketchikan, Alaska
   December 12-13, 2018 (Wednesday-Thursday) in Petersburg, Alaska

10. Director Comments

11. Adjourn

**Minutes of Regular Meeting**
February 8, 2018
The Landing Hotel
Ketchikan, Alaska

**(An audio recording of this meeting is available on SEAPA's website at www.seapahydro.org)**

## 1) Call to Order

A. *Roll Call*

Vice Chairman Stephen Prysunka called the meeting to order at 9:00 a.m. AKST on February 8, 2018. The following directors and alternates were present, thus establishing a quorum of the board:

| Director | Alternate | Representing | |
|---|---|---|---|
| Karl Amylon | Andy Donato | Swan Lake | Ketchikan |
| Judy Zenge | | Swan Lake | Ketchikan |
| Bob Lynn | John Jensen | Swan Lake | Petersburg |
| Stephen Prysunka | Lee Burgess | Tyee Lake | Wrangell |
| Clay Hammer | Lisa Von Bargen | Tyee Lake | Wrangell |

The following SEAPA staff/counsel were present for all or part of the meeting:

Trey Acteson, Chief Executive Officer
Ed Schofield, Power System Specialist
Kay Key, Controller
Sharon Thompson, Ex. Asst./Cont. Admin.
Steve Henson, Operations Manager
Robert Siedman, Dir. of Eng. & Tech Svc.
Joel Paisner, Ascent Law Partners, LLC

B. *Communications/Lay on the Table Item(s):* None.

C. *Disclosure of Conflicts of Interest:* None.

## 2) Approval of the Agenda

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Hammer/Lynn) to approve the agenda. Motion approved unanimously by polled vote. | Action 18-640 |

## 3) Introduction of Board Members

Introductions of board members and staff were exchanged for the benefit of new board members.

## 4) Election of Officers

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Jensen/Hammer) to nominate Steve Prysunka as Chairman. Motion approved unanimously by polled vote. | Action 18-641 |

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Hammer/Zenge) to nominate John Jensen as Vice Chairman. Motion approved unanimously by polled vote. | Action 18-642 |

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Zenge/Prysunka) to nominate Karl Amylon as Secretary-Treasurer. Motion approved four-to-one with Mr. Prysunka, Ms. Zenge, Mr. Jensen, and Mr. Hammer voting in favor of the motion and Mr. Amylon voting against the motion. | Action 18-643 |

**5) Persons to be Heard**: None.

**6) Introduction to SEAPA (Joel Paisner)**

After explaining board members' fiduciary duties and providing Agency orientation, Mr. Paisner responded to various questions and advised that the Agency is bound to defend and indemnify the board members in their capacities as board members and personally through the Agency's Directors' and Officers' insurance.

**7) Review and Approve Minutes**

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Hammer/Zenge) to approve the Minutes of the Regular Meeting of December 13-14, 2017. Motion approved unanimously by polled vote. | Action 18-644 |

**8) Financial Reports**

(A)-(H) Mr. Acteson affirmed the stability of the Agency's financial position and reported that the FY2017 rebate was the largest rebate in the history of the Agency, which demonstrates the Agency's goal of safely providing low-cost reliable power to its member communities. He provided updates on revenue and expenses, grants, renewal and replacement projects, the Whitman True-up, and recommended that the Agency establish a Rate Stabilization Fund as a hedge against future rate increases. After discussion, the consensus was that staff would provide framework for the fund at the next board meeting for the board's further consideration.

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Hammer/Lynn) to approve disbursements for the months of December 2017 and January 2018 in the amount of $3,807,036.43. Motion approved unanimously by polled vote. | Action 18-645 |

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Hammer/Zenge) to approve SEAPA's financial statements for the months of November and December 2017. Motion approved unanimously by polled vote. | Action 18-646 |

The meeting recessed at 9:53 a.m. and reconvened at 10:01 am.

**9) New Business**

A. *Executive Session for Discussions related to Hydrosite Investigations and CEO Evaluation Materials*

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Hammer/Zenge) to recess into Executive Session to conduct further discussions relating to the Agency's hydrosite investigations and CEO evaluation materials. The Executive Session will be conducted pursuant to SEAPA's Bylaws which are consistent with Alaska Statute 44.62.310. The discussions may include matters that: (1) the immediate knowledge of which would clearly have an adverse impact upon the finances of the Agency, the Projects, or any of its Member Utilities; (2) certain matters will be discussed with an attorney retained by the Board, the immediate knowledge of which could have an adverse effect on the legal position of the Agency; and (3) the discussions may also include subjects that tend to prejudice the reputation and character of any person. Motion approved unanimously by polled vote. | Action 18-647 |

The meeting recessed at 10:06 a.m. for the Executive Session and reconvened into regular session at 12:02 p.m. Chairman Prysunka announced that the meeting will recess for lunch. The meeting reconvened at 1:00 p.m.

Chairman Prysunka announced that during the Executive Session the board heard certain aspects of SEAPA's hydrosite investigation from McMillen Jacobs Associates, and based on McMillen Jacobs' extensive experience during the last five years on this project coupled with their Alaska project experience, uniquely qualifies them to develop a system integration work plan for the Agency. Following the announcement, the following motion was introduced:

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Prysunka/Amylon) to authorize staff to enter into sole source contracts with McMillen Jacobs Associates to develop a system integration work plan for new hydro development for the not-to-exceed value of $314,727.00. Motion approved unanimously by polled vote. | Action 18-648 |

The Chairman solicited comments on whether the discussion of CEO Evaluation Materials could take place under the Regular Session of the meeting rather than under an Executive Session as listed on the Agenda. Following brief comments, it was the consensus that the topic could be discussed under the regular session of the meeting as the discussion involved development of a system or format to evaluate the CEO. The Chairman noted the agenda would need to be amended to provide an avenue for the discussion in regular session.

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Hammer/Zenge) to amend the agenda by designating Agenda Item 9B under New Business as the forum in regular session to discuss CEO Evaluation Materials. The remaining agenda items will move forward accordingly. Motion approved unanimously by polled vote. | Action 18-649 |

B. *Discussion Re CEO Evaluation Materials*

Following discussion, the consensus was that the CEO evaluation materials be recirculated to the board by the Agency's counsel for comments by the board to counsel to develop an aggregate of all the comments/information for discussion points during the next annual evaluation of the CEO.

C. *Consideration and Approval of Funding for Swan Lake Unit #1 and Unit #2 Turbine Runner Cavitation Repairs Project*

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Hammer/Lynn) to increase the FY2018 R&R Budget by $400,000 for Project RR299-18 for Runner Repairs on Units 1 and 2 at Swan Lake. Motion approved unanimously by polled vote. | Action 18-650 |

D. *Discussion Re Consensus for Tyee Tunnel ROV Inspection*

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Hammer/Zenge) to authorize staff to conduct an ROV inspection of the Tyee Lake tunnel in fiscal year 2018. Motion approved unanimously by polled vote. | Action 18-651 |

**10) CEO Report**

Mr. Acteson reported there have been no recordable or lost-time incidents and discussed the restructure of the Agency's brushing crew.

Mr. Acteson provided updates on governmental affairs including the highlights of legislative initiatives discussed during an APA Legislative Conference he had recently attended, HB 199 that may impose unnecessary requirements on FERC jurisdictional hydro projects in Alaska, HB 255 regarding Certificate of Fitness Requirements for electrical workers and other trades, SB 173 which is a bill relating to the liability of a person or the state for release of certain pesticides during application of a utility pole, and SB 64 a bill adopting the Uniform Environmental Covenants Act, which addresses contaminants that are impractical to clean up.

Mr. Acteson advised that the Agency will continue to support Petersburg and Wrangell in response to the RCA regarding TBPA's Certificate of Public Convenience to operate Tyee. Mr. Acteson announced that Barry Haskell was hired to replace Steve Beers who is retiring as Tyee's Project Maintenance and Operations Foreman, that a national recruitment effort for a new Operations Manager is underway since Steve Henson is retiring on June 30, 2018, and that Administrative Assistant, Lisa Maddocks, had tendered her resignation. He advised that recruitment for a new assistant was in process.

The meeting recessed at 2:08 p.m. and reconvened at 2:17 p.m.

**11) Staff Reports**

A. *Operations Manager Report*

Mr. Henson reported that staff is moving forward with the prerequisites for development of the Tyee Lake Road and Harbor Project, that ATV use on the Tyee Transmission System may be implemented following the close of a public objection period, and that a consultant had been retained to survey and plat a location for the Tyee Satellite Platform Project. He provided an update on the STI final as-built survey and DNR right-of-way permitting process and advised that annual transmission line and plant maintenance will take place the beginning of the last week of May and continue through the third week of June subject to availability of contractors and crews. Mr. Henson closed his report with a brief update on maintenance performed at the Tyee Plant and advised the brushing crew is clearing the right-of-way on Mitkof Island. KPU's Swan Lake Report was available in the board packet for an update of Swan Lake activities.

B. *Power System Specialist Report*

After reporting on cavitation damage that occurred on Unit #1 and Unit #2 runners at Swan Lake, Mr. Schofield explained that staff will seek approval for funding the repairs necessary for the project, which may take from 10 to 12 days for repairs. He explained that Swan Lake's marine bulkhead used for the transfer of equipment and materials from tugboats and barges, requires restoration and that an application for a U.S. Army Corps of Engineer's permit which is required for the project, is currently under review. He provided an update on the Swan Lake Staff Housing Replacement Project and advised that efforts were under way to obtain an ADEC Wastewater Treatment Permit and that once the permit is received, a Ketchikan Gateway Borough zoning permit must be applied for and approved, after which staff can develop an RFP for construction of a modular home, removal of the existing home, and placement of the new home.

Mr. Schofield advised that staff will seek board consensus for a remotely operated vehicle inspection of the Tyee power tunnels and pressure shaft before a Request for Proposals is publicly advertised, that a review of the Swan Lake facility to identify additional efficiencies and enhance operations and maintenance best practices is scheduled for April 23rd, and that the Swan Lake Miscellaneous Metals Project delayed due to high reservoir elevations, is anticipated to start when working conditions are more favorable in the spring. He closed with an update on SEAPA's Office Remodel Project and advised that a final Board of Consultant's (BOC) meeting required by FERC to wrap up the Swan Lake Reservoir Expansion Project will take place on May 23rd. SEAPA's Part 12 Independent Consultants, retained by the Agency to define and insert the BOC's findings into the Project's Dam Safety Surveillance and Monitoring Plan, would also be attending the meeting.

C. *Director of Engineering & Technical Services*

Mr. Siedman reported that Swan Lake DC Distribution upgrades and development of a test bed utilizing SEAPA's spare protective relays were both 90% complete, that security cameras were being installed at Swan Lake, that a design was completed by SEAPA in-house for removal of electronic devices from the wet environment they currently operate in to control the Tyee Lake intake gate, and that a replacement pendant more robust in wet environments has been identified to replace a rusted pendant used for the operation of the Tyee Lake overhead hoist controls.

Mr. Siedman advised that SEAPA is moving to a Ka-band satellite to increase bandwidth speeds by almost 1800% for the Agency's internet, SCADA, and phone systems at Swan Lake and that the Agency prefers to link to a Viasat-1 satellite, which has similar speeds to the ka-band satellite, for communications at Tyee.

Mr. Siedman provided updates on new equipment currently in-route for the Agency's Battery Monitoring Systems Project, the progress of replacement of the Swan Lake Control Room Touch Screens and the programmable logic controllers and touch screens for the governors at Swan Lake. He reported that a new rain gauge, which also measures snow accumulation, had been installed on top of the Swan Lake intake gate, that SEAPA is designing an automated system for the Swan Lake dam spillway bubbler system, and that a new pressure system alarm that had been installed was currently being integrated into SEAPA's SCADA system for the Swan Lake Intake Building Compressor Alarm Project.

**12) Next Meeting Date**

There were no objections to the next board meeting dates of June 19-20, 2018 in Wrangell, Alaska.

**13) Director Comments**

Directors provided brief comments.

**14) Adjourn**

Chairman Prysunka adjourned the meeting at 4:00 p.m.

Signed: Attest:

_____ _____

Secretary/Treasurer Chairman

# SOUTHEAST ALASKA POWER AGENCY

## Minutes of Special Meeting

April 17, 2018

Southeast Alaska Power Agency Offices
via Teleconference | Ketchikan, Alaska

**(An audio recording of this meeting is available on SEAPA's website at www.seapahydro.org)**

## 1) Call to Order

A. *Roll Call*.

Chairman Prysunka called the meeting to order at 2:00 p.m. AKDT on April 17, 2018. The following directors and alternates were present, thus establishing a quorum of the board:

| Director | Present *Telephonic (T) In Person (IP)* | Alternate | Present *Telephonic (T) In Person (IP)* | Representing | |
|---|---|---|---|---|---|
| Karl Amylon | IP | Andy Donato | IP | Swan Lake | Ketchikan |
| Judy Zenge | T | Bob Sivertsen | IP | Swan Lake | Ketchikan |
| Bob Lynn | T | | | Tyee Lake | Petersburg |
| Stephen Prysunka | T | Lee Burgess | T | Tyee Lake | Wrangell |
| | | Steve Beers | T | Tyee Lake | Wrangell |

The following SEAPA staff and counsel were present for all or part of the meeting:

| Staff | Present *Telephonic (T) In Person (IP)* | Staff/Counsel | Present *Telephonic (T) In Person (IP)* |
|---|---|---|---|
| Trey Acteson, CEO | IP | Ed Schofield, PSS | IP |
| Steve Henson, Operations Manager | IP | Robert Siedman, P.E.,DETS | IP |
| Kay Key, Controller | IP | Sharon Thompson, Ex. Asst/CA | IP |
| Marcy Hornecker, Admin. Assistant | IP | Joel Paisner, Counsel | T |

## 2) Approval of the Agenda

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Lynn/Amylon) to approve the agenda as presented. Motion approved unanimously by polled vote. | Action 18-652 |

## 3) Financial Reports

*A. Financial Statements, including R&R Reports – February and January 2018*

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Amylon/Lynn) to accept the financial statements for the months of February and January 2018, as presented. Motion approved unanimously by polled vote. | Action 18-653 |

*B. Disbursements Acceptance – February and March 2018*

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Prysunka/Amylon) to accept disbursements for the months of February and March 2018 in the amount of $691,553.38. Motion approved unanimously by polled vote. | Action 18-654 |

**4) New Business**

*A. Consideration and Approval of Swan Lake Marine Bulkhead Restoration Project*

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Lynn/Beers) to authorize staff to enter into a Contract with Pool Engineering, Inc. for SEAPA's Swan Lake Marine Bulkhead Rehabilitation Project for the lump-sum bid amount of $143,500. Motion approved unanimously by polled vote. | Action 18-655 |

*B. Consideration and Approval of Tyee Lake ROV Inspection and Analysis of the Tyee Submarine Cables Project*

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Amylon/Zenge) to authorize staff to enter into a Contract with ITB Subsea, Ltd. for SEAPA's Tyee Lake ROV Inspection and Analysis of Submarine Cables Project for the lump-sum bid amount of $522,990. Motion approved unanimously by polled vote. | Action 18-656 |

*C. Consideration and Approval of Swan Lake Generating Station Unit #1 and Unit #2 Turbine Runner Cavitation Project*

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Beers/Lynn) to authorize staff to enter into a Contract with American Hydro for SEAPA's Swan Lake Generating Station Unit #1 and Unit #2 Turbine Runner Cavitation Repair Project for the lump-sum bid amount of $177,598. Motion approved unanimously by polled vote. | Action 18-657 |

*D. Consideration and Approval of Tyee Power Tunnel ROV Project*

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Lynn/Prysunka) to authorize staff to enter into a Contract with Hibbard Inshore, LLC for SEAPA's Tyee Lake Hydroelectric Facility Power Tunnel ROV Survey Project for the lump-sum bid amount of $188,269 with 10% contingency to cover additional services, including a ROV site reconnaissance visit for a total of $207,096. | Action 18-658 |

Chairman Prysunka solicited discussion on the motion. Mr. Acteson announced that based on information provided to the Agency shortly before the board meeting, that it would be prudent for the Agency to utilize a small ROV for a pre-tunnel inspection of the actual slot opening at the Tyee Tunnel gate slot access, which will require an increase in the contingency for the project from 10% to 20%. Mr. Schofield elaborated on the project explaining why the Agency selected its recommended bidder over other bidders, why the pre-tunnel inspection is prudent, and that the pre-inspection utilizing a small ROV would also inspect the upstream trash rack, and downstream to the first 90-degree bend in the power tunnel. Following further questions and discussion, an amendment was made to the motion:

| | | |
|---|---|---|
| ➢ ***Motion*** | M/S (Amylon/Lynn) to amend the motion to increase the contingency to 20% bringing the total Project cost to $225,923.00. Chairman Prysunka solicited discussion on the amendment. There was no discussion. The motion to amend was approved unanimously by polled vote. | Action 18-659 |

Following unanimous approval of the motion to amend, Chairman Prysunka requested a vote on the original motion, as amended. The original motion, as amended, was approved unanimously by polled vote.

**5. Next Meeting Date: June 19-20, 2018, Wrangell, Alaska**

There were no objections to the next meeting date.

**6. Adjourn**

Chairman Prysunka adjourned the meeting at 2:42 p.m. AKDT.

Signed: Attest:

_____ _____

Secretary/Treasurer Chairman

# SOUTHEAST ALASKA POWER AGENCY
# CEO FINANCIAL COVER MEMO

DATE: June 13, 2018

TO: SEAPA Board of Directors

FROM: Trey Acteson, CEO

SEAPA's financial position is good, underpinned by strong sales and lower than expected FY18 expenditures. I have provided detailed information in your Budget packets so I will keep this memo brief. The financial statements behind this memo include April and March FY18.

**REVENUE & EXPENSES:**

Revenues are trending higher than expected. Total power purchase revenues through the end of May are $11,615,982 actual vs. $11,333,866 budget. This is excellent considering it was a low-water year.

Total administrative and operating expenses through the end of April were $4,834,437 actual vs. $6,103,048 budget.

**RENEWAL & REPLACEMENT PROJECTS**:

Total R&R expenditures through the end of April were $1,842,452 actual vs. $4,244,674 budget.

R&R expenditures have accelerated going into May and June as capital project activity picks up. Staff continues to make excellent progress on a substantial list of projects. We will review individual R&R projects as part of the budget process.

**GRANTS:**

We have one open grant, the FY13 DCCED. Grant expenditures have been moderate as our contractor finalizes the deliverables for the Hydrosite Investigation Project. We expended $241,542 in the first three quarters of FY18 and have an open balance of $599,030.

# SOUTHEAST ALASKA POWER AGENCY

## CONTROLLER MEMO

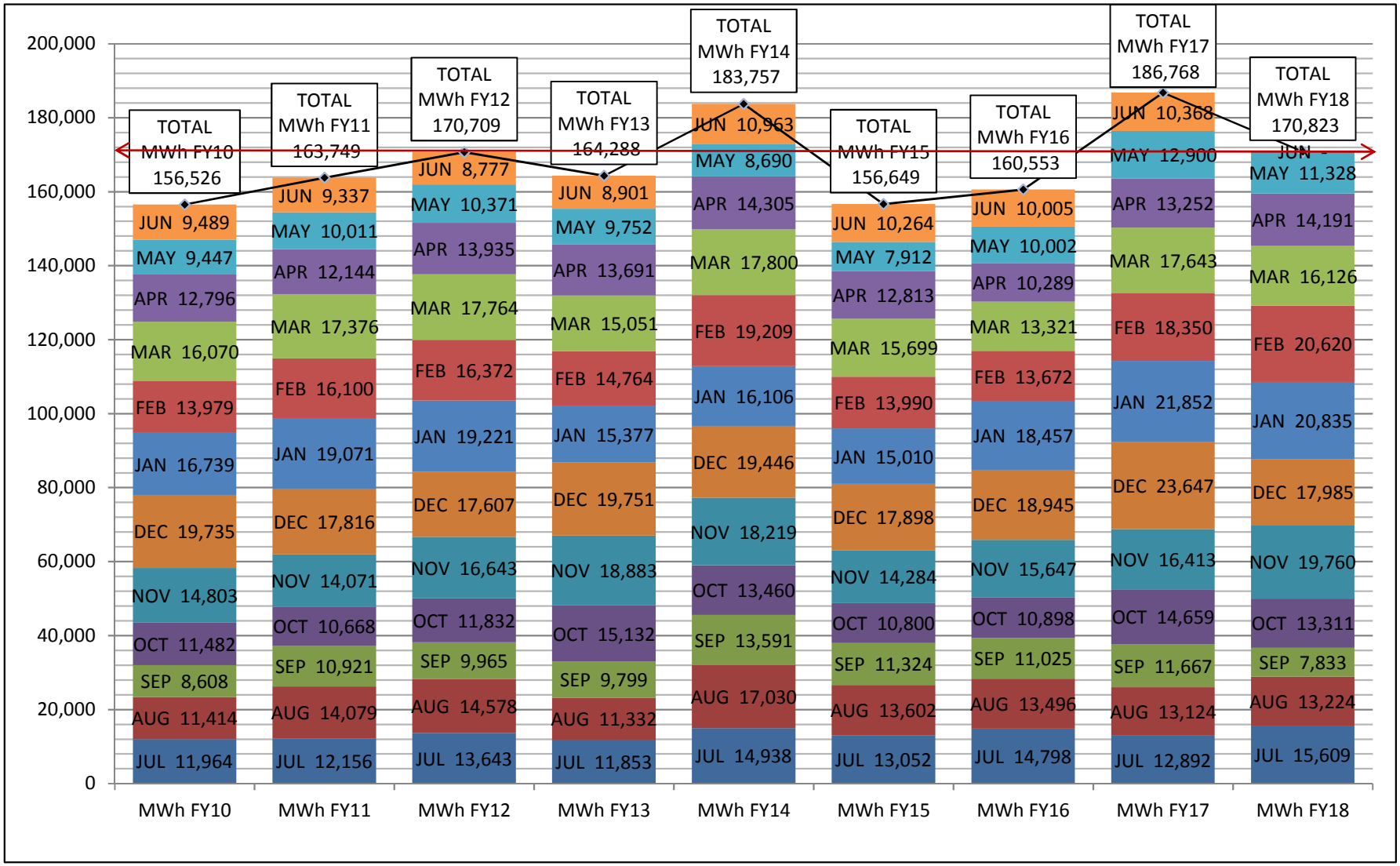
| | | | |
|---|---|---|---|
| Date: | May 31, 2018 | From: | Kay Key |
| To: | Trey Acteson | Subject: | **FINANCIAL STATEMENTS** |

| **SUGGESTED MOTION** |
|---|
| I move to accept the April and March 2018 financial statements as presented and the April and May 2018 disbursements in the amount of $971,063.32. |

The following financial reports are included in this board packet:

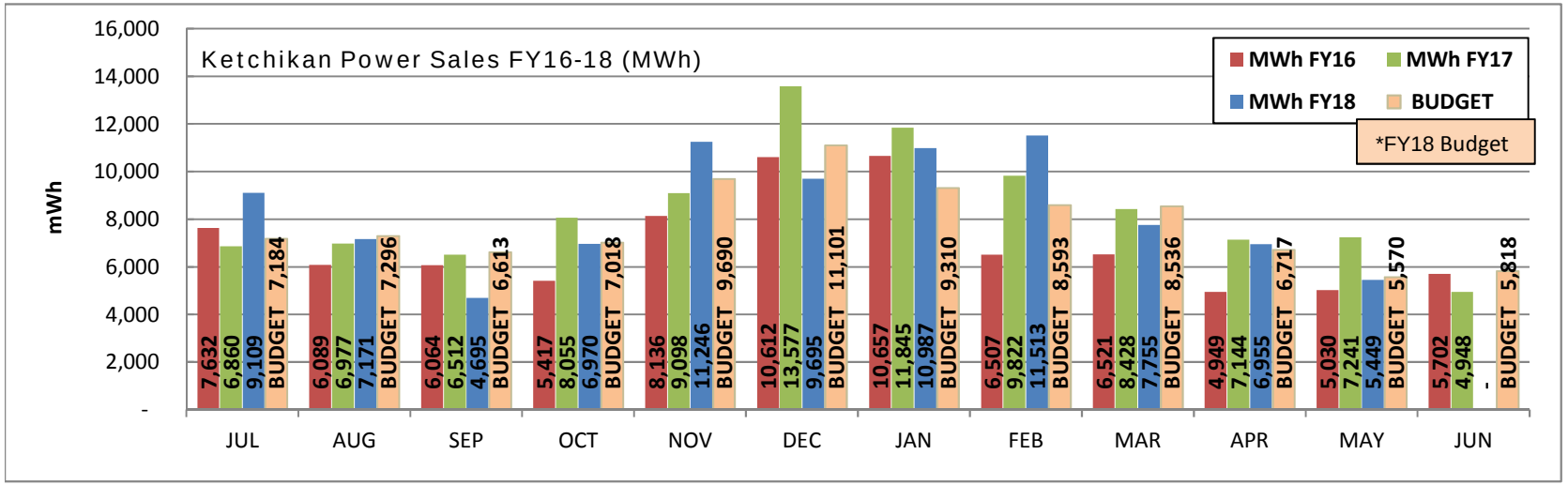
- **kWh Graphs**
  - ✓ MWH Year-Over-Year
  - ✓ Power Sales by Month (3 years)
- **Grant Summary** (quarterly)
- **Monthly Financial Statements for April and March 2018**:
  - ✓ Financial Overview
  - ✓ Fund Allocation Graph
  - ✓ Statement of Financial Position – Summary Prior Year Comparison
  - ✓ Statement of Activities – Summary Prior Year Comparison
  - ✓ Statement of Financial Position – Detail
  - ✓ Statement of Activities – Budget Comparison Detail
- **R&R Reports**
  - ✓ Summary
  - ✓ Detail of Expenditures
- **Disbursements for April and May 2018**

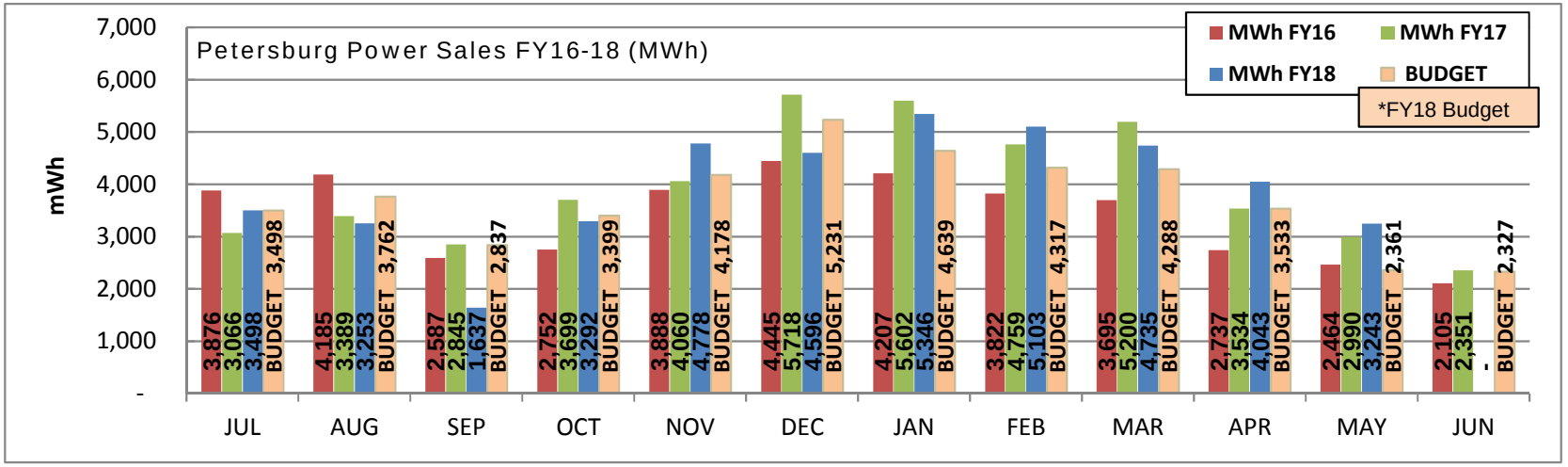
# MWh Sales Year-to-Year Comparison



# SOUTHEAST ALASKA POWER AGENCY
## FIRM POWER SALES (kWh / MWh)

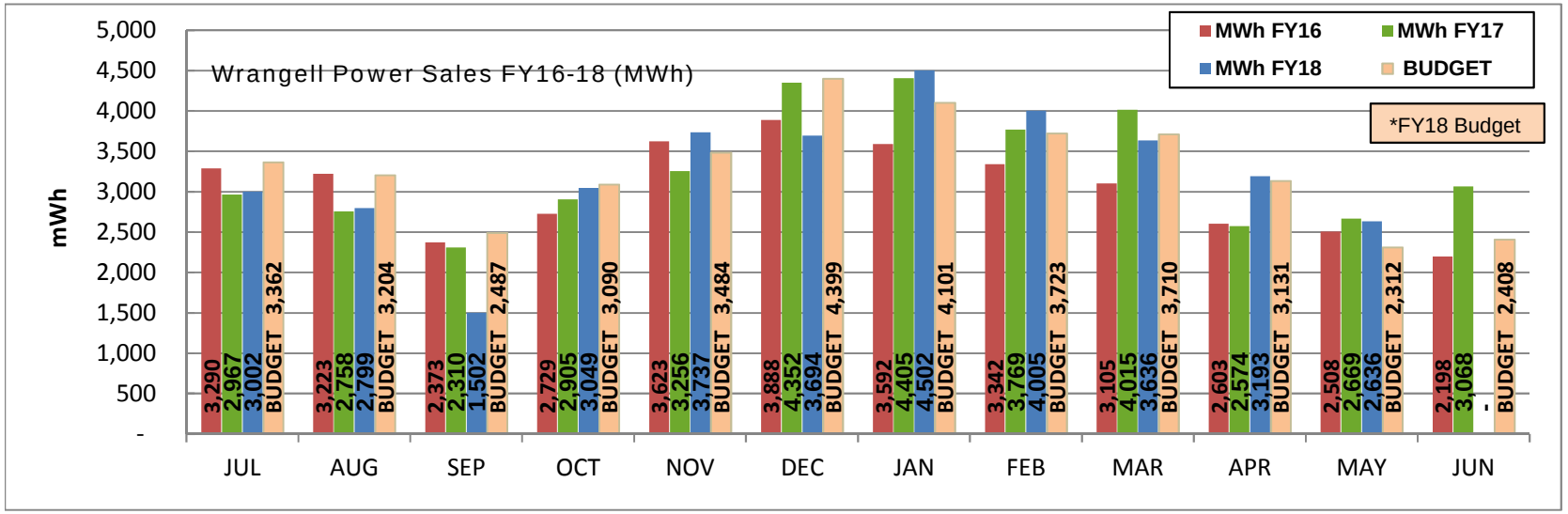
| MAY 2018 | FY18 kWh HYDROPOWER SALES | CURRENT MONTH | | YEAR-TO-DATE | |
|---|---|---|---|---|---|
| | | Actual | Budget | Actual | Budget |
| | Ketchikan Power Purchases | 5,449,406 | 5,570,470 | 91,544,916 | 87,628,325 |
| | Petersburg Power Purchases | 3,242,635 | 2,360,555 | 43,523,765 | 42,041,846 |
| | Wrangell Power Purchases | 2,635,540 | 2,312,012 | 35,754,580 | 37,004,346 |
| | Total Power Purchases | 11,327,581 | 10,243,037 | 170,823,261 | 166,674,517 |

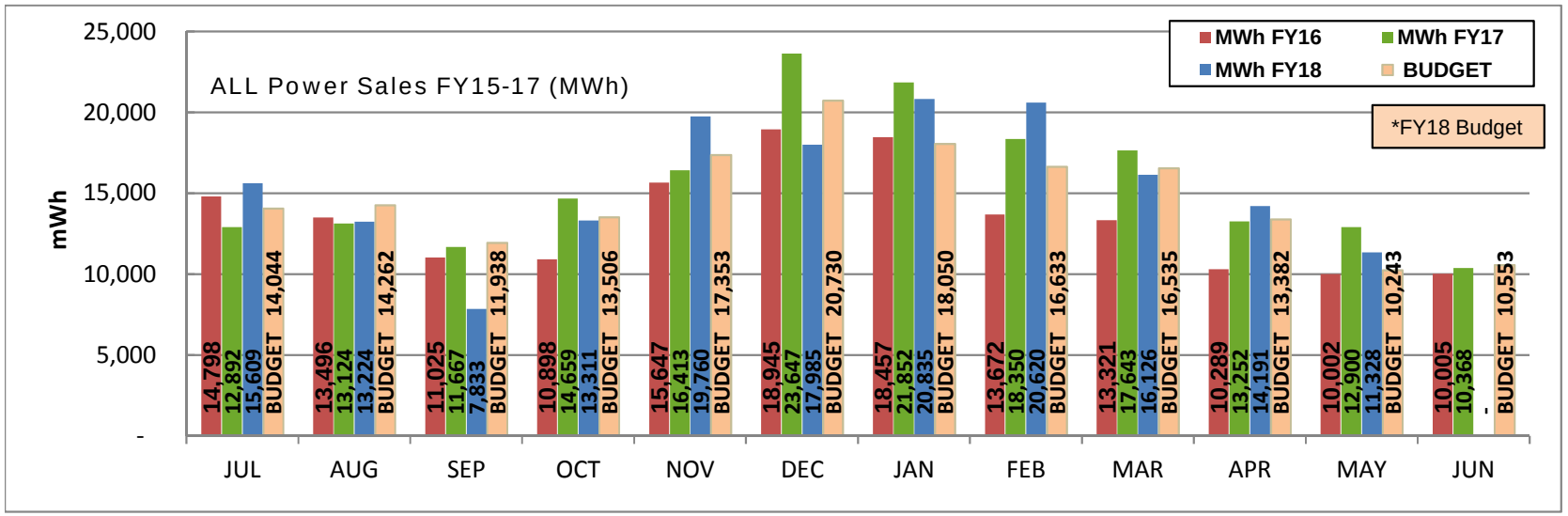


# SOUTHEAST ALASKA POWER AGENCY
## FIRM POWER SALES (kWh / MWh)

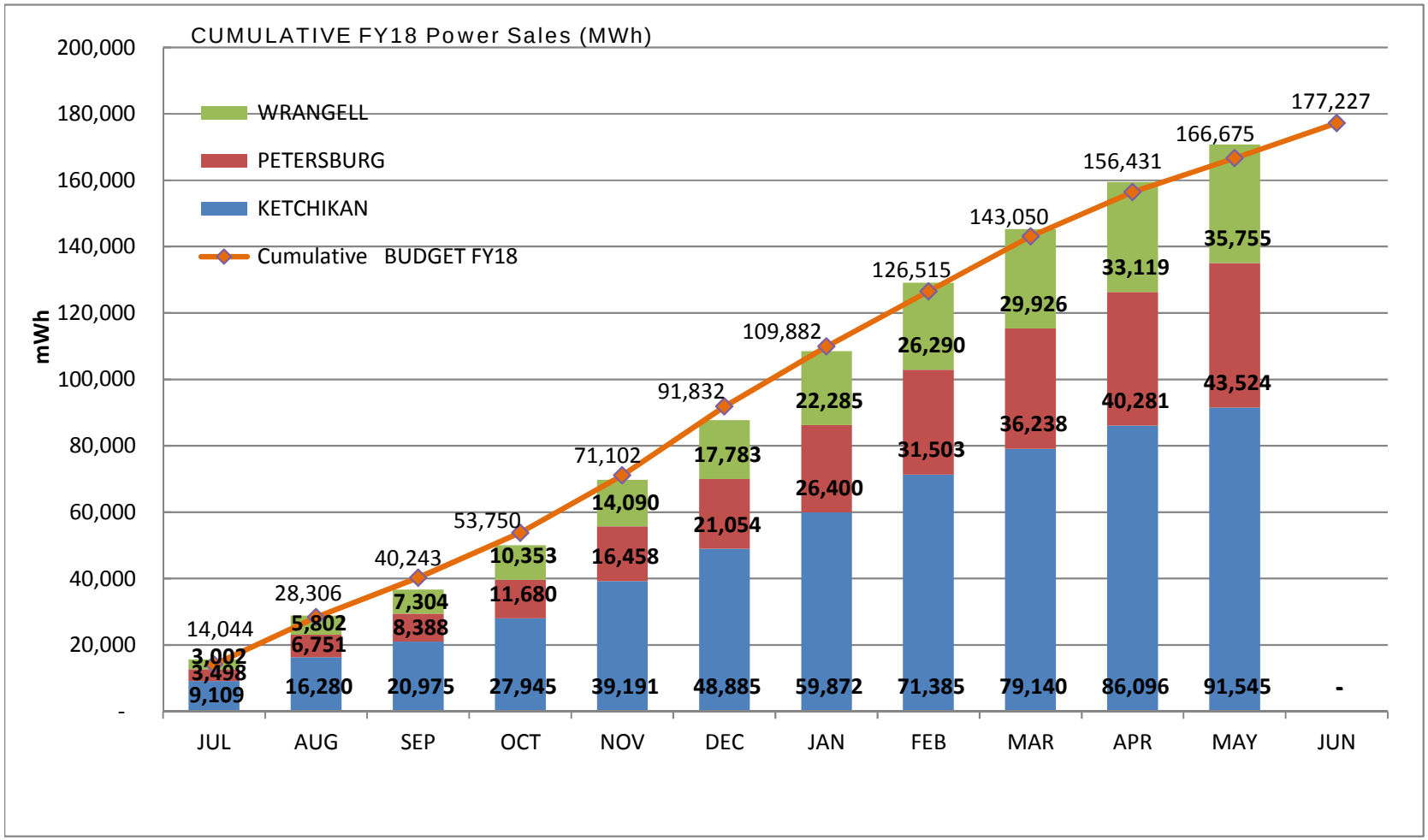
| MAY 2018 | FY18 kWh HYDROPOWER SALES | CURRENT MONTH | | YEAR-TO-DATE | |
|---|---|---|---|---|---|
| | | Actual | Budget | Actual | Budget |
| | Ketchikan Power Purchases | 5,449,406 | 5,570,470 | 91,544,916 | 87,628,325 |
| | Petersburg Power Purchases | 3,242,635 | 2,360,555 | 43,523,765 | 42,041,846 |
| | Wrangell Power Purchases | 2,635,540 | 2,312,012 | 35,754,580 | 37,004,346 |
| | Total Power Purchases | 11,327,581 | 10,243,037 | 170,823,261 | 166,674,517 |



# SOUTHEAST ALASKA POWER AGENCY
## FIRM POWER SALES (kWh / MWh)

| MAY 2018 | FY18 kWh HYDROPOWER SALES | CURRENT MONTH | | YEAR-TO-DATE | |
|---|---|---|---|---|---|
| | | Actual | Budget | Actual | Budget |
| | Ketchikan Power Purchases | 5,449,406 | 5,570,470 | 91,544,916 | 87,628,325 |
| | Petersburg Power Purchases | 3,242,635 | 2,360,555 | 43,523,765 | 42,041,846 |
| | Wrangell Power Purchases | 2,635,540 | 2,312,012 | 35,754,580 | 37,004,346 |
| | Total Power Purchases | 11,327,581 | 10,243,037 | 170,823,261 | 166,674,517 |



SOUTHEAST ALASKA POWER AGENCY

# GRANT SUMMARY

**MARCH 2018**

## AK DCCED GRANT 13-DC-553

| FY18 Grant Billing | Grant Budget | Billing thru FY18 | Open Balance |
|---|---|---|---|
| 1 - Hydro Storage | 578,000 | 578,000 | 0 |
| 2 - G&T Site Evaluation | 1,705,000 | 1,510,062 | 194,938 |
| 3 - Stability / Interconnecti | 146,000 | 0 | 146,000 |
| 4 - Load Balance Model | 112,000 | 9,181 | 102,819 |
| 5 - Project Mgmt | 309,000 | 255,712 | 53,288 |
| 6 - Business Analysis / PSA | 150,000 | 48,015 | 101,985 |
| Total FY13 AK DCCED | 3,000,000 | 2,400,970 | 599,030 |

TERM: JUL 2013 - JUN 2019

## QUARTERLY BILLING

| Sep-17 | Dec-17 | Mar-18 | FY18 |
|---|---|---|---|
| - | - | - | - |
| 45,455 | 122,295 | 73,791 | 241,542 |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| 45,455 | 122,295 | 73,791 | 241,542 |

# APRIL 2018
# FINANCIAL OVERVIEW

The following tables provide a snapshot of SEAPA's revenues and expenses for APRIL, 2018.

Revenues from kWh sales were under budget for the month:

| FIRM kWh SALES | APRIL Sales | APRIL Budget | Prior Year Sales |
|---|---|---|---|
| Ketchikan | $472,951 | $456,747 | $485,775 |
| Petersburg | $274,933 | $240,261 | $240,299 |
| Wrangell | $217,130 | $212,940 | $175,065 |
| **Total Revenue** | $965,014 | $909,948 | $901,138 |

Fiscal year-to-date revenues from kWh sales were over budget:

| FIRM kWh SALES | YTD Sales | YTD Budget | Prior YTD Sales |
|---|---|---|---|
| Ketchikan | $5,854,495 | $5,579,934 | $6,005,527 |
| Petersburg | $2,739,117 | $2,698,327 | $2,847,353 |
| Wrangell | $2,252,095 | $2,359,078 | $2,265,113 |
| **Total Revenue** | $10,845,706 | $10,637,339 | $11,117,992 |

| FIRM kWh SALES (Year-Over-Year) | FISCAL YEAR | APRIL kWh | YTD JUL-APR kWh |
|---|---|---|---|
| | FY2018 | 14,191,387 | 159,495,680 |
| | FY2017 | 13,252,030 | 163,499,889 |
| | FY2016 | 10,288,635 | 140,546,819 |

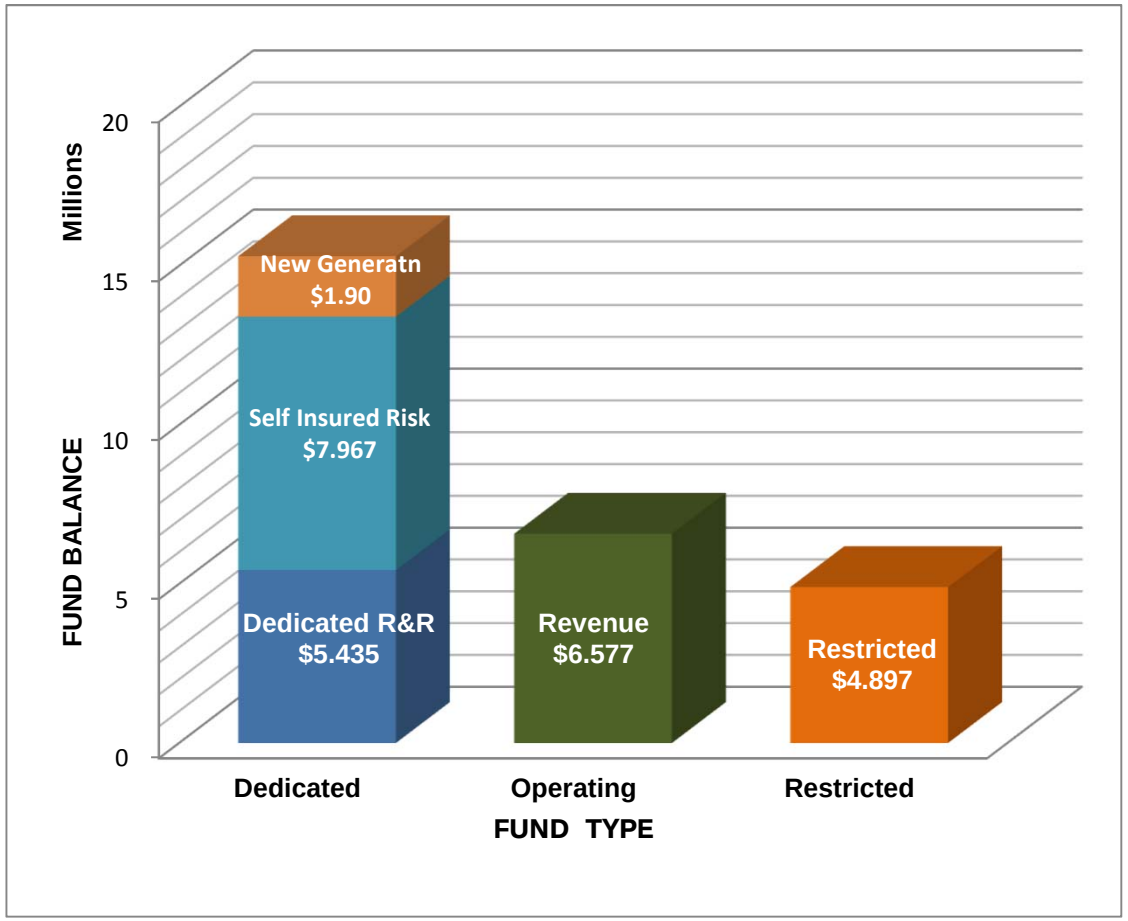
Administrative and operating expenses were under budget:

| Administrative & Operating Expenses | APRIL Actual | APRIL Budget | Prior Yr Expense |
|---|---|---|---|
| | $468,939 | $1,073,719 | $444,997 |
| | YTD Actual | YTD Budget | Prior YTD Expense |
| | $4,834,437 | $6,103,048 | $4,264,487 |

At divestiture, the restricted DNR Reclamation Fund (113500) was agreed to be apportioned equally between SEAPA (50%), Kodiak Electric Association (KEA-25%) and Copper Valley Electric Association (CVEA-25%). The KEA-CVEA portion is recorded as a liability (210152) and was understated when carried forward into SEAPA's ledger. Reconciliation of this fund resulted in a $167K adjustment, increasing the KEA-CVEA liability to 50% of the fund balance, and was offset by a one-time expense (950005).

**APRIL 2018** **SOUTHEAST ALASKA POWER AGENCY** **Fund Allocation Graph**

| | |
|---|---|
| Operations, Capital and Insurance Funds | |
| Revenue Fund FB | $ 6,576,056 |
| Required R&R Fund FB | 1,000,508 |
| Dedicated R&R Projects Fund FB | 5,434,524 |
| Commercial FB | 1,000 |
| New Generation Fund | 1,899,022 |
| Self Insured Risk Fund FNBA | 7,967,382 |
| Total Operations, Capital and Insurance Funds | 22,878,492 |
| Trustee Funds | |
| 2009 Bond Interest | $ 151,649 |
| 2009 Bond Principal | 802,720 |
| 2009 Bond Reserve | 1,419,603 |
| 2015 Bond Interest | 203,549 |
| 2015 Bond Reserve | 214,231 |
| Total Trustee Funds | 2,791,752 |
| Other Restricted Funds | |
| STI - USFS CD WF | $ 21,627 |
| DNR Reclamation Fund WF | 1,083,587 |
| Total Other Restricted Funds | 1,105,214 |
| Total Agency Funds | $ 26,775,458 |




Dedicated Funds

New Generation = Project feasibility funding (hydro, wind, geothermal)
Self-Insured Risk = Coverage for uninsured transmission lines, submarine cables and insurance deductibles.
Dedicated R&R = Funds Replacement & Repair projects approved by the SEAPA Board in the budget.

Operating Funds

Revenue Fund & Commercial Checking: All SEAPA income is deposited to the Revenue Fund as required by Bond Indentures.

Restricted Funds (Legally or contractually restricted)

Bonds = All Trustee Funds: Bond Interest, Principal, Reserve and Escrow accounts
R&R = $1,000,000 minimum balance required by bond indenture
DNR = Alaska DNR Reclamation Agreement
USFS = USFS Land Remediation Certificate of Deposit

# SOUTHEAST ALASKA POWER AGENCY
## Financial Position - Prior Year Comparison
### as of April 30, 2018

| | APR 30, 2018 | APR 30, 2017 |
|---|---|---|
| **ASSETS** | | |
| **Current Assets** | | |
| **Agency Funds** | | |
| 111000 · Ops/Capital/Insurance Funds | 22,878,492 | 23,140,915 |
| 112000 · Trustee Funds | 2,791,752 | 2,763,729 |
| 113000 · Other Restricted Funds | 1,105,214 | 1,024,114 |
| **Total Agency Funds** | 26,775,458 | 26,928,758 |
| **Accounts Receivable** | | |
| 110000 · Accounts Receivable | 1,344,415 | 1,860,420 |
| 110100 · Grants Receivable | - | 4,001 |
| **Total Accounts Receivable** | 1,344,415 | 1,864,421 |
| **Other Current Assets** | | |
| 120200 · Other Receivables | 5,800 | 5,800 |
| 120300 · Accrued Interest Receivable | 27,152 | 22,499 |
| 120500 · Prepaid Fees | 371,096 | 289,697 |
| 120700 · Inventory Assets | 1,042,239 | 1,125,071 |
| **Total Other Current Assets** | 1,446,288 | 1,443,066 |
| **Total Current Assets** | 29,566,162 | 30,236,244 |
| **Fixed Assets** | | |
| 130100 · Capital Assets | 177,663,045 | 162,592,221 |
| 132200 · R&R Projects WIP Capital Improv | 817,455 | 13,176,459 |
| 132900 · Accumulated Depreciation | (44,276,705) | (39,469,994) |
| **Total Fixed Assets** | 134,203,796 | 136,298,686 |
| **Other Assets** | | |
| 183000 · Deferred Assets | 113,620 | 380,031 |
| **Total Other Assets** | 113,620 | 380,031 |
| **TOTAL ASSETS** | **163,883,577** | **166,914,961** |
| **LIABILITIES & EQUITY** | | |
| **Liabilities** | | |
| **Current Liabilities** | | |
| **Accounts Payable** | | |
| 210100 · Accounts Payable General | 356,135 | 295,722 |
| **Total Accounts Payable** | 356,135 | 295,722 |
| **Other Current Liabilities** | | |
| 210150 · Other Current Liabilities | 33,863 | 90,417 |
| 210152 · DNR Fund - CVEA KEA Portion | 541,793 | 337,500 |
| 210300 · Reserve Interest Payable | 359,008 | 341,932 |
| 210400 · Wages Payable | 59,090 | 58,785 |
| 210401 · PTO Payable | 154,082 | 171,852 |
| 210500 · Payroll Liabilities | 29,340 | 24,738 |
| **Total Other Current Liabilities** | 1,177,176 | 1,025,224 |
| **Total Current Liabilities** | 1,533,312 | 1,320,946 |
| **Long Term Liabilities** | | |
| 220100 · Series B Bonds 2009 | 6,390,000 | 7,160,000 |
| 220120 · 2009 Bond Issuance Discount | (24,473) | (28,496) |
| 220121 · PERS Unfunded Liability WRG | 959,660 | 1,005,501 |
| 220130 · Series 2015 Bonds | 10,295,000 | 10,295,000 |
| 220131 · 2015 Bond Issuance Premium | 830,463 | 885,521 |
| **Total Long Term Liabilities** | 18,450,650 | 19,317,526 |
| **Total Liabilities** | 19,983,961 | 20,638,472 |
| **Equity** | | |
| 310000 · Net Position | 142,591,882 | 142,657,410 |
| Net Income | 1,307,734 | 3,619,079 |
| **Total Equity** | 143,899,616 | 146,276,489 |
| **TOTAL LIABILITIES & EQUITY** | **163,883,577** | **166,914,961** |

# SOUTHEAST ALASKA POWER AGENCY
## Statement of Activities - Prior Year Comparison
### APRIL 2018

| | APR 2018 | APR 2017 |
|---|---|---|
| **Operating Income/Expense** | | |
| **Operating Income** | | |
| 410000 · Hydro Facility Revenues | 965,014 | 901,138 |
| **Total Operating Income** | 965,014 | 901,138 |
| **Operating Expense** | | |
| 535000 · Hydro Ops-Suprvsn & Engineering | 3,371 | 765 |
| 537000 · Hydraulic Expenses | 5,469 | 3,543 |
| 538000 · Electric Expenses | 170 | 1,767 |
| 539000 · Misc Power Generation Expense | 42,027 | 28,657 |
| 540000 · Rents | 13,089 | 15,600 |
| 541000 · Hydro Power Station Maintenance | 14,847 | 9,116 |
| 543000 · Dams, Reservoirs & Waterways | 10,265 | - |
| 544000 · Maintenance of Electric Plant | 104,041 | 99,957 |
| 545000 · Plant Miscellaneous Maintenance | 10,992 | 1,059 |
| 561000 · Control System Maintenance | 5,669 | 5,762 |
| 562000 · Trans/Operations Station Exp | 2,226 | 2,324 |
| 564000 · Trans/Submarine Cable Expense | 427 | - |
| 571000 · Trans/Maint Overhead Lines(OHL) | 16,758 | 45,901 |
| 920000 · Admin Wages & Benefits | 136,922 | 116,476 |
| 921000 · Office Expenses | 10,660 | 13,029 |
| 922000 · Legislative Affairs | 4,000 | 4,000 |
| 923000 · Contract Services | 27,084 | 29,567 |
| 924000 · Insurance | 37,556 | 38,279 |
| 928000 · Regulatory Commission Expense | 4,838 | 5,583 |
| 930000 · General Expenses | 10,846 | 15,579 |
| 931000 · Admin Rent | 7,683 | 8,031 |
| **Total Operating Expense** | 468,939 | 444,997 |
| **Net Operating Income** | 496,075 | 456,141 |
| **Nonoperating Income/Expense** | | |
| **Nonoperating Income** | | |
| 942000 · Interest Income | 17,601 | 8,601 |
| 944000 · Realized Gain/Loss | (1,329) | (8,122) |
| 945000 · Unrealized Gain/Loss | (13,310) | 1,723 |
| 946000 · Misc Nonoperating Income | 3,045 | - |
| **Total Nonoperating Income** | 6,007 | 2,203 |
| **Nonoperating Expense** | | |
| 950005 · Special Item-DNR Reclamtn Liab | 166,793 | - |
| 952000 · Bond Interest 2009 Series | 27,069 | 29,642 |
| 952001 · Bond Interest 2015 Series | 36,052 | 36,052 |
| 953000 · Depreciation Expense | 398,265 | 360,246 |
| **Total Nonoperating Expense** | 628,180 | 425,941 |
| **Net Nonoperating Income** | (622,174) | (423,738) |
| **Net Change in Financial Position** | **(126,098)** | **32,403** |

**SOUTHEAST ALASKA POWER AGENCY**

# Statement of Financial Position - Detail

**as of April 30, 2018**

| | Apr 30, 18 |
|---|---|
| **ASSETS** | |
| **Current Assets** | |
| **Agency Funds** | |
| **111000 · Ops/Capital/Insurance Funds** | |
| 111100 · Revenue Fund FB | 6,576,056 |
| 111200 · Required R&R Fund FB | 1,000,508 |
| 111210 · Dedicated R&R Projects Fund FB | 5,434,524 |
| 111300 · Commercial FB | 1,000 |
| 111401 · New Generation Fund | 1,899,022 |
| 111500 · Self Insured Risk Fund FNBA | 7,967,382 |
| **Total 111000 · Ops/Capital/Insurance Funds** | 22,878,492 |
| **112000 · Trustee Funds** | |
| 112100 · WF Trust 2009 Bond Interest | 151,649 |
| 112200 · WF Trust 2009 Bond Principal | 802,720 |
| 112300 · WF Trust 2009 Bond Reserve | 1,419,603 |
| 112501 · WF Trust 2015 Bond Interest | 203,549 |
| 112503 · WF Trust 2015 Bond Reserve | 214,231 |
| **Total 112000 · Trustee Funds** | 2,791,752 |
| **113000 · Other Restricted Funds** | |
| 113100 · STI - USFS CD WF | 21,627 |
| 113500 · DNR Reclamation Fund WF | 1,083,587 |
| **Total 113000 · Other Restricted Funds** | 1,105,214 |
| **Total Agency Funds** | 26,775,458 |
| **Accounts Receivable** | |
| 110000 · Accounts Receivable | 1,344,415 |
| **Total Accounts Receivable** | 1,344,415 |
| **Other Current Assets** | |
| 120200 · Other Receivables | 5,800 |
| 120300 · Accrued Interest Receivable | 27,152 |
| 120500 · Prepaid Fees | |
| 120510 · Prepaid FERC Fees | 23,239 |
| 120520 · Prepaid Insurance | 225,339 |
| 120530 · Prepaid Operating Expense | 16,663 |
| 120540 · Prepaid USDA FS Land Use Fees | 67,526 |
| 120550 · Prepaid Admin Benefits | 38,329 |
| **Total 120500 · Prepaid Fees** | 371,096 |
| **120700 · Inventory Assets** | |
| 1207001 · Inventory - Spares-Stores | 151,834 |
| 1207003 · Inventory - SWL Winding Replace | 890,405 |
| **Total 120700 · Inventory Assets** | 1,042,239 |
| **Total 120000 - Other Current Assets** | 1,446,288 |
| **Total Current Assets** | 29,566,162 |
| **Fixed Assets** | |

**SOUTHEAST ALASKA POWER AGENCY**

# Statement of Financial Position - Detail

**as of April 30, 2018**

| | Apr 30, 18 |
|---|---|
| **130100 · Capital Assets** | |
| 130110 · Swan Lake | 30,632,226 |
| 130120 · Tyee Lake | 31,425,703 |
| 130130 · SEAPA Office | 809,677 |
| 132100 · Swan Tyee Intertie in Operation | 114,795,439 |
| **Total 130100 · Capital Assets** | 177,663,045 |
| **132200 · R&R Projects WIP Capital Improv** | |
| 132210 · R&R Projects - WIP Swan Lake | 374,024 |
| 132220 · R&R Projects - WIP Tyee Lake | 377,499 |
| 132240 · R&R Projects - WIP SEAPA Office | 65,932 |
| **Total 132200 · R&R Projects WIP Capital Improv** | 817,455 |
| **132900 · Accumulated Depreciation** | (44,276,705) |
| **Total 130000 - Fixed Assets** | 134,203,796 |
| **Other Assets** | |
| 183000 · Deferred Assets | |
| 183003 · 2009 Bond - Refunded Discount | 113,620 |
| **Total 183000 · Deferred Assets** | 113,620 |
| **TOTAL ASSETS** | **163,883,577** |

**SOUTHEAST ALASKA POWER AGENCY**

# Statement of Financial Position - Detail

**as of April 30, 2018**

| | Apr 30, 18 |
|---|---|
| **LIABILITIES & EQUITY** | |
| **Liabilities** | |
| **Current Liabilities** | |
| **Accounts Payable** | |
| 210100 · Accounts Payable General | 356,135 |
| **Total Accounts Payable** | 356,135 |
| **Other Current Liabilities** | |
| 210150 · Other Current Liabilities | 33,863 |
| 210152 · DNR Fund - CVEA KEA Portion | 541,793 |
| 210300 · Reserve Interest Payable | 359,008 |
| 210400 · Wages Payable | 59,090 |
| 210401 · PTO Payable | 154,082 |
| 210500 · Payroll Liabilities | |
| 210521 · FICA Payable | 4,458 |
| 210522 · SUI Tax Payable | 1,966 |
| 210531 · IBEW H&W Payable | 13,659 |
| 210540 · 457(b) Payable | 1,078 |
| 210541 · IBEW Pension Payable | 6,669 |
| 210550 · IBEW Dues Payable | 1,510 |
| Total 210500 · Payroll Liabilities | 29,340 |
| **Total Other Current Liabilities** | 1,177,176 |
| **Total Current Liabilities** | 1,533,312 |
| **Long Term Liabilities** | |
| 220100 · Series B Bonds 2009 | 6,390,000 |
| 220120 · 2009 Bond Issuance Discount | (24,473) |
| 220121 · PERS Unfunded Liability WRG | 959,660 |
| 220130 · Series 2015 Bonds | 10,295,000 |
| 220131 · 2015 Bond Issuance Premium | 830,463 |
| **Total Long Term Liabilities** | 18,450,650 |
| **Total Liabilities** | 19,983,961 |
| **Net Position** | |
| 310000 · Net Position | |
| 3100001 · Net Investment Capital Assets | 119,036,952 |
| 3100002 · Restricted for Debt Service | 1,589,894 |
| 3100003 · Restricted by External Agreemnt | 1,024,898 |
| 3100004 · Unrestricted | 20,940,138 |
| Total 310000 · Net Position | 142,591,882 |
| Net Income | 1,307,734 |
| **Total Net Position** | 143,899,616 |
| **TOTAL LIABILITIES & NET POSITION** | **163,883,577** |

# SOUTHEAST ALASKA POWER AGENCY
## Statement of Activities - Budget Comparison
### April 2018

| | APR 2018 | Budget | Jul'17-Apr'18 | YTD Budget | Annual Budget |
|---|---|---|---|---|---|
| **Operating Income/Expense** | | | | | |
| **Operating Income** | | | | | |
| **410000 · Hydro Facility Revenues** | | | | | |
| 410100 · Ketchikan Power Purchases | 472,951 | 456,747 | 5,854,495 | 5,579,934 | 6,354,335 |
| 410200 · Petersburg Power Purchases | 274,933 | 240,261 | 2,739,117 | 2,698,327 | 3,017,107 |
| 410300 · Wrangell Power Purchases | 217,130 | 212,940 | 2,252,095 | 2,359,078 | 2,680,012 |
| **Total 410000 · Hydro Facility Revenues** | 965,014 | 909,948 | 10,845,706 | 10,637,339 | 12,051,454 |
| **Total Operating Income** | 965,014 | 909,948 | 10,845,706 | 10,637,339 | 12,051,454 |
| **Operating Expense** | | | | | |
| **535000 · Hydro Ops-Suprvsn & Engineering** | | | | | |
| 535100 · Hyd/Ops Sup & Eng - Swan Lake | 1,316 | 1,540 | 7,169 | 15,400 | 18,480 |
| 535150 · Hyd/Ops Sup & Eng - SWL SEAPA | 1,573 | 150 | 65,191 | 78,700 | 79,000 |
| 535250 · Hyd/Ops Sup & Eng -TYL SEAPA | 481 | 1,650 | 10,716 | 18,200 | 21,500 |
| 535400 · Hyd/Op Sup & Eng - Proj Drawing | - | 9,500 | 24,660 | 73,000 | 91,000 |
| **Total 535000 · Hydro Ops-Suprvsn & Engineering** | 3,371 | 12,840 | 107,737 | 185,300 | 209,980 |
| **537000 · Hydraulic Expenses** | | | | | |
| 537150 · Hydraulic Expense - SWL SEAPA | 1,204 | 2,500 | 3,566 | 2,500 | 2,500 |
| 537250 · Hydraulic Expense - TYL SEAPA | 4,264 | 2,500 | 4,293 | 2,500 | 2,500 |
| **Total 537000 · Hydraulic Expenses** | 5,469 | 5,000 | 7,859 | 5,000 | 5,000 |
| **538000 · Electric Expenses** | | | | | |
| 538100 · Electric Expense - Swan Lake | 170 | 2,000 | 5,970 | 21,000 | 25,000 |
| 538150 · Electric Expense - SWL SEAPA | - | 3,000 | 8,300 | 29,000 | 35,000 |
| 538200 · Electric Expense - Tyee Lake | - | 1,700 | 9,241 | 17,100 | 20,500 |
| 538250 · Electric Expense - TYL SEAPA | - | 3,000 | - | 28,000 | 35,000 |
| **Total 538000 · Electric Expenses** | 170 | 9,700 | 23,511 | 95,100 | 115,500 |
| **539000 · Misc Power Generation Expense** | | | | | |
| 539100 · Misc Exp - Swan Lake | 24,358 | 10,000 | 85,455 | 84,195 | 104,195 |
| 539150 · Misc Expense - SWL SEAPA | 84 | 300 | 2,412 | 8,400 | 9,000 |
| 539151 · Misc Expense - SWL Communicatn | 943 | 2,400 | 28,878 | 24,600 | 29,500 |
| 539200 · Misc Expense - Tyee Lake | 5,184 | 7,500 | 70,168 | 72,500 | 87,500 |
| 539250 · Misc Expense - TYL SEAPA | 4,508 | 2,500 | 33,237 | 31,500 | 36,500 |
| 539251 · Misc Expense - TYL Communicatn | 6,950 | 7,600 | 69,188 | 76,200 | 91,400 |
| **Total 539000 · Misc Power Generation Expense** | 42,027 | 30,300 | 289,339 | 297,395 | 358,095 |
| **540000 · Rents** | | | | | |
| 540300 · FERC Land Use Fee - Swan Lake | 999 | 1,670 | 9,925 | 16,660 | 20,000 |
| 540400 · FERC Land Use Fee - Tyee Lake | 3,649 | 5,670 | 36,266 | 56,660 | 68,000 |
| 540500 · USDA Land Use Fee - USFS ROW | 2,039 | 2,100 | 20,137 | 20,300 | 24,500 |
| 540600 · USDA Land Use Fee - STI | 6,245 | 6,400 | 61,676 | 62,200 | 75,000 |
| 540601 · AK DNR Land Use Fee - STI | - | 2,000 | - | 16,000 | 20,000 |
| 540700 · USDA Tyee Passive Reflector | 110 | 125 | 1,091 | 1,150 | 1,400 |
| 540710 · USDA Etolin Burnett Radio | 47 | 50 | 460 | 500 | 600 |
| **Total 540000 · Rents** | 13,089 | 18,015 | 129,555 | 173,470 | 209,500 |
| **541000 · Hydro Power Station Maintenance** | | | | | |
| 541100 · Maintenance - Swan Lake | 3,708 | 2,400 | 17,482 | 24,000 | 29,000 |
| 541150 · Maintenance - SWL SEAPA | 1,808 | 2,200 | 3,022 | 22,400 | 27,500 |
| 541200 · Maintenance - Tyee Lake | 9,331 | 1,900 | 18,302 | 17,700 | 21,500 |
| 541250 · Maintenance - TYL SEAPA | - | 2,400 | 7,163 | 22,700 | 27,500 |
| **Total 541000 · Hydro Power Station Maintenance** | 14,847 | 8,900 | 45,969 | 86,800 | 105,500 |

# SOUTHEAST ALASKA POWER AGENCY
## Statement of Activities - Budget Comparison
### April 2018

| | APR 2018 | Budget | Jul'17-Apr'18 | YTD Budget | Annual Budget |
|---|---|---|---|---|---|
| **543000 · Dams, Reservoirs & Waterways** | | | | | |
| 543100 · Dams Res & Waterwys - Swan Lake | - | 400 | 1,133 | 4,200 | 5,000 |
| 543150 · Dams Res & Waterwys - SWL SEAPA | - | 2,800 | 2,812 | 42,900 | 48,500 |
| 543200 · Dams Res & Waterwys - Tyee Lake | 6,605 | 500 | 6,605 | 5,500 | 6,500 |
| 543250 · Dams Res & Waterwys - TYL SEAPA | 3,660 | - | 20,660 | 45,000 | 45,000 |
| **Total 543000 · Dams, Reservoirs & Waterways** | 10,265 | 3,700 | 31,210 | 97,600 | 105,000 |
| **544000 · Maintenance of Electric Plant** | | | | | |
| 544100 · Maint Electric Plant-Swan Lake | 48,715 | 50,514 | 506,938 | 505,138 | 606,166 |
| **5442900 · TYL Plant Wages & Benefits** | | | | | |
| 5442911 · TYL Plant Wages/PTO | 34,989 | 29,700 | 342,593 | 315,500 | 384,000 |
| 5442912 · TYL Plant Wages OT | 695 | 2,920 | 29,186 | 21,370 | 36,000 |
| 5442920 · TYL Plant Benefit - Taxes | 4,991 | 2,830 | 32,049 | 27,520 | 33,700 |
| 5442930 · TYL Plant Benefits - Insurance | 9,659 | 7,710 | 81,204 | 73,770 | 89,200 |
| 5442940 · TYL Plant Benefits - Retirement | 4,992 | 4,540 | 51,406 | 47,360 | 58,100 |
| 5442992 · TYL Plant Grant-Capital Payroll | - | - | (9,308) | - | - |
| **Total 5442900 · TYL Plant Wages & Benefits** | 55,325 | 47,700 | 527,131 | 485,520 | 601,000 |
| **Total 544000 · Maintenance of Electric Plant** | 104,041 | 98,214 | 1,034,069 | 990,658 | 1,207,166 |
| **545000 · Plant Miscellaneous Maintenance** | | | | | |
| 545100 · Plant Misc Maint - Swan Lake | 385 | 4,900 | 7,445 | 49,000 | 59,000 |
| 545150 · Plant Misc Maint - SWL SEAPA | - | 1,000 | 28,792 | 15,000 | 16,600 |
| 545200 · Plant Misc Maint - Tyee Lake | 10,607 | 1,700 | 25,305 | 17,000 | 20,500 |
| 545251 · Plant Misc Maint - WRG Warehous | - | - | - | 13,000 | 13,000 |
| **Total 545000 · Plant Miscellaneous Maintenance** | 10,992 | 7,600 | 61,542 | 94,000 | 109,100 |
| **561000 · Control System Maintenance** | | | | | |
| 561150 · Control System Maint. - SWL | 775 | 3,200 | 33,421 | 32,100 | 38,500 |
| 561250 · Control System Maint. - TYL | 4,894 | 3,000 | 60,765 | 32,500 | 38,500 |
| **Total 561000 · Control System Maintenance** | 5,669 | 6,200 | 94,187 | 64,600 | 77,000 |
| **562000 · Trans/Operations Station Exp** | | | | | |
| 562100 · Trans/Ops Station - Swan Lake | - | 1,250 | 385 | 12,500 | 15,000 |
| 562200 · Trans/Ops Station - Tyee Lake | 662 | 1,000 | 8,763 | 10,000 | 12,200 |
| 562250 · Trans/Ops Station-TYL SEAPA | 1,564 | 1,400 | 15,171 | 14,400 | 17,200 |
| **Total 562000 · Trans/Operations Station Exp** | 2,226 | 3,650 | 24,319 | 36,900 | 44,400 |
| **564000 · Trans/Submarine Cable Expense** | | | | | |
| 564200 · Trans/Sub Cable Exp - Tyee Lake | 427 | 535,625 | 1,746 | 541,250 | 542,500 |
| **Total 564000 · Trans/Submarine Cable Expense** | 427 | 535,625 | 1,746 | 541,250 | 542,500 |
| **571000 · Trans/Maint Overhead Lines(OHL)** | | | | | |
| 571100 · Trans/Maint OHL - Swan Lake | - | 1,000 | 2,610 | 10,300 | 24,000 |
| 571150 · Trans/Maint OHL - SWL SEAPA | - | 1,000 | 1,780 | 10,000 | 303,223 |
| 571151 · Trans/Maint OHL - SWL ROW Clear | - | 2,000 | 61,907 | 50,000 | 55,000 |
| 571200 · Trans/Maint OHL - Tyee Lake | 317 | 3,600 | 29,338 | 36,000 | 43,250 |
| 571250 · Trans/Maint OHL - TYL SEAPA | 676 | 1,000 | 93,772 | 108,000 | 318,014 |
| **5712900 · TYL Brushing Wages & Benefits** | | | | | |
| 5712911 · TYL Brushing Wages/PTO | 9,295 | 12,300 | 107,463 | 126,400 | 151,000 |
| 5712912 · TYL Brushing Wages OT | 130 | 1,400 | 5,813 | 10,950 | 14,000 |
| 5712920 · TYL Brushing Benefit - Taxes | 788 | 1,050 | 9,271 | 11,590 | 13,500 |
| 5712930 · TYL Brushing Benefit- Insurance | 3,874 | 3,640 | 36,895 | 37,300 | 44,600 |
| 5712940 · TYL Brushing Benefit- Retiremnt | 1,677 | 2,400 | 22,398 | 24,080 | 28,900 |
| 5712992 · TYL Brush Grant-Capital Payroll | - | - | (206) | - | - |
| **Total 5712900 · TYL Brushing Wages & Benefits** | 15,764 | 20,790 | 181,633 | 210,320 | 252,000 |
| 571300 · Trans/Maint OHL STI Maintenance | - | 1,000 | 260,243 | 250,450 | 515,907 |
| 571500 · Trans/Maint OHL STI Therml Scan | - | 700 | - | 3,400 | 3,400 |
| 571700 · Trans/Maint OH STI Clearing | - | 10,000 | - | 55,000 | 65,000 |
| 571800 · Trans/Maint OHL System Events | - | 3,000 | - | 34,000 | 40,000 |
| **Total 571000 · Trans/Maint Overhead Lines(OHL)** | 16,758 | 44,090 | 631,284 | 767,470 | 1,619,794 |

# SOUTHEAST ALASKA POWER AGENCY
## Statement of Activities - Budget Comparison
### April 2018

| | APR 2018 | Budget | Jul'17-Apr'18 | YTD Budget | Annual Budget |
|---|---|---|---|---|---|
| **920000 · Admin Wages & Benefits** | | | | | |
| 9201911 · Admin Wages/PTO | 85,332 | 93,000 | 744,887 | 766,000 | 952,000 |
| 9201912 · Admin Wages - Overtime | 47 | 200 | 47 | 1,600 | 2,000 |
| 9201920 · Admin Benefit - Taxes | 6,872 | 5,400 | 52,911 | 54,000 | 65,000 |
| 9201930 · Admin Benefit - H&W Insurance | 21,637 | 30,800 | 195,628 | 209,000 | 271,000 |
| 9201940 · Admin Benefit - Retirement | 23,033 | 27,050 | 235,412 | 237,900 | 292,000 |
| **Total 920000 · Admin Wages & Benefits** | 136,922 | 156,450 | 1,228,885 | 1,268,500 | 1,582,000 |
| **921000 · Office Expenses** | | | | | |
| 921100 · Office Supplies | 1,361 | 1,250 | 11,032 | 12,500 | 15,000 |
| 921200 · Office Equipment | 3,472 | 1,250 | 15,434 | 12,500 | 15,000 |
| 921300 · Phone, Courier, Internet | 1,985 | 1,975 | 16,562 | 19,750 | 23,700 |
| 921400 · System Network / IT Support | 3,770 | 5,000 | 32,834 | 45,700 | 55,700 |
| 921600 · Vehicle Expenses | 72 | 350 | 3,886 | 3,500 | 4,200 |
| **Total 921000 · Office Expenses** | 10,660 | 9,825 | 79,749 | 93,950 | 113,600 |
| **922000 · Legislative Affairs** | 4,000 | 5,000 | 36,000 | 48,000 | 58,000 |
| **923000 · Contract Services** | | | | | |
| 923200 · Annual Financial Audit | - | - | 32,674 | 35,000 | 35,000 |
| 923300 · Bank & Trustee Fees | 508 | 400 | 10,424 | 10,700 | 16,400 |
| 923400 · Insurance Consultant | 1,631 | 300 | 10,294 | 8,250 | 9,000 |
| 923500 · Investment Consultant | 1,666 | 2,200 | 16,692 | 19,500 | 24,500 |
| 923600 · Legal Fees | 11,809 | 15,000 | 106,452 | 150,000 | 180,000 |
| 923700 · Recruitment | 8,353 | 3,000 | 22,894 | 20,000 | 26,000 |
| 923800 · Other Professional Services | 3,118 | 4,250 | 11,615 | 42,500 | 51,000 |
| **Total 923000 · Contract Services** | 27,084 | 25,150 | 211,045 | 285,950 | 341,900 |
| **924000 · Insurance** | 37,556 | 40,200 | 378,114 | 397,600 | 478,000 |
| **928000 · Regulatory Commission Expense** | | | | | |
| 928001 · Other Regulatory Expense | - | 500 | 148,842 | 203,700 | 204,700 |
| 928150 · FERC SWL Admin Fees | 2,513 | 3,000 | 22,998 | 30,000 | 36,000 |
| 928151 · FERC SWL Other Expenses | - | 26,250 | 20,341 | 85,750 | 122,000 |
| 928250 · FERC TYL Admin Fees | 2,325 | 2,750 | 21,205 | 27,500 | 33,000 |
| **Total 928000 · Regulatory Commission Expense** | 4,838 | 32,500 | 213,386 | 346,950 | 395,700 |
| **930000 · General Expenses** | | | | | |
| 930100 · Advertising Expense | 453 | 250 | 1,518 | 2,500 | 3,000 |
| 930110 · Public Relations | 3,411 | 2,700 | 21,336 | 27,100 | 32,500 |
| 930300 · Association Dues Expense | - | - | 32,214 | 33,000 | 33,000 |
| 930310 · Professional Assn Dues | - | 200 | 559 | 575 | 575 |
| 930400 · Board Meeting Expenses | - | 4,500 | 21,590 | 34,500 | 37,000 |
| 930500 · Training Expense | 3,043 | 1,500 | 27,926 | 24,500 | 30,500 |
| 930600 · Travel Expense | 3,722 | 4,000 | 22,650 | 29,000 | 35,000 |
| 930700 · Non-Travel Incidental | 217 | 350 | 1,163 | 3,300 | 4,000 |
| **Total 930000 · General Expenses** | 10,846 | 13,500 | 128,955 | 154,475 | 175,575 |
| **931000 · Admin Rent** | | | | | |
| 931010 · Office Rent | 5,858 | 5,460 | 57,265 | 53,680 | 64,600 |
| 931100 · Apartment Rent - Ketchikan | 1,825 | 1,800 | 18,714 | 18,400 | 22,000 |
| **Total 931000 · Admin Rent** | 7,683 | 7,260 | 75,979 | 72,080 | 86,600 |
| **Total Operating Expense** | 468,939 | 1,073,719 | 4,834,437 | 6,103,048 | 7,939,910 |
| **Net Operating Income** | 496,075 | (163,771) | 6,011,269 | 4,534,291 | 4,111,544 |

# SOUTHEAST ALASKA POWER AGENCY
## Statement of Activities - Budget Comparison
### April 2018

| | APR 2018 | Budget | Jul'17-Apr'18 | YTD Budget | Annual Budget |
|---|---|---|---|---|---|
| **Nonoperating Income/Expense** | | | | | |
| **Nonoperating Income** | | | | | |
| 941000 · Grant Income | - | | 221,507 | | |
| **942000 · Interest Income** | | | | | |
| 942100 · Misc Interest Income | 8,332 | | 25,147 | | |
| 942200 · Investment Interest Income | 9,269 | | 86,738 | | |
| **Total 942000 · Interest Income** | 17,601 | | 111,886 | | |
| **944000 · Realized Gain/Loss** | | | | | |
| 944200 · Realized Gain/Loss on Invest | (1,329) | | (13,851) | | |
| **Total 944000 · Realized Gain/Loss** | (1,329) | | (13,851) | | |
| **945000 · Unrealized Gain/Loss** | | | | | |
| 945200 · Unrealized Gain/Loss Investment | (13,310) | | (85,252) | | |
| **Total 945000 · Unrealized Gain/Loss** | (13,310) | | (85,252) | | |
| **946000 · Misc Nonoperating Income** | | | | | |
| 946001 · Other Misc Income | 3,045 | | 9,623 | | |
| 946002 · Gain/Loss on Property Dispositn | - | | 7,000 | | |
| **Total 946000 · Misc Nonoperating Income** | 3,045 | | 16,623 | | |
| **Total Nonoperating Income** | 6,007 | | 250,912 | | |
| **Nonoperating Expense** | | | | | |
| 950001 · Misc Nonoperating Expense | - | | (27,417) | | |
| 950005 · Special Item-DNR Reclamtn Liab | 166,793.44 | | 166,793.44 | | |
| 952000 · Bond Interest 2009 Series | 27,069 | | 270,690 | | |
| 952001 · Bond Interest 2015 Series | 36,052 | | 360,158 | | |
| 953000 · Depreciation Expense | 398,265 | | 3,962,242 | | |
| **954000 · Grant Expenses** | | | | | |
| 954002 · Grant Contractual | - | | 221,507 | | |
| 954008 · Grant Travel | - | | - | | |
| **Total 954000 · Grant Expenses** | - | | 221,507 | | |
| 955000 · Interest Expense | | | | | |
| 955200 · Investment Interest Expense | - | | 473 | | |
| **Total 955000 · Interest Expense** | - | | 473 | | |
| **Total Nonoperating Expense** | 628,180 | | 4,954,447 | | |
| **Net Nonoperating Income** | (622,174) | | (4,703,535) | | |
| **Net Income** | (126,098) | (163,771) | 1,307,734 | 4,534,291 | 4,111,544 |

MARCH 2018

# FINANCIAL OVERVIEW

The following tables provide a snapshot of SEAPA's revenues and expenses for MARCH, 2018.

Revenues from kWh sales were under budget for the month:

| FIRM kWh SALES | MARCH Sales | MARCH Budget | Prior Year Sales |
|---|---|---|---|
| Ketchikan | $527,345 | $580,481 | $573,093 |
| Petersburg | $322,012 | $291,591 | $353,601 |
| Wrangell | $247,224 | $252,299 | $273,050 |
| **Total Revenue** | $1,096,581 | $1,124,371 | $1,199,744 |

Fiscal year-to-date revenues from kWh sales were over budget:

| FIRM kWh SALES | YTD Sales | YTD Budget | Prior YTD Sales |
|---|---|---|---|
| Ketchikan | $5,381,544 | $5,123,187 | $5,519,753 |
| Petersburg | $2,464,183 | $2,458,066 | $2,607,054 |
| Wrangell | $2,034,965 | $2,146,138 | $2,090,048 |
| **Total Revenue** | $9,880,692 | $9,727,391 | $10,216,854 |

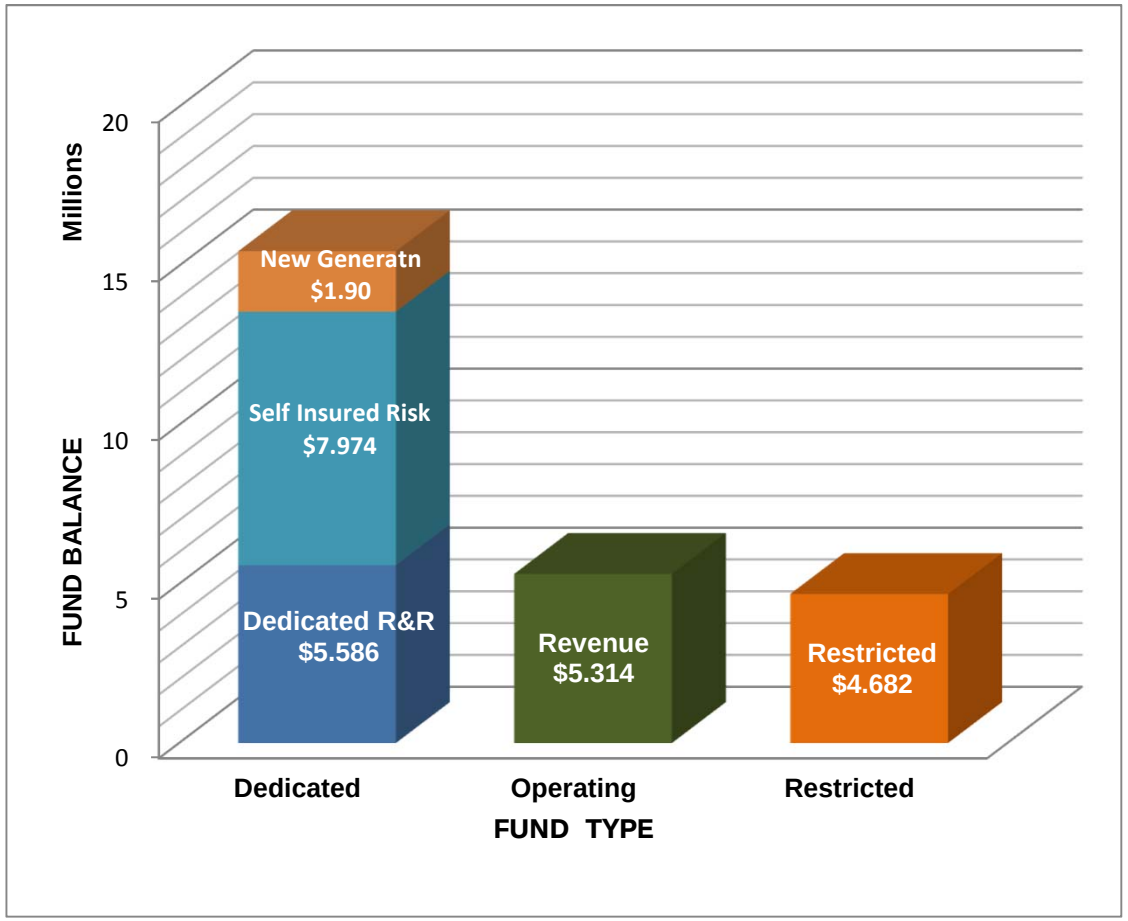
| FIRM kWh SALES (Year-Over-Year) | FISCAL YEAR | MARCH kWh | YTD JUL-MAR kWh |
|---|---|---|---|
| | FY2018 | 16,126,197 | 145,304,293 |
| | FY2017 | 17,643,300 | 150,247,859 |
| | FY2016 | 13,320,717 | 130,258,184 |

Administrative and operating expenses were under budget:

| Administrative & Operating Expenses | MARCH Actual | MARCH Budget | Prior Yr Expense |
|---|---|---|---|
| | $450,499 | $522,049 | $401,847 |
| | **YTD Actual** | **YTD Budget** | **Prior YTD Expense** |
| | $4,365,498 | $5,029,329 | $3,819,489 |

**MARCH 2018** **SOUTHEAST ALASKA POWER AGENCY** **Fund Allocation Graph**

| | |
|---|---|
| Operations, Capital and Insurance Funds | |
| Revenue Fund FB | $ 5,313,066 |
| Required R&R Fund FB | 1,000,458 |
| Dedicated R&R Projects Fund FB | 5,586,030 |
| Commercial FB | 1,000 |
| New Generation Fund | 1,898,927 |
| Self Insured Risk Fund FNBA | 7,973,553 |
| Total Operations, Capital and Insurance Funds | 21,773,035 |
| Trustee Funds | |
| 2009 Bond Interest | $ 126,372 |
| 2009 Bond Principal | 735,465 |
| 2009 Bond Reserve | 1,418,331 |
| 2015 Bond Interest | 162,785 |
| 2015 Bond Reserve | 214,039 |
| Total Trustee Funds | 2,656,992 |
| Other Restricted Funds | |
| STI - USFS CD WF | $ 21,626 |
| DNR Reclamation Fund WF | 1,003,273 |
| Total Other Restricted Funds | 1,024,899 |
| Total Agency Funds | $ 25,454,925 |




Dedicated Funds

New Generation = Project feasibility funding (hydro, wind, geothermal)
Self-Insured Risk = Coverage for uninsured transmission lines, submarine cables and insurance deductibles.
Dedicated R&R = Funds Replacement & Repair projects approved by the SEAPA Board in the budget.

Operating Funds

Revenue Fund & Commercial Checking: All SEAPA income is deposited to the Revenue Fund as required by Bond Indentures.

Restricted Funds (Legally or contractually restricted)

Bonds = All Trustee Funds: Bond Interest, Principal, Reserve and Escrow accounts
R&R = $1,000,000 minimum balance required by bond indenture
DNR = Alaska DNR Reclamation Agreement
USFS = USFS Land Remediation Certificate of Deposit

# SOUTHEAST ALASKA POWER AGENCY
## Financial Position - Prior Year Comparison
### as of March 31, 2018

| | MAR 31, 2018 | MAR 31, 2017 |
|---|---|---|
| **ASSETS** | | |
| **Current Assets** | | |
| **Agency Funds** | | |
| 111000 · Ops/Capital/Insurance Funds | 21,773,035 | 22,571,286 |
| 112000 · Trustee Funds | 2,656,992 | 2,630,741 |
| 113000 · Other Restricted Funds | 1,024,899 | 948,892 |
| **Total Agency Funds** | 25,454,925 | 26,150,920 |
| **Accounts Receivable** | | |
| 110000 · Accounts Receivable | 2,093,830 | 2,213,350 |
| 110100 · Grants Receivable | 73,791 | 4,001 |
| **Total Accounts Receivable** | 2,167,621 | 2,217,351 |
| **Other Current Assets** | | |
| 120200 · Other Receivables | 5,800 | 4,606 |
| 120300 · Accrued Interest Receivable | 26,584 | 22,110 |
| 120500 · Prepaid Fees | 414,329 | 327,321 |
| 120700 · Inventory Assets | 1,042,239 | 1,125,071 |
| **Total Other Current Assets** | 1,488,952 | 1,479,107 |
| **Total Current Assets** | 29,111,498 | 29,847,378 |
| **Fixed Assets** | | |
| 130100 · Capital Assets | 177,663,045 | 162,592,221 |
| 132200 · R&R Projects WIP Capital Improv | 765,826 | 13,004,944 |
| 132900 · Accumulated Depreciation | (43,878,440) | (39,109,748) |
| **Total Fixed Assets** | 134,550,431 | 136,487,417 |
| **Other Assets** | | |
| 183000 · Deferred Assets | 115,176 | 381,509 |
| **Total Other Assets** | 115,176 | 381,509 |
| **TOTAL ASSETS** | **163,777,106** | **166,716,305** |
| **LIABILITIES & EQUITY** | | |
| **Liabilities** | | |
| **Current Liabilities** | | |
| **Accounts Payable** | | |
| 210100 · Accounts Payable General | 318,513 | 253,721 |
| **Total Accounts Payable** | 318,513 | 253,721 |
| **Other Current Liabilities** | | |
| 210150 · Other Current Liabilities | 29,025 | 77,500 |
| 210152 · DNR Fund - CVEA KEA Portion | 337,500 | 300,000 |
| 210300 · Reserve Interest Payable | 293,190 | 273,541 |
| 210400 · Wages Payable | 66,898 | 52,440 |
| 210401 · PTO Payable | 171,748 | 165,784 |
| 210500 · Payroll Liabilities | 33,773 | 27,453 |
| **Total Other Current Liabilities** | 932,134 | 896,718 |
| **Total Current Liabilities** | 1,250,648 | 1,150,439 |
| **Long Term Liabilities** | | |
| 220100 · Series B Bonds 2009 | 6,390,000 | 7,160,000 |
| 220120 · 2009 Bond Issuance Discount | (24,808) | (28,831) |
| 220121 · PERS Unfunded Liability WRG | 1,005,501 | 1,005,501 |
| 220130 · Series 2015 Bonds | 10,295,000 | 10,295,000 |
| 220131 · 2015 Bond Issuance Premium | 835,051 | 890,109 |
| **Total Long Term Liabilities** | 18,500,744 | 19,321,779 |
| **Total Liabilities** | 19,751,391 | 20,472,219 |
| **Equity** | | |
| 310000 · Net Position | 142,591,882 | 142,657,410 |
| Net Income | 1,433,832 | 3,586,676 |
| **Total Equity** | 144,025,714 | 146,244,086 |
| **TOTAL LIABILITIES & EQUITY** | **163,777,106** | **166,716,305** |

# SOUTHEAST ALASKA POWER AGENCY
## Statement of Activities - Prior Year Comparison
### March 2018

| | MAR 2018 | MAR 2017 |
|---|---|---|
| **Operating Income/Expense** | | |
| **Operating Income** | | |
| 410000 · Hydro Facility Revenues | 1,096,581 | 1,199,744 |
| **Total Operating Income** | 1,096,581 | 1,199,744 |
| **Operating Expense** | | |
| 535000 · Hydro Ops-Suprvsn & Engineering | 1,255 | 570 |
| 537000 · Hydraulic Expenses | 2,390 | - |
| 538000 · Electric Expenses | 4,095 | 614 |
| 539000 · Misc Power Generation Expense | 50,200 | 22,057 |
| 540000 · Rents | 13,328 | 15,600 |
| 541000 · Hydro Power Station Maintenance | 6,793 | 5,100 |
| 543000 · Dams, Reservoirs & Waterways | - | 345 |
| 544000 · Maintenance of Electric Plant | 116,863 | 105,475 |
| 545000 · Plant Miscellaneous Maintenance | 2,139 | 3,139 |
| 561000 · Control System Maintenance | 22,170 | 2,688 |
| 562000 · Trans/Operations Station Exp | 2,597 | 2,194 |
| 564000 · Trans/Submarine Cable Expense | 590 | 549 |
| 571000 · Trans/Maint Overhead Lines(OHL) | 30,511 | 21,095 |
| 920000 · Admin Wages & Benefits | 119,606 | 100,784 |
| 921000 · Office Expenses | 8,987 | 6,613 |
| 922000 · Legislative Affairs | 4,000 | 4,000 |
| 923000 · Contract Services | 6,969 | 30,074 |
| 924000 · Insurance | 38,143 | 38,279 |
| 928000 · Regulatory Commission Expense | 6,168 | 5,733 |
| 930000 · General Expenses | 5,768 | 29,469 |
| 931000 · Admin Rent | 7,926 | 7,468 |
| **Total Operating Expense** | 450,499 | 401,847 |
| **Net Operating Income** | 646,083 | 797,897 |
| **Nonoperating Income/Expense** | | |
| **Nonoperating Income** | | |
| 941000 · Grant Income | 73,791 | 4,001 |
| 942000 · Interest Income | 11,895 | 8,053 |
| 944000 · Realized Gain/Loss | - | 16,718 |
| 945000 · Unrealized Gain/Loss | 4,715 | (20,999) |
| **Total Nonoperating Income** | 90,401 | 7,773 |
| **Nonoperating Expense** | | |
| 950001 · Misc Nonoperating Expense | - | (33,635) |
| 952000 · Bond Interest 2009 Series | 27,069 | 29,642 |
| 952001 · Bond Interest 2015 Series | 36,052 | 36,052 |
| 953000 · Depreciation Expense | 398,265 | 360,246 |
| 954000 · Grant Expenses | 24,868 | - |
| **Total Nonoperating Expense** | 486,254 | 392,306 |
| **Net Nonoperating Income** | (395,853) | (384,533) |
| **Net Change in Financial Position** | **250,230** | **413,364** |

**SOUTHEAST ALASKA POWER AGENCY**

# Statement of Financial Position - Detail

**as of March 31, 2018**

| | |
|---|---|
| **ASSETS** | |
| **Current Assets** | |
| **Agency Funds** | |
| **111000 · Ops/Capital/Insurance Funds** | |
| 111100 · Revenue Fund FB | 5,313,066 |
| 111200 · Required R&R Fund FB | 1,000,458 |
| 111210 · Dedicated R&R Projects Fund FB | 5,586,030 |
| 111300 · Commercial FB | 1,000 |
| 111401 · New Generation Fund | 1,898,927 |
| 111500 · Self Insured Risk Fund FNBA | 7,973,553 |
| **Total 111000 · Ops/Capital/Insurance Funds** | 21,773,035 |
| **112000 · Trustee Funds** | |
| 112100 · WF Trust 2009 Bond Interest | 126,372 |
| 112200 · WF Trust 2009 Bond Principal | 735,465 |
| 112300 · WF Trust 2009 Bond Reserve | 1,418,331 |
| 112501 · WF Trust 2015 Bond Interest | 162,785 |
| 112503 · WF Trust 2015 Bond Reserve | 214,039 |
| **Total 112000 · Trustee Funds** | 2,656,992 |
| **113000 · Other Restricted Funds** | |
| 113100 · STI - USFS CD WF | 21,626 |
| 113500 · DNR Reclamation Fund WF | 1,003,273 |
| **Total 113000 · Other Restricted Funds** | 1,024,899 |
| **Total Agency Funds** | 25,454,925 |
| **Accounts Receivable** | |
| 110000 · Accounts Receivable | 2,093,830 |
| 110100 · Grants Receivable | 73,791 |
| **Total Accounts Receivable** | 2,167,621 |
| **Other Current Assets** | |
| 120200 · Other Receivables | 5,800 |
| 120300 · Accrued Interest Receivable | 26,584 |
| 120500 · Prepaid Fees | |
| 120510 · Prepaid FERC Fees | 27,887 |
| 120520 · Prepaid Insurance | 262,895 |
| 120530 · Prepaid Operating Expense | 17,877 |
| 120540 · Prepaid USDA FS Land Use Fees | 75,967 |
| 120550 · Prepaid Admin Benefits | 29,703 |
| **Total 120500 · Prepaid Fees** | 414,329 |
| **120700 · Inventory Assets** | |
| 1207001 · Inventory - Spares-Stores | 151,834 |
| 1207003 · Inventory - SWL Winding Replace | 890,405 |
| **Total 120700 · Inventory Assets** | 1,042,239 |
| **Total 120000 - Other Current Assets** | 1,488,952 |
| **Total Current Assets** | 29,111,498 |

**SOUTHEAST ALASKA POWER AGENCY**

# Statement of Financial Position - Detail

**as of March 31, 2018**

| | |
|---|---|
| **Fixed Assets** | |
| **130100 · Capital Assets** | |
| 130110 · Swan Lake | 30,632,226 |
| 130120 · Tyee Lake | 31,425,703 |
| 130130 · SEAPA Office | 809,677 |
| 132100 · Swan Tyee Intertie in Operation | 114,795,439 |
| **Total 130100 · Capital Assets** | 177,663,045 |
| **132200 · R&R Projects WIP Capital Improv** | |
| 132210 · R&R Projects - WIP Swan Lake | 332,314 |
| 132220 · R&R Projects - WIP Tyee Lake | 367,575 |
| 132230 · R&R Projects - WIP STI-Transmsn | 5 |
| 132240 · R&R Projects - WIP SEAPA Office | 65,932 |
| **Total 132200 · R&R Projects WIP Capital Improv** | 765,826 |
| **132900 · Accumulated Depreciation** | (43,878,440) |
| **Total 130000 - Fixed Assets** | 134,550,431 |
| **Other Assets** | |
| 183000 · Deferred Assets | |
| 183003 · 2009 Bond - Refunded Discount | 115,176 |
| **Total 183000 · Deferred Assets** | 115,176 |
| **Total Other Assets** | 115,176 |
| **TOTAL ASSETS** | **163,777,106** |

**SOUTHEAST ALASKA POWER AGENCY**

# Statement of Financial Position - Detail

**as of March 31, 2018**

| | |
|---|---|
| **LIABILITIES & EQUITY** | |
| **Liabilities** | |
| **Current Liabilities** | |
| **Accounts Payable** | |
| 210100 · Accounts Payable General | 318,513 |
| **Total Accounts Payable** | 318,513 |
| **Other Current Liabilities** | |
| 210150 · Other Current Liabilities | 29,025 |
| 210152 · DNR Fund - CVEA KEA Portion | 337,500 |
| 210300 · Reserve Interest Payable | 293,190 |
| 210400 · Wages Payable | 66,898 |
| 210401 · PTO Payable | 171,748 |
| 210500 · Payroll Liabilities | |
| 210521 · FICA Payable | 5,242 |
| 210522 · SUI Tax Payable | 5,642 |
| 210531 · IBEW H&W Payable | 12,966 |
| 210540 · 457(b) Payable | 1,023 |
| 210541 · IBEW Pension Payable | 8,058 |
| 210550 · IBEW Dues Payable | 844 |
| Total 210500 · Payroll Liabilities | 33,773 |
| **Total Other Current Liabilities** | 932,134 |
| **Total Current Liabilities** | 1,250,648 |
| **Long Term Liabilities** | |
| 220100 · Series B Bonds 2009 | 6,390,000 |
| 220120 · 2009 Bond Issuance Discount | (24,808) |
| 220121 · PERS Unfunded Liability WRG | 1,005,501 |
| 220130 · Series 2015 Bonds | 10,295,000 |
| 220131 · 2015 Bond Issuance Premium | 835,051 |
| **Total Long Term Liabilities** | 18,500,744 |
| **Total Liabilities** | 19,751,391 |
| **Net Position** | |
| 310000 · Net Position | |
| 3100001 · Net Investment Capital Assets | 119,036,952 |
| 3100002 · Restricted for Debt Service | 1,589,894 |
| 3100003 · Restricted by External Agreemnt | 1,024,898 |
| 3100004 · Unrestricted | 20,940,138 |
| Total 310000 · Net Position | 142,591,882 |
| Net Income | 1,433,832 |
| **Total Net Position** | 144,025,714 |
| **TOTAL LIABILITIES & NET POSITION** | **163,777,106** |

# SOUTHEAST ALASKA POWER AGENCY
## Statement of Activities - Budget Comparison
### March 2018

| | MAR 2018 | Budget | Jul'17-Mar'18 | YTD Budget | Annual Budget |
|---|---|---|---|---|---|
| **Operating Income/Expense** | | | | | |
| **Operating Income** | | | | | |
| **410000 · Hydro Facility Revenues** | | | | | |
| 410100 · Ketchikan Power Purchases | 527,345 | 580,481 | 5,381,544 | 5,123,187 | 6,354,335 |
| 410200 · Petersburg Power Purchases | 322,012 | 291,591 | 2,464,183 | 2,458,066 | 3,017,107 |
| 410300 · Wrangell Power Purchases | 247,224 | 252,299 | 2,034,965 | 2,146,138 | 2,680,012 |
| **Total 410000 · Hydro Facility Revenues** | 1,096,581 | 1,124,371 | 9,880,692 | 9,727,391 | 12,051,454 |
| **Total Operating Income** | 1,096,581 | 1,124,371 | 9,880,692 | 9,727,391 | 12,051,454 |
| **Operating Expense** | | | | | |
| **535000 · Hydro Ops-Suprvsn & Engineering** | | | | | |
| 535100 · Hyd/Ops Sup & Eng - Swan Lake | 835 | 1,540 | 5,853 | 13,860 | 18,480 |
| 535150 · Hyd/Ops Sup & Eng - SWL SEAPA | 321 | 150 | 63,618 | 78,550 | 79,000 |
| 535200 · Hyd/Ops Sup & Eng - WRG Office | - | | - | | |
| 535250 · Hyd/Ops Sup & Eng -TYL SEAPA | 99 | 1,650 | 10,235 | 16,550 | 21,500 |
| 535400 · Hyd/Op Sup & Eng - Proj Drawing | - | 9,500 | 24,660 | 63,500 | 91,000 |
| **Total 535000 · Hydro Ops-Suprvsn & Engineering** | 1,255 | 12,840 | 104,366 | 172,460 | 209,980 |
| **537000 · Hydraulic Expenses** | | | | | |
| 537150 · Hydraulic Expense - SWL SEAPA | 2,361 | - | 2,361 | - | 2,500 |
| 537250 · Hydraulic Expense - TYL SEAPA | 29 | - | 29 | - | 2,500 |
| **Total 537000 · Hydraulic Expenses** | 2,390 | - | 2,390 | - | 5,000 |
| **538000 · Electric Expenses** | | | | | |
| 538100 · Electric Expense - Swan Lake | - | 2,000 | 5,800 | 19,000 | 25,000 |
| 538150 · Electric Expense - SWL SEAPA | - | 3,000 | 8,300 | 26,000 | 35,000 |
| 538200 · Electric Expense - Tyee Lake | 4,095 | 1,700 | 9,241 | 15,400 | 20,500 |
| 538250 · Electric Expense - TYL SEAPA | - | 3,000 | - | 25,000 | 35,000 |
| **Total 538000 · Electric Expenses** | 4,095 | 9,700 | 23,341 | 85,400 | 115,500 |
| **539000 · Misc Power Generation Expense** | | | | | |
| 539100 · Misc Exp - Swan Lake | 15,461 | 9,000 | 61,097 | 74,195 | 104,195 |
| 539150 · Misc Expense - SWL SEAPA | - | 300 | 2,328 | 8,100 | 9,000 |
| 539151 · Misc Expense - SWL Communicatn | 3,811 | 2,600 | 27,935 | 22,200 | 29,500 |
| 539200 · Misc Expense - Tyee Lake | 23,940 | 7,500 | 64,985 | 65,000 | 87,500 |
| 539250 · Misc Expense - TYL SEAPA | - | 6,000 | 28,729 | 29,000 | 36,500 |
| 539251 · Misc Expense - TYL Communicatn | 6,988 | 7,800 | 62,238 | 68,600 | 91,400 |
| **Total 539000 · Misc Power Generation Expense** | 50,200 | 33,200 | 247,312 | 267,095 | 358,095 |
| **540000 · Rents** | | | | | |
| 540300 · FERC Land Use Fee - Swan Lake | 992 | 1,670 | 8,927 | 14,990 | 20,000 |
| 540400 · FERC Land Use Fee - Tyee Lake | 3,895 | 5,670 | 32,617 | 50,990 | 68,000 |
| 540500 · USDA Land Use Fee - USFS ROW | 2,039 | 2,100 | 18,098 | 18,200 | 24,500 |
| 540600 · USDA Land Use Fee - STI | 6,245 | 6,400 | 55,431 | 55,800 | 75,000 |
| 540601 · AK DNR Land Use Fee - STI | - | 2,000 | - | 14,000 | 20,000 |
| 540700 · USDA Tyee Passive Reflector | 110 | 125 | 981 | 1,025 | 1,400 |
| 540710 · USDA Etolin Burnett Radio | 47 | 50 | 413 | 450 | 600 |
| **Total 540000 · Rents** | 13,328 | 18,015 | 116,467 | 155,455 | 209,500 |
| **541000 · Hydro Power Station Maintenance** | | | | | |
| 541100 · Maintenance - Swan Lake | 2,204 | 2,400 | 13,774 | 21,600 | 29,000 |
| 541150 · Maintenance - SWL SEAPA | - | 2,200 | 1,214 | 20,200 | 27,500 |
| 541200 · Maintenance - Tyee Lake | 898 | 1,900 | 8,971 | 15,800 | 21,500 |
| 541250 · Maintenance - TYL SEAPA | 3,690 | 2,400 | 7,163 | 20,300 | 27,500 |
| **Total 541000 · Hydro Power Station Maintenance** | 6,793 | 8,900 | 31,122 | 77,900 | 105,500 |

# SOUTHEAST ALASKA POWER AGENCY
## Statement of Activities - Budget Comparison
### March 2018

| | MAR 2018 | Budget | Jul'17-Mar'18 | YTD Budget | Annual Budget |
|---|---|---|---|---|---|
| **543000 · Dams, Reservoirs & Waterways** | | | | | |
| 543100 · Dams Res & Waterwys - Swan Lake | - | 400 | 1,133 | 3,800 | 5,000 |
| 543150 · Dams Res & Waterwys - SWL SEAPA | - | 2,800 | 2,812 | 40,100 | 48,500 |
| 543200 · Dams Res & Waterwys - Tyee Lake | - | 500 | - | 5,000 | 6,500 |
| 543250 · Dams Res & Waterwys - TYL SEAPA | - | - | 17,000 | 45,000 | 45,000 |
| **Total 543000 · Dams, Reservoirs & Waterways** | - | 3,700 | 20,945 | 93,900 | 105,000 |
| **544000 · Maintenance of Electric Plant** | | | | | |
| 544100 · Maint Electric Plant-Swan Lake | 61,397 | 50,514 | 458,223 | 454,624 | 606,166 |
| **5442900 · TYL Plant Wages & Benefits** | | | | | |
| 5442911 · TYL Plant Wages/PTO | 38,539 | 34,000 | 307,605 | 285,800 | 384,000 |
| 5442912 · TYL Plant Wages OT | 2,103 | 2,160 | 28,491 | 18,450 | 36,000 |
| 5442920 · TYL Plant Benefit - Taxes | 3,462 | 2,890 | 27,058 | 24,690 | 33,700 |
| 5442930 · TYL Plant Benefits - Insurance | 9,173 | 7,340 | 71,546 | 66,060 | 89,200 |
| 5442940 · TYL Plant Benefits - Retirement | 5,666 | 4,690 | 46,414 | 42,820 | 58,100 |
| 5442992 · TYL Plant Grant-Capital Payroll | (3,476) | - | (9,308) | - | - |
| **Total 5442900 · TYL Plant Wages & Benefits** | 55,466 | 51,080 | 471,806 | 437,820 | 601,000 |
| **Total 544000 · Maintenance of Electric Plant** | 116,863 | 101,594 | 930,028 | 892,444 | 1,207,166 |
| **545000 · Plant Miscellaneous Maintenance** | | | | | |
| 545100 · Plant Misc Maint - Swan Lake | 206 | 4,900 | 7,060 | 44,100 | 59,000 |
| 545150 · Plant Misc Maint - SWL SEAPA | - | 1,000 | 28,792 | 14,000 | 16,600 |
| 545200 · Plant Misc Maint - Tyee Lake | 1,933 | 1,700 | 14,697 | 15,300 | 20,500 |
| 545251 · Plant Misc Maint - WRG Warehous | - | - | - | 13,000 | 13,000 |
| **Total 545000 · Plant Miscellaneous Maintenance** | 2,139 | 7,600 | 50,549 | 86,400 | 109,100 |
| **561000 · Control System Maintenance** | | | | | |
| 561150 · Control System Maint. - SWL | 4,657 | 3,200 | 32,646 | 28,900 | 38,500 |
| 561250 · Control System Maint. - TYL | 17,513 | 3,000 | 55,871 | 29,500 | 38,500 |
| **Total 561000 · Control System Maintenance** | 22,170 | 6,200 | 88,518 | 58,400 | 77,000 |
| **562000 · Trans/Operations Station Exp** | | | | | |
| 562100 · Trans/Ops Station - Swan Lake | - | 1,250 | 385 | 11,250 | 15,000 |
| 562200 · Trans/Ops Station - Tyee Lake | 489 | 1,000 | 8,102 | 9,000 | 12,200 |
| 562250 · Trans/Ops Station-TYL SEAPA | 2,108 | 1,500 | 13,607 | 13,000 | 17,200 |
| **Total 562000 · Trans/Operations Station Exp** | 2,597 | 3,750 | 22,093 | 33,250 | 44,400 |
| **564000 · Trans/Submarine Cable Expense** | | | | | |
| 564200 · Trans/Sub Cable Exp - Tyee Lake | 590 | 625 | 1,319 | 5,625 | 542,500 |
| **Total 564000 · Trans/Submarine Cable Expense** | 590 | 625 | 1,319 | 5,625 | 542,500 |
| **571000 · Trans/Maint Overhead Lines(OHL)** | | | | | |
| 571100 · Trans/Maint OHL - Swan Lake | - | 1,000 | 2,610 | 9,300 | 24,000 |
| 571150 · Trans/Maint OHL - SWL SEAPA | 1,780 | 1,000 | 1,780 | 9,000 | 303,223 |
| 571151 · Trans/Maint OHL - SWL ROW Clear | - | 2,000 | 61,907 | 48,000 | 55,000 |
| 571200 · Trans/Maint OHL - Tyee Lake | 2,874 | 3,600 | 29,020 | 32,400 | 43,250 |
| 571250 · Trans/Maint OHL - TYL SEAPA | 1,903 | 1,000 | 93,096 | 107,000 | 318,014 |
| **5712900 · TYL Brushing Wages & Benefits** | | | | | |
| 5712911 · TYL Brushing Wages/PTO | 13,175 | 12,300 | 98,168 | 114,100 | 151,000 |
| 5712912 · TYL Brushing Wages OT | - | 1,400 | 5,683 | 9,550 | 14,000 |
| 5712920 · TYL Brushing Benefit - Taxes | 1,034 | 850 | 8,483 | 10,540 | 13,500 |
| 5712930 · TYL Brushing Benefit- Insurance | 3,669 | 3,740 | 33,021 | 33,660 | 44,600 |
| 5712940 · TYL Brushing Benefit- Retiremnt | 2,392 | 2,420 | 20,721 | 21,680 | 28,900 |
| 5712992 · TYL Brush Grant-Capital Payroll | - | - | (206) | - | - |
| **Total 5712900 · TYL Brushing Wages & Benefits** | 20,270 | 20,710 | 165,869 | 189,530 | 252,000 |
| 571300 · Trans/Maint OHL STI Maintenance | 3,684 | 3,950 | 260,243 | 249,450 | 515,907 |
| 571500 · Trans/Maint OHL STI Therml Scan | - | 700 | - | 2,700 | 3,400 |
| 571700 · Trans/Maint OH STI Clearing | - | 11,000 | - | 45,000 | 65,000 |
| 571800 · Trans/Maint OHL System Events | - | 3,000 | - | 31,000 | 40,000 |
| **Total 571000 · Trans/Maint Overhead Lines(OHL)** | 30,511 | 47,960 | 614,526 | 723,380 | 1,619,794 |

# SOUTHEAST ALASKA POWER AGENCY
## Statement of Activities - Budget Comparison
### March 2018

| | MAR 2018 | Budget | Jul'17-Mar'18 | YTD Budget | Annual Budget |
|---|---|---|---|---|---|
| **920000 · Admin Wages & Benefits** | | | | | |
| 9201911 · Admin Wages/PTO | 71,437 | 85,000 | 659,555 | 673,000 | 952,000 |
| 9201912 · Admin Wages - Overtime | - | 180 | - | 1,400 | 2,000 |
| 9201920 · Admin Benefit - Taxes | 6,665 | 5,400 | 46,038 | 48,600 | 65,000 |
| 9201930 · Admin Benefit - H&W Insurance | 18,581 | 21,000 | 173,991 | 178,200 | 271,000 |
| 9201940 · Admin Benefit - Retirement | 22,924 | 27,000 | 212,378 | 210,850 | 292,000 |
| **Total 920000 · Admin Wages & Benefits** | 119,606 | 138,580 | 1,091,962 | 1,112,050 | 1,582,000 |
| **921000 · Office Expenses** | | | | | |
| 921100 · Office Supplies | 1,243 | 1,250 | 9,671 | 11,250 | 15,000 |
| 921200 · Office Equipment | 670 | 1,250 | 11,962 | 11,250 | 15,000 |
| 921300 · Phone, Courier, Internet | 1,693 | 1,975 | 14,577 | 17,775 | 23,700 |
| 921400 · System Network / IT Support | 5,095 | 5,000 | 29,064 | 40,700 | 55,700 |
| 921600 · Vehicle Expenses | 286 | 350 | 3,815 | 3,150 | 4,200 |
| **Total 921000 · Office Expenses** | 8,987 | 9,825 | 69,089 | 84,125 | 113,600 |
| **922000 · Legislative Affairs** | 4,000 | 5,000 | 32,000 | 43,000 | 58,000 |
| **923000 · Contract Services** | | | | | |
| 923200 · Annual Financial Audit | - | - | 32,674 | 35,000 | 35,000 |
| 923300 · Bank & Trustee Fees | 257 | 400 | 9,917 | 10,300 | 16,400 |
| 923400 · Insurance Consultant | - | 300 | 8,663 | 7,950 | 9,000 |
| 923500 · Investment Consultant | 3,330 | 2,200 | 15,027 | 17,300 | 24,500 |
| 923600 · Legal Fees | 923 | 15,000 | 94,643 | 135,000 | 180,000 |
| 923700 · Recruitment | - | 2,000 | 14,540 | 17,000 | 26,000 |
| 923800 · Other Professional Services | 2,459 | 4,250 | 8,497 | 38,250 | 51,000 |
| **Total 923000 · Contract Services** | 6,969 | 24,150 | 183,960 | 260,800 | 341,900 |
| **924000 · Insurance** | 38,143 | 40,200 | 340,558 | 357,400 | 478,000 |
| **928000 · Regulatory Commission Expense** | | | | | |
| 928001 · Other Regulatory Expense | 150 | 400 | 148,842 | 203,200 | 204,700 |
| 928150 · FERC SWL Admin Fees | 2,513 | 3,000 | 20,485 | 27,000 | 36,000 |
| 928151 · FERC SWL Other Expenses | 1,181 | 27,500 | 20,341 | 59,500 | 122,000 |
| 928250 · FERC TYL Admin Fees | 2,325 | 2,750 | 18,880 | 24,750 | 33,000 |
| **Total 928000 · Regulatory Commission Expense** | 6,168 | 33,650 | 208,548 | 314,450 | 395,700 |
| **930000 · General Expenses** | | | | | |
| 930100 · Advertising Expense | 76 | 250 | 1,065 | 2,250 | 3,000 |
| 930110 · Public Relations | 1,040 | 2,700 | 17,926 | 24,400 | 32,500 |
| 930300 · Association Dues Expense | 1,000 | 1,000 | 32,214 | 33,000 | 33,000 |
| 930310 · Professional Assn Dues | 209 | - | 559 | 375 | 575 |
| 930400 · Board Meeting Expenses | - | 1,000 | 21,590 | 30,000 | 37,000 |
| 930500 · Training Expense | 671 | 1,000 | 24,883 | 23,000 | 30,500 |
| 930600 · Travel Expense | 2,771 | 3,000 | 18,927 | 25,000 | 35,000 |
| 930700 · Non-Travel Incidental | - | 350 | 946 | 2,950 | 4,000 |
| **Total 930000 · General Expenses** | 5,768 | 9,300 | 118,109 | 140,975 | 175,575 |
| **931000 · Admin Rent** | | | | | |
| 931010 · Office Rent | 6,106 | 5,460 | 51,406 | 48,220 | 64,600 |
| 931100 · Apartment Rent - Ketchikan | 1,819 | 1,800 | 16,890 | 16,600 | 22,000 |
| **Total 931000 · Admin Rent** | 7,926 | 7,260 | 68,296 | 64,820 | 86,600 |
| **Total Operating Expense** | 450,499 | 522,049 | 4,365,498 | 5,029,329 | 7,939,910 |
| **Net Operating Income** | 646,083 | 602,322 | 5,515,194 | 4,698,062 | 4,111,544 |

# SOUTHEAST ALASKA POWER AGENCY
## Statement of Activities - Budget Comparison
### March 2018

| | MAR 2018 | Budget | Jul'17-Mar'18 | YTD Budget | Annual Budget |
|---|---|---|---|---|---|
| **Nonoperating Income/Expense** | | | | | |
| **Nonoperating Income** | | | | | |
| 941000 · Grant Income | 73,791 | | 221,507 | | |
| **942000 · Interest Income** | | | | | |
| 942100 · Misc Interest Income | 2,368 | | 16,815 | | |
| 942200 · Investment Interest Income | 9,526 | | 77,470 | | |
| **Total 942000 · Interest Income** | 11,895 | | 94,285 | | |
| **944000 · Realized Gain/Loss** | | | | | |
| 944200 · Realized Gain/Loss on Invest | - | | (12,522) | | |
| **Total 944000 · Realized Gain/Loss** | - | | (12,522) | | |
| **945000 · Unrealized Gain/Loss** | | | | | |
| 945200 · Unrealized Gain/Loss Investment | 4,715 | | (71,942) | | |
| **Total 945000 · Unrealized Gain/Loss** | 4,715 | | (71,942) | | |
| **946000 · Misc Nonoperating Income** | | | | | |
| 946001 · Other Misc Income | - | | 6,578 | | |
| 946002 · Gain/Loss on Property Dispositn | - | | 7,000 | | |
| **Total 946000 · Misc Nonoperating Income** | - | | 13,578 | | |
| **Total Nonoperating Income** | 90,401 | | 244,905 | | |
| **Nonoperating Expense** | | | | | |
| 950001 · Misc Nonoperating Expense | - | | (27,417) | | |
| 952000 · Bond Interest 2009 Series | 27,069 | | 243,621 | | |
| 952001 · Bond Interest 2015 Series | 36,052 | | 324,106 | | |
| 953000 · Depreciation Expense | 398,265 | | 3,563,977 | | |
| **954000 · Grant Expenses** | | | | | |
| 954002 · Grant Contractual | 24,868 | | 221,507 | | |
| **Total 954000 · Grant Expenses** | 24,868 | | 221,507 | | |
| 955000 · Interest Expense | | | | | |
| 955200 · Investment Interest Expense | - | | 473 | | |
| **Total 955000 · Interest Expense** | - | | 473 | | |
| **Total Nonoperating Expense** | 486,254 | | 4,326,266 | | |
| **Net Nonoperating Income** | (395,853) | | (4,081,361) | | |
| **Net Income** | 250,230 | 602,322 | 1,433,832 | 4,698,062 | 4,111,544 |

| Southeast Alaska Power Agency R&R CAPITAL PROJECTS | FY2018 Budget | FY2018 Expenditures | WIP CAPITAL PROJECTS April 30, 2018 | FY13 | FY14 | FY15 | FY16 | FY17 | FY18 | TOTAL Expenditures | Overall BUDGET |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 232-13 Communications Upgrade | $ 89,758 | 50,990 | Tyee satellite to be installed. | 12,160 | 186,520 | 15,995 | 165,667 | 70,545 | 50,990 | **$ 501,876** | 520,100 |
| 241-13 Stream Gauge TYL | $ 55,000 | 16,055 | Complete grouting FY18 | 37,845 | 562,635 | 22,753 | 106,528 | 75,368 | 16,055 | **$ 821,184** | 862,024 |
| 256-15 Alarm Trip Protectn SWL-TYL | $ 48,266 | 62,610 | CLOSED NOV 2017 | | | 611 | 157,765 | 35,883 | 62,610 | **$ 256,869** | 253,500 |
| 258-15 System Control Improve SWL-TY | $ 39,650 | 1,625 | CLOSED NOV 2017 | | | 28,766 | 44,194 | 4,441 | 1,625 | **$ 79,026** | 116,800 |
| 259-15 Turbine Shutoff Valves TYL | $ 35,000 | 3,700 | Contract repairs in FY19. | | | 84,857 | 170,774 | 384 | 3,700 | **$ 259,715** | 290,630 |
| 263-16 CTs-Relay CircSwitcr WRG | $ 102,465 | 102,559 | CLOSED NOV 2017 | | | | 20,963 | 51,573 | 102,559 | **$ 175,094** | 175,000 |
| 265-16 Marker Balls OHL TYL | $ 805,104 | 796,517 | CLOSED SEP 2017 | | | | - | 4,896 | 796,517 | **$ 801,412** | 810,000 |
| 269-16 Guy Thimbles STI | $ 80,100 | - | Yr2 of 3 install Jun 2018 | | | | - | 44,781 | - | **$ 44,781** | 270,000 |
| 270-16 Dampeners OHL TYL | $ 67,681 | 33,307 | Sched. completion Jun 2018 | | | | 8,696 | (8,696) | 33,307 | **$ 33,307** | 99,900 |
| 272-17 Needle Assembly TYL | $ 65,610 | 30,377 | CLOSED AUG 2017 | | | | | 51,713 | 30,377 | **$ 82,091** | 123,000 |
| 273-17 XFMR Bushing TYL | $ 47,232 | 17,792 | CLOSED SEP 2017 | | | | | 7,768 | 17,792 | **$ 25,560** | 55,000 |
| 275-17 Manifold TYL | $ 20,689 | 22,590 | CLOSED AUG 2017 | | | | | 19,637 | 22,590 | **$ 42,228** | 39,000 |
| 276-17 Schweitzer RTAC SWL-TYL | $ 26,800 | 27,602 | CLOSED NOV 2017 | | | | | 10,124 | 27,602 | **$ 37,725** | 37,000 |
| 278-17 Flashboard Kickers SWL | $ 544,819 | 84,232 | Being constructed. | | | | | - | 84,232 | **$ 84,232** | 544,819 |
| 279-18 Battery Monitoring Systm | $ 61,000 | 56,340 | FY18 scheduled completion | | | | | | 56,340 | **$ 56,340** | 61,000 |
| 280-18 Boat Motors-Transom TYL | $ 54,000 | 59,270 | CLOSED SEP 2017 | | | | | | 59,270 | **$ 59,270** | 54,000 |
| 281-18 Bulkhead Repair SWL | $ 223,000 | 22,847 | FY18 scheduled completion | | | | | | 22,847 | **$ 22,847** | 223,000 |
| 282-18 Control Rm Touchscrn SWL | $ 36,000 | 10,464 | Hardware update. | | | | | | 10,464 | **$ 10,464** | 36,000 |
| 283-18 Dam Misc Metals SWL | $ 186,000 | 17,252 | Complete FY18 | | | | | 526 | 17,252 | **$ 17,778** | 186,000 |
| 284-18 Data Historian KTN | $ 71,000 | - | Closed. No expenditures. | | | | | | - | **$ -** | 71,000 |
| 285-18 Dock Floats SWL | $ 58,000 | 17,888 | EXPENSED NOV 2017 | | | | | | 17,888 | **$ 17,888** | 58,000 |
| 286-18 Duplex Housing SWL | $ 393,000 | - | Design-permitting. | | | | | | - | **$ -** | 393,000 |
| 287-18 Flatbed WRG | $ 42,000 | 42,866 | CLOSED DEC 2017 | | | | | | 42,866 | **$ 42,866** | 42,000 |
| 288-18 Furnaces TYL | $ 35,000 | 25,592 | CLOSED DEC 2017 | | | | | | 25,592 | **$ 25,592** | 35,000 |
| 289-18 Governor Moderniztn SWL | $ 92,000 | 45,440 | Replace digital governors | | | | | | 45,440 | **$ 45,440** | 92,000 |
| 290-18 Helipad Ramps STI | $ 76,000 | - | Helipad access ramps | | | | | | - | **$ -** | 76,000 |
| 291-18 Meggar Relay Test Set | $ 104,000 | 74,469 | FY18 scheduled completion | | | | | | 74,469 | **$ 74,469** | 104,000 |
| 292-18 Office Walls KTN | $ 55,000 | 65,932 | CLOSED MAR 2018 | | | | | | 65,932 | **$ 65,932** | 55,000 |
| 293-18 Phone Server KTN | $ 76,000 | - | FY18 scheduled completion | | | | | | - | **$ -** | 76,000 |
| 294-18 Pickup TYL | $ 38,500 | 32,256 | CLOSED SEP 2017 | | | | | | 32,256 | **$ 32,256** | 38,500 |
| 295-18 Power Line Carrier SW-TY | $ 48,000 | 53,794 | Completion Jun 2018 | | | | | | 53,794 | **$ 53,794** | 48,000 |
| 296-18 Power Pole Replace SWL | $ 49,000 | - | Pole replaced-SWL & PSG | | | | | | - | **$ -** | 49,000 |
| 297-18 Powerhs Parapet Seal SWL | $ 59,000 | - | FY18 scheduled completion | | | | | | - | **$ -** | 59,000 |
| 298-18 Unit Control PLC-RTD SWL | $ 60,000 | 51,729 | PLC Backplanes and RTDs | | | | | | 51,729 | **$ 51,729** | 60,000 |
| 299-18 Runner Repair SWL | $ 400,000 | 16,359 | FY18 scheduled completion | | | | | | 16,359 | **$ 16,359** | 400,000 |
| Total WIP R&R Capital Projects | **$4,244,674** | **$1,842,452** | | $50,004 | $749,155 | $152,982 | $674,586 | $168,992 | $1,842,452 | $3,638,123 | $6,413,273 |

**Southeast Alaska Power Agency** **WORK-IN-PROGRESS R&R Capital Projects as of APR 30, 2018**

| Date | Num | Vendor | FY18 BUDGET $ | Expenditures | Description |
|---|---|---|---|---|---|
| **232-13 Communications Upgrade** | | | **$89,758** | - | Satellite dishes and telephone systems installed at Swan Lake and SEAPA Office in December 2013. Tyee Lake satellite dish permitting approved Sep 2015. Satellite service provider replaced in 2016. High-speed satellite installed at SWL, network swap-over ongoing. SWL phones upgraded to VOIP. Fiber-drop to SEAPA office installed. TYL satellite waiting on spot-beam. Scheduled for completion in FY18. (Henson/Siedman/ Hammer) |
| | $ 12,160 | *FY13 Expenditures* | | | |
| | $ 186,520 | *FY14 Expenditures* | | | |
| | $ (177,163) | *FY14 Capitalize SWL-SEA Office* | | | |
| | $ 15,995 | *FY15 Expenditures* | | | |
| | $ 165,667 | *FY16 Expenditures* | | | |
| | $ 70,545 | *FY17 Expenditures* | | | |
| | $ (68,113) | *FY17 Capitalize SWL-KTN Office* | | | |
| | $ 50,990 | *FY18 Expenditures* | | | |
| 07/20/17 | 20618 | TexRUs | | 9,857 | PARTIALLY CAPITALIZED |
| 08/07/17 | 20758 | TexRus | | 3,920 | FY14 SWL-SEAPA Office $177,163 |
| 08/15/17 | 422426 | Satellite & Sound Inc | | 780 | FY17 SWL-SEAPA Office $ 68,113 |
| 08/23/17 | Sat&Sound | Alaska Air | | 172 | |
| 08/31/17 | 52804 | Sunrise Aviation Inc | | 900 | |
| 09/11/17 | 20940 | TexRus | | 3,360 | |
| 11/08/17 | 21212 | TexRus | | 120 | |
| 12/08/17 | 21344 | TexRus | | 480 | |
| 12/31/17 | 52863 | Sunrise Aviation Inc | | 1,200 | |
| 01/04/18 | 14227094901-4 | Dowl, LLC | | 11,421 | |
| 01/15/18 | 21492 | TexRus | | 520 | |
| 03/09/18 | 21750 | TexRus | | 4,041 | |
| 03/12/18 | 21761 | TexRus | | 500 | |
| 03/21/18 | 102249 | Pacific Airways Inc | | 440 | |
| 03/22/18 | 102283 | Pacific Airways Inc | | 440 | |
| 03/26/18 | INV18043 | BAM LLC | | 7,800 | |
| 04/03/18 | 92790 | Channel Electric | | 385 | |
| 04/04/18 | 21838 | TexRus | | 340 | |
| 04/04/18 | 21838 | TexRus | | 940 | |
| 04/04/18 | 21837 | TexRus | | 363 | |
| 04/05/18 | 422762 | Satellite & Sound Inc | | 3,011 | |
| **Total 232-13 Communications Upgrade** | | | | 256,600 | |
| **241-13 Stream Gauge TYL** | | | **$55,000** | - | Logs cleared Jul 2013. Weir construction completed and helipad placed by Sep 2013. Initial grout work completed Apr 2016. Emergency shelter and USGS stream gage have been installed. Complete in FY18. (Henson/Schofield) |
| | $ 37,845 | *FY13 Expenditures* | | | |
| | $ 562,635 | *FY14 Expenditures* | | | |
| | $ (598,332) | *FY14 Weir & Helipad Capitalized* | | | |
| | $ 22,753 | *FY15 Expenditures* | | | |
| | $ 106,528 | *FY16 Expenditures* | | | PARTIALLY CAPITALIZED: |
| | $ 75,368 | *FY17 Expenditures* | | | FY14 CAPITALIZED WEIR & HELIPAD $598,332 |
| | $ (34,499) | *FY17 Helipad2 Capitalized* | | | FY17 CAPITALIZED GROUT & HELIPAD $168,345 |
| | $ (133,847) | *FY17 Grouting Capitalized* | | | |
| | $ 16,055 | *FY18 Expenditures* | | | |
| 07/09/17 | 31322 | Temsco Helicopters, Inc. | | 2,741 | |
| 07/31/17 | 619 | Tyee Payroll | | 206 | |
| 10/02/17 | 31729 | Temsco Helicopters, Inc. | | 1,940 | |
| 10/02/17 | 31730 | Temsco Helicopters, Inc. | | 3,987 | |
| 10/12/17 | 31760 | Temsco Helicopters, Inc. | | 1,168 | |
| 10/24/17 | | Alaskan & Proud Mkt KTN | | 5 | |
| 10/25/17 | | Alaskan & Proud Mkt KTN | | 4 | |
| 10/30/17 | 224 | Helicopter Air Alaska LLC | | 814 | |
| 04/24/18 | 16589 | Foam Concepts LLC | | 5,190 | |
| **Total 241-13 Stream Gauge TYL** | | | | 54,506 | |

**Southeast Alaska Power Agency** **WORK-IN-PROGRESS R&R Capital Projects as of APR 30, 2018**

| Date | Num | Vendor | FY18 BUDGET $ | Expenditures | Description |
|---|---|---|---|---|---|
| **256-15 Alarm Trip Protection SWL-** | | | **$48,266** | | Two-year project; review sensors and relays, reliability and critical protection issue. Board awarded to Segrity (Mar 2015). Completion in 2017. (Henson/ Schofield) |
| | $ 611 | *FY15 Expenditures* | | | |
| | $ 157,765 | *FY16 Expenditures* | | | |
| | $ 35,883 | *FY17 Expenditures* | | | |
| | $ (194,259) | *FY17 Capitalize completed portion* | | | CLOSED NOV 2017 |
| | $ 62,610 | *FY18 Expenditures* | | | FY17 CAPITALIZED COMPLETED PORTION $194,259 |
| 08/31/17 | 17251 | Segrity LLC | | 5,100 | FY18 CAPITALIZED $62,611 |
| 10/05/17 | 17258 | Segrity LLC | | 4,050 | |
| 10/05/17 | 17259 | Segrity LLC | | 3,780 | |
| 11/06/17 | 17265 | Segrity LLC | | 8,573 | |
| 11/17/17 | 17269 | Segrity LLC | | 41,108 | |
| 12/31/17 | 655 | CAPITALIZE SWL ALARM PROTECT | | (37,718) | |
| 12/31/17 | 655 | CAPITALIZE TYL ALARM PROTECT | | (24,893) | |
| **Total 256-15 Alarm Trip Protection SWL-TYL** | | | | - | |
| **258-15 System Control Improveme** | | | **$39,650** | | Two-year project to increase reliability at both plants; coordinate facilities' operations. Board awarded to Segrity (Mar 2015). Completion NOV 2017. (Henson / Schofield) |
| | $ 28,766 | *FY15 Expenditures* | | | |
| | $ 44,194 | *FY16 Expenditures* | | | |
| | $ 4,441 | *FY17 Expenditures* | | | |
| | $ (77,401) | *FY17 Capitalize completed poriton* | | | CLOSED NOV 2017 |
| | $ 1,625 | *FY18 Expenditures* | | | FY17 CAPITALIZED COMPLETED PORTION $77,401 |
| 11/06/17 | 17264 | Segrity LLC | | 1,625 | FY18 CAPITALIZED REMAINDER $1,625 |
| 12/31/17 | 655 | CAPITALIZE SWL SYSTEM IMPROVE. | | (813) | |
| 12/31/17 | 655 | CAPITALIZE TYL SYSTEM IMPROVE. | | (813) | |
| **Total 258-15 System Control Improvements SWL-TYL** | | | | - | |
| **259-15 Turbine Shutoff Valves TYL** | | | **$35,000** | | Implementation of recommendations from HDR engineering review. Contractor procurement & replacement of TSV actuator piston & seals in FY19. (Henson/Hammer) |
| | $ 84,857 | *FY15 Expenditures* | | | |
| | $ 170,774 | *FY16 Expenditures* | | | |
| | $ (255,631) | *Capitalized FY16* | | | PARTIALLY CAPITALIZED: |
| | $ 384 | *FY17 Expenditures* | | | FY16 COMPLETED PORTION $255,631 |
| | $ 3,700 | *FY18 Expenditures* | | | |
| 04/09/18 | 9751831968 | Grainger | | 384 | |
| 04/13/18 | 11579 | Jaffa Construction | | 3,700 | |
| **Total 259-15 Turbine Shutoff Valve TYL** | | | | 4,084 | |
| **263-16 CTs-Relay WRG Circuit Swtc** | | | **$102,465** | | Additional protection-control relays and current-sensing equipment in the Wrangell switchyard. Electrical design (Electrical Power Systems). Installed SEP 2017. (Henson) |
| | $ 20,963 | *FY16 Expenditures* | | | |
| | $ 51,573 | *FY17 Expenditures* | | | |
| | $ 102,559 | *FY18 Expenditures* | | | |
| 07/06/17 | S344WRA15N | Samson Tug & Barge | | 521 | CLOSED - NOV 2017 |
| 07/06/17 | 7103436164 | ABB Inc. | | 22,956 | FY18 CAPITALIZED $175,094 |
| 09/18/17 | 13456 | Electric Power Constructors | | 69,484 | |
| 11/17/17 | 13925 | Electric Power Systems Inc. | | 9,599 | |
| 12/31/17 | 655 | CAPITALIZE CTs-RELAY | | (175,094) | |
| **Total 263-16 CTs-Relay WRG Circuit Sw** | | | | - | |

| Date | Num | Vendor | FY18 BUDGET $ | Expenditures | Description |
|---|---|---|---|---|---|
| **265-16 Marker Balls OHL TYL** | | | **$805,104** | | Replacement of original marker balls on the Tyee transmission line. Marker balls inventoried; Northern Powerline Constructors (Anchorage) successful bidder. Installed SEP 2017. (Henson) |
| | $ 4,896 | *FY17 Expenditures (includes marker ball inventory)* | | | |
| | $ 796,517 | *FY18 Expenditures* | | | |
| 09/01/17 | 628R | | | (103,132) | |
| 09/25/17 | 3129 | Northern Powerline Constructors, Inc | | 103,132 | |
| 09/30/17 | 52827 | Sunrise Aviation Inc | | 450 | CLOSED - IN SERVICE SEP 2017 |
| 09/30/17 | 3173 | Northern Powerline Constructors, Inc | | 588,651 | |
| 09/30/17 | 1806 | Marker Ball Inventory | | 104,284 | |
| 10/31/17 | 641 | CAPITALIZE MARKER BALLS | | (801,412) | |
| **Total 265-16 Marker Balls OHL TYL** | | | | - | |
| **269-16 Guy Thimbles STI** | | | **$80,100** | | Replace guy thimbles on STI. Three-year project scheduled during each spring shutdown. (Henson/Hammer) |
| | $ 44,781 | *FY17 Expenditures* | | | |
| | $ (44,781) | *FY17 Capitalized installed thimbles* | | | **PARTIALLY CAPITALIZED**: |
| | $ - | *FY18 Expenditures* | | | FY17 - 53 CAPITALIZED $44,781 |
| 05/25/17 | T80591 | Tyler Industrial Supply | | 1,302 | |
| 05/25/17 | T80591 | INVENTORY - Guy Thimbles (Tyler Ir | | 2,383 | |
| 06/21/17 | 12852 | Electric Power Constructors | | 43,479 | |
| 06/30/17 | T80591 | Tyler Industrial Supply | | (2,383) | |
| 06/30/17 | 611 | FY17 CAPITALIZE INSTALLED PORTIC | | (44,781) | |
| **Total 269-16 Guy Thimbles STI** | | | | - | |
| **270-16 Dampeners OHL TYL** | | | **$67,681** | | Replacement of dampeners on Tyee transmission line over three years. Initial installation of 180 dampeners took place SEP 2017. (Henson/Hammer) |
| | $ 8,696 | *FY16 Expenditures* | | | |
| | $ (8,696) | *FY17 Expenditures* | | | |
| | $ 33,307 | *FY18 Expenditures* | | | |
| 09/18/17 | 13448 | Electric Power Constructors | | 24,611 | YEAR 1 DAMPENERS IN SERVICE - SEP 2017 |
| 09/30/17 | 1805 | Dampeners from inventory | | 8,696 | |
| 10/31/17 | 641 | CAPITALIZE FY18 DAMPERS | | (33,307) | |
| **Total 270-16 Dampeners OHL TYL** | | | | - | |
| **272-17 Needle Assembly TYL** | | | **$65,610** | | Repair to needle position feedback assembly. Prototype successfully tested Apr 2017. Remaining assemblies installed AUG 2017 followed by final drawings and documentation. (Henson) |
| | $ 51,713 | *FY17 Expenditures* | | | |
| | $ (14,499) | *FY17 Capitalize Prototype* | | | |
| | $ 30,377 | *FY18 Expenditures* | | | |
| 07/19/17 | 17240 | Segrity LLC | | 6,598 | |
| 08/10/17 | S354WRA15N | Samson Tug & Barge | | 231 | CAPITALIZED: |
| 08/15/17 | 4427 | Stikine Inn | | 44 | FY17 PROTOTYPE INSTALLED $14,499 |
| 08/22/17 | 4447 | Stikine Inn | | 36 | FY18 NEEDLE ASSEMBLIES $67,592 |
| 08/29/17 | 17245 | Segrity LLC | | 847 | CLOSED - IN SERVICE - AUG 2017 |
| 08/31/17 | 17248 | Segrity LLC | | 12,586 | |
| 08/31/17 | 624 | Payroll - Tyee | | 4,816 | |
| 10/05/17 | 17256 | Segrity LLC | | 5,220 | |
| 10/31/17 | 641 | CAPITALIZE Needle Assembly | | (67,592) | |
| **Total 272-17 Needle Assembly TYL** | | | | - | |
| **273-17 XFMR Bushing TYL** | | | **$47,232** | | Replace STI transformer bushing at Tyee substation. Installed SEP 2017. (Henson) |
| | $ 7,768 | *FY17 Expenditures* | | | |
| | $ 17,792 | *FY18 Expenditures* | | | |
| 09/30/17 | 52827 | Sunrise Aviation Inc | | 1,125 | CLOSED - IN SERVICE - SEP 2017 |
| 10/31/17 | 13760 | Electric Power Constructors | | 16,667 | |
| 10/31/17 | 641 | CAPITALIZE XFMR BUSHING | | (25,560) | |
| **Total 273-17 XFMR Bushing TYL** | | | | - | |

**Southeast Alaska Power Agency** **WORK-IN-PROGRESS R&R Capital Projects as of APR 30, 2018**

| Date | Num | Vendor | FY18 BUDGET $ | Expenditures | Description |
|---|---|---|---|---|---|
| **275-17 Manifold Replace. TYL** | | | **$20,869** | | Replace manifold on governor at Tyee Lake. Prototype installed APR 2017; second manifold installed AUG 2017. (Henson) |
| | $ 19,637 | *FY17 Expenditures* | | | |
| | $ (18,131) | *FY17 One manifold capitalized* | | | |
| | $ 22,590 | *FY18 Expenditures* | | | |
| 08/15/17 | 4427 | Stikine Inn | | 44 | PARTIALLY CAPITALIZED: |
| 08/22/17 | 4447 | Stikine Inn | | 36 | FY17 Manifold Prototype $18,131 |
| 08/29/17 | 17244 | Segrity LLC | | 2,146 | FY18 Manifold $24,097 |
| 08/31/17 | 17250 | Segrity LLC | | 4,260 | CLOSED - IN SERVICE - AUG 2017 |
| 08/31/17 | 624 | Payroll | | 371 | |
| 10/05/17 | 17255 | Segrity LLC | | 15,733 | |
| 10/31/17 | | CAPITALIZE Manifolds | | (24,097) | |
| **Total 275-17 Manifold Replacement TYL** | | | | - | |
| **276-17 Schweitzer RTAC Upgrades** | | | **$26,800** | | Replace existing relays with RTACs. RTACs programmed; installed in August. Completed upon receipt of drawings and documentation. (Henson) |
| | $ 10,124 | *FY17 Expenditures* | | | |
| | $ 27,602 | *FY18 Expenditures* | | | |
| 08/15/17 | 4427 | Stikine Inn | | 44 | |
| 08/22/17 | 4447 | Stikine Inn | | 36 | CLOSED - NOV 2017 |
| 08/24/17 | 21245 | Pacific Wings Inc. | | 830 | CAPITALIZED $37,725 |
| 08/27/17 | 99943 | Pacific Airways Inc | | 440 | |
| 08/31/17 | 17247 | Segrity LLC | | 24,011 | |
| 08/31/17 | 624 | Payroll Tyee | | 645 | |
| 10/06/17 | 17261 | Segrity LLC | | 1,595 | |
| 12/31/17 | 655 | CAPITALIZE SWL RTAC | | (18,285) | |
| 12/31/17 | 655 | CAPITALIZE TYL RTAC | | (19,441) | |
| **Total 276-17 Schweitzer RTAC Upgrade** | | | | - | |
| **278-17 Flashboard-Kickers SWL** | | | **$544,819** | | Spare set of flashboards and kickers for SWL. Under construction by Kuenz; scheduled for OCT 2018 delivery. (Schofield) |
| | $ - | *FY17 No expenditures* | | | |
| | $ 84,232 | *FY18 Expenditures* | | | |
| 10/25/17 | I01412112 | Alaska Dispatch News | | 62 | |
| 12/22/17 | 3206 | Kuenz America Inc | | 84,170 | |
| **Total 278-17 Flashboard-Kickers SWL** | | | | 84,232 | |

| Date | Num | Vendor | FY18 BUDGET $ | Expenditures | Description |
|---|---|---|---|---|---|
| **279-18 Battery Monitoring Systm** | | | **$61,000** | | Battery and hydrogen monitoring system for both facilities. System DELIVERED. TYL install 80% complete; SWL install in progress. Scheduled completion in FY18. (Siedman) |
| | $ 56,340 | *FY18 Expenditures* | | | |
| 08/21/17 | 243579 | First City Electric, Inc. | | 6,917 | |
| 02/15/18 | I18045E | Eagle Eye Power Solutions | | 1,049 | |
| 02/15/18 | I18045E | Eagle Eye Power Solutions | | 14,039 | |
| 02/23/18 | S411KET46N | Samson Tug & Barge | | 51 | |
| 02/23/18 | S411KET46N | Samson Tug & Barge | | 51 | |
| 03/01/18 | I18045E | Eagle Eye Power Solutions | | 13,920 | |
| 03/01/18 | I18045E | Eagle Eye Power Solutions | | 13,960 | |
| 03/05/18 | | Walmart KTN | | 469 | |
| 03/05/18 | | Alaska Air | | 328 | |
| 03/07/18 | 21406 | Pacific Wings Inc. | | 650 | |
| 03/19/18 | 9732461604 | Grainger | | 67 | |
| 03/27/18 | 9740923470 | Grainger | | 305 | |
| 03/28/18 | 9741950191 | Grainger | | 15 | |
| 03/28/18 | 9741721618 | Grainger | | 727 | |
| 03/28/18 | 9741721626 | Grainger | | 62 | |
| 03/28/18 | 9741721634 | Grainger | | 44 | |
| 03/29/18 | 9742458772 | Grainger | | 133 | |
| 03/31/18 | 674 | Tyee Payroll | | 3,476 | |
| 04/18/18 | Meal | Alaskan & Proud Mkt KTN | | 19 | |
| 04/24/18 | | Alaskan & Proud Mkt KTN | | 45 | |
| 04/30/18 | | Alaskan & Proud Mkt KTN | | 15 | |
| **Total 279-18 Battery Monitoring Systm** | | | | 56,340 | |
| **280-18 Boat Motors-Transom TYL** | | | **$54,000** | | Replacement of motors and extension of transom on Svendsen boat. (Henson) |
| | $ 59,270 | *FY18 Expenditures* | | | |
| 09/08/17 | 1107 | Svendsen Marine | | 6,251 | |
| 10/03/17 | 6152006 | Bay Company Enterprises, LLC | | 46,019 | CLOSED - IN SERVICE SEP 2017 |
| 10/31/17 | 6152006 | Bay Company Enterprises, LLC | | 7,000 | |
| 10/31/17 | 641 | CAPITALIZE BOAT MOTORS-TRANSC | | (59,270) | |
| **Total 280-18 Boat Motors-Transom TYL** | | | | - | |
| **281-18 Bulkhead Repair SWL** | | | **$223,000** | | Repair of marine bulkhead at SWL permitted. Contractor awarded in April. Scheduled completion in FY18. (Schofield) |
| | $ 22,847 | *FY18 Expenditures* | | | |
| 11/08/17 | 4650 | Landing Hotel & Restaurant | | 131 | |
| 12/04/17 | 7047 | McMillen LLC | | 6,396 | |
| 01/17/18 | 7150 | McMillen LLC | | 13,176 | |
| 02/26/18 | 34685 | Ketchikan Daily News | | 90 | |
| 02/28/18 | 7279 | McMillen LLC | | 1,265 | |
| 03/01/18 | 3334191 | Daily Journal of Commerce | | 81 | |
| 03/16/18 | 65541 | Wrangell Sentinel | | 90 | |
| 03/20/18 | 65562 | Pilot Publishing, Inc. | | 113 | |
| 04/09/18 | 7342 | McMillen LLC | | 1,505 | |
| **Total 281-18 Bulkhead Repair SWL** | | | | 22,847 | |
| **282-18 Control Rm Touchscrn SWL** | | | **$36,000** | | Control Room hardware update at SWL. Engineering at 30%. (Siedman) |
| | $ 10,464 | *FY18 Expenditures* | | | |
| 02/09/18 | 18280 | Segrity LLC | | 7,600 | |
| 03/02/18 | 18290 | Segrity LLC | | 1,950 | |
| 04/20/18 | 18306 | Segrity LLC | | 914 | |
| **Total 282-18 Control Rm Touchscrn SWL** | | | | 10,464 | |

**Southeast Alaska Power Agency** **WORK-IN-PROGRESS R&R Capital Projects as of APR 30, 2018**

| Date | Num | Vendor | FY18 BUDGET $ | Expenditures | Description |
|---|---|---|---|---|---|
| **283-18 Dam Misc Metals SWL** | | | **$186,000** | | Installation of SWL access ladders, handrails, trigger guard. |
| | $ 526 | *FY17 Expenditures* | | | Contract award to BAM LLC approved in Aug 2017. |
| | $ 17,252 | *FY18 Expenditures* | | | Installation complete in FY18. (Schofield) |
| 07/20/17 | 34043 | Ketchikan Daily News | | 80 | |
| 07/22/17 | 3327575 | Daily Journal of Commerce | | 74 | |
| 07/30/17 | ADN201707 | Alaska Dispatch News | | 82 | |
| 08/05/17 | 64255 | Pilot Publishing, Inc. | | 70 | |
| 08/05/17 | 64239 | Wrangell Sentinel | | 58 | |
| 09/13/17 | 6855 | McMillen LLC | | 13,464 | |
| 11/01/17 | 6921 | McMillen LLC | | 1,680 | |
| 12/04/17 | 7046 | McMillen LLC | | 480 | |
| 01/17/18 | 7149 | McMillen LLC | | 385 | |
| 04/17/18 | 102548 | Pacific Airways Inc | | 440 | |
| 04/22/18 | 102591 | Pacific Airways Inc | | 440 | |
| **Total 283-18 Dam Misc Metals SWL** | | | | 17,778 | |
| **284-18 Data Historian KTN** | | | **$71,000** | | Data Historian upgrade, hardware and programming. On hold pending further evaluation … Project to be closed in FY18; historian maintenance budgeted in O&M for FY19. (Siedman) |
| | $ - | *FY18 Expenditures* | | | |
| | | | | - | |
| **Total 284-18 Data Historian KTN** | | | | - | |
| **285-18 Dock Floats SWL** | | | **$58,000** | | Replace piling hoops and add flotation at SWL dock float. |
| | $ 17,888 | *FY18 Expenditures* | | | Parts ordered. Installation completed NOV 2017. (Schofield) |
| 10/17/17 | 2160671 | Madison Lumber & Hardware Inc | | 2,185 | |
| 10/17/17 | 49446 | Mohawk Metal Company | | 2,685 | CLOSED NOV 2017 |
| 10/20/17 | S375KET28N | Samson Tug & Barge | | 133 | EXPENSED $17,888 |
| 11/03/17 | 2202801 | Madison Lumber & Hardware Inc | | 30 | |
| 11/06/17 | 2208501 | Madison Lumber & Hardware Inc | | 189 | |
| 11/06/17 | 2208581 | Madison Lumber & Hardware Inc | | 157 | |
| 11/13/17 | 20171113 | Diversified Diving Service | | 12,508 | |
| 12/31/17 | 655 | EXPENSE DOCK FLOATS | | (17,888) | |
| **Total 285-18 Dock Floats SWL** | | | | 0 | |
| **286-18 Duplex Housing SWL** | | | **$393,000** | | Replace one SWL housing unit with prefab duplex. |
| | $ 2,165 | *FY18 Expenditures* | | | Permitting process initiated Nov 2017. Architect has submitted design. Zoning permit first requires ADEC wastewater permit, which has been filed. (Schofield) |
| 11/08/17 | 100959 | Pacific Airways Inc | | 880 | |
| 11/14/17 | | CC Vendors | | 25 | |
| 04/02/18 | 2262 | Welsh Whiteley Architects, LLC | | 1,260 | |
| **Total 286-18 Duplex Housing SWL** | | | | 2,165 | |
| **287-18 Flatbed WRG** | | | **$42,000** | | Flatbed truck for WRG warehouse. Delivered DEC 2018. (Henson) |
| | $ 42,866 | *FY18 Expenditures* | | | |
| 11/21/17 | FORD201711 | Horizon Ford | | 41,716 | |
| 12/01/17 | S387WRA17N | Samson Tug & Barge | | 1,150 | CLOSED DEC 2017 |
| 12/31/17 | 655 | CAPITALIZED FLATBED | | (42,866) | CAPITALIZED $42,866 |
| **Total 287-18 Flatbed WRG** | | | | - | |
| **288-18 Furnaces TYL** | | | **$35,000** | | Replace furnaces (5) in TYL housing. |
| | $ 25,592 | *FY18 Expenditures* | | | NOV 2017 installation. (Henson) |
| 11/30/17 | 52857 | Sunrise Aviation Inc | | 1,620 | |
| 12/06/17 | 2305IN | Schmolck Mechanical SIT | | 24,077 | CLOSED DEC 2017 |
| 12/07/17 | R184974IN | Schmolck Mechanical SIT | | (105) | CAPITALIZED $25,592 |
| 12/31/17 | 655 | CAPITALIZED FURNACES | | (25,592) | |
| **Total 288-18 Furnaces TYL** | | | | - | |

**Southeast Alaska Power Agency** **WORK-IN-PROGRESS R&R Capital Projects as of APR 30, 2018**

| Date | Num | Vendor | FY18 BUDGET $ | Expenditures | Description |
|---|---|---|---|---|---|
| **289-18 Governor Modernizatn SWI** | | | **$92,000** | | Update governor control hardware and software at SWL. Parts on order, engineering underway. 30% complete. (Siedman) |
| | $ 45,440 | *FY18 Expenditures* | | | |
| 02/09/18 | 18283 | Segrity LLC | | 2,175 | |
| 03/02/18 | 18289 | Segrity LLC | | 9,791 | |
| 03/28/18 | 18296 | Segrity LLC | | 31,262 | |
| 04/20/18 | 18302 | Segrity LLC | | 900 | |
| 04/20/18 | 18305 | Segrity LLC | | 1,312 | |
| **Total 289-18 Governor Modernizatn SWL** | | | | 45,440 | |
| **290-18 Helipad Ramps STI** | | | **$76,000** | | Build and install ramps for personnel access to STI helipads. Installation FY19. (Henson/Hammer) |
| | $ - | *FY18 Expenditures* | | | |
| | | | | - | |
| **Total 290-18 Helipad Ramps STI** | | | | - | |
| **291-18 Meggar Relay Test Set** | | | **$104,000** | | Purchase relay test set for rotating use at all SEAPA locations. Test set purchased. Test rack constructed. Scheduled for FY18 completion. (Siedman) |
| | $ 74,469 | *FY18 Expenditures* | | | |
| 09/25/17 | 5590452896 | Megger | | 72,089 | |
| 09/29/17 | 14644 | Hardcraft Industries, Inc. | | 2,094 | |
| 10/06/17 | S370KET23N | Samson Tug & Barge | | 143 | |
| 10/17/17 | | Madison Lumber & Hardware Inc | | 7 | |
| 10/17/17 | | Madison Lumber & Hardware Inc | | 10 | |
| 10/19/17 | | Madison Lumber & Hardware Inc | | 90 | |
| 10/23/17 | | Madison Lumber & Hardware Inc | | 21 | |
| 03/28/18 | | Madison Lumber & Hardware Inc | | 15 | |
| **Total 291-18 Meggar Relay Test Set** | | | | 74,469 | |
| **292-18 Office Walls KTN** | | | **$55,000** | | Create two offices at White Cliff location. Construction completed Mar 2018. (Schofield) |
| | $ 65,932 | *FY18 Expenditures* | | | |
| 12/08/17 | 2208 | Welsh Whiteley Architects, LLC | | 3,483 | |
| 12/11/17 | 201700000154 | Ketchikan City of 334 | | 1,062 | CLOSED - IN SERVICE MAR 2018 |
| 02/01/18 | 2231 | Welsh Whiteley Architects, LLC | | 387 | |
| 03/26/18 | INV18047 | BAM LLC | | 61,000 | |
| **Total 292-18 Office Walls KTN** | | | | 65,932 | |
| **293-18 Phone Server KTN** | | | **$76,000** | | Replace obsolete phone server in Ketchikan office; handsets upgraded. FY18 completion scheduled. (Siedman) |
| | $ - | *FY18 Expenditures* | | | |
| | | | | - | |
| **Total 293-18 Phone Server KTN** | | | | - | |
| **294-18 Pickup TYL** | | | **$38,500** | | Pickup replacement for Tyee. 2017 Ford F150 delivered to Wrangell. (Henson) |
| | $ 32,256 | *FY18 Expenditures* | | | |
| 08/18/17 | FORD201708 | Horizon Ford | | 30,027 | |
| 08/24/17 | S358WRA19N | Samson Tug & Barge | | 1,129 | CLOSED - IN SERVICE SEP 2017 |
| 09/21/17 | 1572 | Stikine Transportation | | 1,100 | |
| 10/31/17 | 641 | CAPITALIZE PICKUP | | (32,256) | |
| **Total 294-18 Pickup TYL** | | | | - | |

**Southeast Alaska Power Agency** **WORK-IN-PROGRESS R&R Capital Projects as of APR 30, 2018**

| Date | Num | Vendor | FY18 BUDGET $ | Expenditures | Description |
|---|---|---|---|---|---|
| **295-18 Power Line Carrier SW-TY** | | | **$48,000** | | Add power line carrier channel from SWL to TYL. Channel installed and successfully tested October 2017. SCADA screens to be updated at SWL during spring shutdown. FY18 completion scheduled. (Henson/Hammer) |
| | $ 53,794 | *FY18 Expenditures* | | | |
| 09/25/17 | 421740046 | Hubbell Power Systems, Inc. | | 34,833 | |
| 10/05/17 | S370WRA12N | Samson Tug & Barge | | 54 | |
| 10/24/17 | 100786 | Pacific Airways Inc | | 880 | |
| 10/24/17 | | Alaskan & Proud Mkt KTN | | 46 | |
| 10/24/17 | | Alaskan & Proud Mkt KTN | | 46 | |
| 10/25/17 | 4571 | Landing Hotel & Restaurant | | 158 | |
| 10/25/17 | 4570 | Landing Hotel & Restaurant | | 177 | |
| 10/25/17 | | CC KTN Airport | | 3 | |
| 10/25/17 | | CC KTN Airport | | 26 | |
| 10/26/17 | | Alltek Network Solutions Inc | | 77 | |
| 10/31/17 | 52838 | Sunrise Aviation Inc | | 1,950 | |
| 10/31/17 | 422060827 | Hubbell Power Systems, Inc. | | 6,770 | |
| 01/08/18 | 18278 | Segrity LLC | | 5,130 | |
| 03/02/18 | 18287 | Segrity LLC | | 3,645 | |
| **Total 295-18 Power Line Carrier SW-TY** | | | | 53,794 | |
| **296-18 Power Pole Replace SWL** | | | **$49,000** | | Replace damaged Pole 197 on SWL transmission line. Severely rotted pole discovered on PSG line added to this project. Completion Jun 2018. (Henson/Hammer) |
| | $ - | *FY18 Expenditures* | | | |
| | | | | - | |
| **Total 296-18 Power Pole Replace SWL** | | | | - | |
| **297-18 Powerhs Parapet Seal SWL** | | | **$59,000** | | Surface coating on exterior parapet wall of SWL powerhouse. Work is weather dependent. Jun 2018 scheduled completion. (Schofield) |
| | $ - | *FY18 Expenditures* | | | |
| | | | | - | |
| **Total 297-18 Powerhs Parapet Seal SWL** | | | | - | |
| **298-18 Unit Control PLC-RTD SWL** | | | **$60,000** | | Update PLC backplanes and RTDs at SWL. Scheduled completion Jun 2018. (Siedman) |
| | $ 51,729 | *FY18 Expenditures* | | | |
| 02/09/18 | 18282 | Segrity LLC | | 225 | |
| 03/02/18 | 18288 | Segrity LLC | | 26,898 | |
| 03/14/18 | 4740 | Stikine Inn | | 158 | |
| 03/28/18 | 18297 | Segrity LLC | | 160 | |
| 04/20/18 | 18303 | Segrity LLC | | 22,950 | |
| 04/20/18 | 18304 | Segrity LLC | | 1,337 | |
| **Total 298-18 Unit Control PLC-RTD SWL** | | | | 51,729 | |
| **299-18 Runner Repair SWL** | | | **$400,000** | | Repair of cavitation damage on SWL hydro runners (turbines). Scheduled for completion in FY18. (Schofield) |
| | $ 16,359 | *FY18 Expenditures* | | | |
| 02/01/18 | 1Partial | Beacon Hill Consulting Services | | 8,400 | |
| 02/28/18 | 8553620 | Oregonian Media Group | | 211 | |
| 03/07/18 | 3334445 | Daily Journal of Commerce | | 71 | |
| 03/12/18 | 2Partial | Beacon Hill Consulting Services | | 1,575 | |
| 03/31/18 | 3Partial | Beacon Hill Consulting Services | | 525 | |
| 04/01/18 | I01417483 | Alaska Dispatch News | | 65 | |
| 04/09/18 | 102432 | Pacific Airways Inc | | 880 | |
| 04/09/18 | Meal | Alaskan & Proud Mkt KTN | | 26 | |
| 04/09/18 | Meal | Alaskan & Proud Mkt KTN | | 32 | |
| 04/10/18 | 5704 | Landing Hotel & Restaurant | | 158 | |
| 04/30/18 | CD10910937 | Mistras Group Inc | | 4,415 | |
| **Total 297-18 Powerhs Parapet Seal SWL** | | | | 16,359 | |

| | | | |
|---|---|---|---|
| **Total WIP R&R Capital Projects** | **$4,244,854** | **$** | **816,738** |

** Total Work-In-Progress includes deductions for capitalized projects, and therefore does not match the Total Expenditures on the Summary page.*

# SOUTHEAST ALASKA POWER AGENCY - DISBURSEMENTS

| Accounts | | Total |
|---|---|---|
| Revenue Fund . . . . . | $ | 745,418.54 |
| R&R Fund . . . . . | $ | 225,644.78 |
| TOTAL | **$** | **971,063.32** |

| An outline of significant expenditures during this period: | | | |
|---|---|---|---|
| BAM, LLC | - SWL Satellite pad install and KTN office remodel | $ | 68,800 |
| FERC | - Land Use for bill year 2018 | | 55,775 |
| Segrity | - Governor hardware, Unit control PLC-RTD, Ctrl System maint. | | 107,232 |
| Wells Fargo | - P&I for 2009 Series and 2015 Series Bonds, DNR Trust contribution | | 247,583 |

## APRIL & MAY 2018

| Invoice No. | Company (Vendor) | Revenue Fund | R&R Fund |
|---|---|---|---|
| ADL100113 | AK DNR 550 | 50.00 | |
| ADL100887 | AK DNR 550 | 50.00 | |
| LAS27405 | AK DNR 550 | 50.00 | |
| 18031157 | Alaska Broadcast Communications, Inc. | 512.40 | |
| 18031158 | Alaska Broadcast Communications, Inc. | 125.00 | |
| 18031159 | Alaska Broadcast Communications, Inc. | 125.00 | |
| 18041028 | Alaska Broadcast Communications, Inc. | 640.50 | |
| 18041029 | Alaska Broadcast Communications, Inc. | 125.00 | |
| 18041030 | Alaska Broadcast Communications, Inc. | 125.00 | |
| I01417483 | Alaska Dispatch News | 154.38 | 64.74 |
| 897778 | Alaska Marine Lines | 368.22 | |
| APCM201803 | Alaska Permanent Capital Inc | 1,666.69 | |
| APCM201804 | Alaska Permanent Capital Inc | 1,665.52 | |
| 1727 | Alpine Mini Mart | 33.26 | |
| 1737 | Alpine Mini Mart | 29.22 | |
| 18417 | Angerman's Inc | 142.90 | |
| 18497 | Angerman's Inc | 29.95 | |
| 2931 | Ascent Law Partners LLP | 6.00 | |
| 2932 | Ascent Law Partners LLP | 525.00 | |
| 2811 | Ascent Law Partners LLP | 5,758.99 | |
| 3003 | Ascent Law Partners LLP | 1,925.00 | |
| 3004 | Ascent Law Partners LLP | 3,900.00 | |
| INV18043 | BAM LLC | - | 7,800.00 |
| INV18047 | BAM LLC | - | 61,000.00 |
| 54238 | Bay Company Enterprises, LLC | 18.98 | |
| 55318 | Bay Company Enterprises, LLC | 65.95 | |
| 3Partial | Beacon Hill Consulting Services | - | 525.00 |
| 20180419 | Buness Bros. Inc. | 2,639.20 | |
| 41058 | Buness Bros. Inc. | 1,400.00 | |
| CAM201804 | Cambria Properties LLC | 1,525.00 | |
| CAM201805 | Cambria Properties LLC | 1,525.00 | |
| CAM201806 | Cambria Properties LLC | 1,525.00 | |
| 92790 | Channel Electric | - | 385.24 |
| 93199 | Channel Electric | 132.61 | |
| 31387 | City Market | 29.79 | |
| 24142 | City Market | 42.96 | |
| 1559 | City Market | 80.05 | |
| 39596 | City Market | 16.99 | |
| 38506 | City Market | 118.39 | |
| 33914 | City Market | 29.96 | |

# SOUTHEAST ALASKA POWER AGENCY - DISBURSEMENTS

| Invoice No. | Company (Vendor) | Revenue Fund | R&R Fund |
|---|---|---|---|
| 42845 | City Market | 42.63 | |
| 36287 | City Market | 265.87 | |
| 36512 | City Market | 133.11 | |
| 29217 | CoastAlaska, Inc. | 2,145.00 | |
| C5633 | Copper River Fleece | 135.15 | |
| I18045E | Eagle Eye Power Solutions | - | 42,967.00 |
| 41481 | Evans Keane LLP | 222.00 | |
| 41551 | Evans Keane LLP | 224.89 | |
| 212418IN | Express Systems & Peripherals | 1,808.25 | |
| L1822800 | Federal Energy Regulatory Commission | 11,984.49 | |
| L1823300 | Federal Energy Regulatory Commission | 43,790.20 | |
| 16589 | Foam Concepts LLC | - | 5,189.69 |
| 44213 | Frontier Shipping & Copyworks | 96.00 | |
| SEAPA00118 | G2 Risk Consulting | 1,631.25 | |
| 9731806437 | Grainger | 36.94 | |
| 9732347712 | Grainger | 99.98 | |
| 9732461604 | Grainger | - | 66.85 |
| 9742475115 | Grainger | 1,680.00 | |
| 9732782587 | Grainger | 1,353.00 | |
| 9733043013 | Grainger | 172.00 | |
| 9736467292 | Grainger | 34.40 | |
| 9740923470 | Grainger | - | 305.20 |
| 9741335740 | Grainger | 442.50 | |
| 9741721618 | Grainger | 926.00 | 726.50 |
| 9741721626 | Grainger | - | 311.30 |
| 9741721634 | Grainger | 90.30 | 43.65 |
| 9741721642 | Grainger | 90.30 | |
| 9741950191 | Grainger | - | 14.55 |
| 9742458772 | Grainger | - | 132.50 |
| 9743036221 | Grainger | 616.26 | |
| 9748976595 | Grainger | 160.78 | |
| 9751831968 | Grainger | - | 383.94 |
| 9753666503 | Grainger | 234.99 | |
| 9753666511 | Grainger | 192.26 | |
| 9760966680 | Grainger | 324.25 | |
| 9763600096 | Grainger | 234.31 | |
| 9763601235 | Grainger | 168.62 | |
| 9763695732 | Grainger | 172.24 | |
| 9773019238 | Grainger | - | 19.57 |
| 9775080550 | Grainger | - | 23.03 |
| 422095 | Hammer & Wikan | 53.20 | |
| 1200108343 | HDR Alaska, Inc. | 1,180.52 | |
| 230 | Helicopter Air Alaska LLC | 2,325.00 | |
| 695168 | Helwig Carbon Products, Inc. | 1,021.48 | |
| SO541141 | Hoist Direct | 997.69 | |
| SO541142 | Hoist Direct | 930.00 | |
| 5379 | I Even Do Windows | 300.00 | |
| 5393 | I Even Do Windows | 300.00 | |
| 33E90201 | Jaco Analytical Lab | 661.50 | |
| 11579 | Jaffa Construction, Inc. | - | 3,700.00 |
| PH201803 | Ketchikan City of 2933 P&H | 84.00 | |
| KDN20180331 | Ketchikan Daily News | 34.95 | |
| 34836 | Ketchikan Daily News | 80.35 | |
| 34936 | Ketchikan Daily News | 103.93 | |
| KGB201805 | Ketchikan Gateway Borough | 4,810.23 | |

# SOUTHEAST ALASKA POWER AGENCY - DISBURSEMENTS

| Invoice No. | Company (Vendor) | Revenue Fund | R&R Fund |
|---|---|---|---|
| KGB201806 | Ketchikan Gateway Borough | 4,810.23 | |
| 15407 | Ketchikan Mechanical, Inc. | 251.00 | |
| 4918 | Ketchikan Stitches | 10.00 | |
| 42518 | Ketchikan Stitches | 10.00 | |
| 5704 | Landing Hotel & Restaurant | - | 157.99 |
| 5856 | Landing Hotel & Restaurant | 124.00 | |
| 5857 | Landing Hotel & Restaurant | 124.00 | |
| 5867 | Landing Hotel & Restaurant | 124.00 | |
| 5897 | Landing Hotel & Restaurant | 228.75 | |
| 5898 | Landing Hotel & Restaurant | 221.25 | |
| 5899 | Landing Hotel & Restaurant | 243.75 | |
| 98484 | LNM Services | 61.68 | |
| 99510 | LNM Services | 60.75 | |
| 99545 | LNM Services | 72.90 | |
| 99561 | LNM Services | 66.36 | |
| 99603 | LNM Services | 66.36 | |
| 2499231 | Madison Lumber | 13.98 | |
| MARBLE201805 | Marble Construction | 321.00 | |
| MARBLE201806 | Marble Construction | 321.00 | |
| 7342 | McMillen LLC | - | 1,505.00 |
| 7362 | McMillen LLC | 3,660.00 | |
| 7430 | McMillen LLC | 30,974.27 | |
| 5927 | Meridian Environmental | 675.91 | |
| CD10910937 | Mistras Group Inc | - | 4,415.24 |
| MP20180510 | My Place Hotel - Ketchikan | 320.00 | |
| 902919182 | Northern Safety Co., Inc. | 902.08 | |
| 18040630 | NRECA 798185 Group Ins | 20,142.25 | |
| 18050630A | NRECA 798185 Group Ins | 23,324.55 | |
| 18040630A | NRECA 798324 Group Ins Admin | 1,779.45 | |
| 18050630 | NRECA 798324 Group Ins Admin | 2,065.31 | |
| 18048040A | NRECA 798330 RSP Admin | 625.07 | |
| 18058040A | NRECA 798330 RSP Admin | 757.60 | |
| 18048040 | NRECA 798369 RSP Trust Contrib | 30,379.94 | |
| 18058040 | NRECA 798369 RSP Trust Contrib | 36,821.42 | |
| 422873 | Ottesen's Inc | 98.98 | |
| 423166 | Ottesen's Inc | 33.96 | |
| 423877 | Ottesen's Inc | 8.59 | |
| 423984 | Ottesen's Inc | 40.99 | |
| 424003 | Ottesen's Inc | 4.29 | |
| 424004 | Ottesen's Inc | 1.90 | |
| 424013 | Ottesen's Inc | 22.96 | |
| 424062 | Ottesen's Inc | 20.85 | |
| 424649 | Ottesen's Inc | 182.37 | |
| 424911 | Ottesen's Inc | 529.99 | |
| 425060 | Ottesen's Inc | 14.99 | |
| 425202 | Ottesen's Inc | 27.79 | |
| 425318 | Ottesen's Inc | 98.95 | |
| 425487 | Ottesen's Inc | 17.98 | |
| 425524 | Ottesen's Inc | 18.99 | |
| 425559 | Ottesen's Inc | 62.98 | |
| 425640 | Ottesen's Inc | 16.83 | |
| 425668 | Ottesen's Inc | 7.92 | |
| 425745 | Ottesen's Inc | 39.32 | |
| 426188 | Ottesen's Inc | 115.95 | |
| 426442 | Ottesen's Inc | 117.54 | |

# SOUTHEAST ALASKA POWER AGENCY - DISBURSEMENTS

| Invoice No. | Company (Vendor) | Revenue Fund | R&R Fund |
|---|---|---|---|
| 102249 | Pacific Airways Inc | - | 440.00 |
| 102283 | Pacific Airways Inc | - | 440.00 |
| 102432 | Pacific Airways Inc | - | 880.00 |
| 102548 | Pacific Airways Inc | - | 440.00 |
| 102591 | Pacific Airways Inc | - | 440.00 |
| 102698 | Pacific Airways Inc | 880.00 | |
| 102775 | Pacific Airways Inc | 440.00 | |
| 102804 | Pacific Airways Inc | - | 440.00 |
| 102878 | Pacific Airways Inc | - | 440.00 |
| 1804205702 | Pacific Pride | 220.00 | |
| 21406 | Pacific Wings Inc. | 650.00 | 650.00 |
| 35233 | Petersburg Bottled Gas | 312.00 | |
| 33476 | Petro Marine Services-WRG | 115.04 | |
| 33501 | Petro Marine Services-WRG | 360.77 | |
| 34518 | Petro Marine Services-WRG | 8,826.07 | |
| 35671 | Petro Marine Services-WRG | 151.54 | |
| 38096 | Petro Marine Services-WRG | 707.37 | |
| 65358 | Pilot Publishing, Inc. | 738.75 | |
| 65562 | Pilot Publishing, Inc. | - | 112.50 |
| 65753 | Pilot Publishing, Inc. | 63.75 | |
| 172727005 | R&M Engineering-Ketchikan | 9,230.00 | |
| 1032 | Ray Matiashowski & Associates | 4,000.00 | |
| S417KET28N | Samson Tug & Barge | 68.99 | |
| S419WRA17N | Samson Tug & Barge | 102.93 | |
| S419KET01I | Samson Tug & Barge | 109.50 | |
| S421WRA22N | Samson Tug & Barge | 2,493.77 | |
| S425WRA01I | Samson Tug & Barge | 190.20 | |
| S429WRA33N | Samson Tug & Barge | 82.75 | 603.19 |
| S428KET27N | Samson Tug & Barge | 113.88 | |
| S430WRA18N | Samson Tug & Barge | 321.23 | |
| S431KET38N | Samson Tug & Barge | 68.99 | |
| 422747 | Satellite & Sound Inc | 250.00 | |
| 422762 | Satellite & Sound Inc | - | 3,011.00 |
| 422799 | Satellite & Sound Inc | 250.00 | |
| 422809 | Satellite & Sound Inc | 265.64 | |
| 422810 | Satellite & Sound Inc | 275.00 | |
| 402130302A | Scandia House Hotel | 132.00 | |
| 316405 | SE Business Machines | 670.00 | |
| 18291 | Segrity LLC | - | 3,115.66 |
| 18292 | Segrity LLC | - | 20,448.22 |
| 18295 | Segrity LLC | 18,757.06 | 1,620.00 |
| 18296 | Segrity LLC | - | 31,261.97 |
| 18297 | Segrity LLC | - | 160.30 |
| 18301 | Segrity LLC | 4,455.00 | |
| 18302 | Segrity LLC | - | 900.00 |
| 18303 | Segrity LLC | - | 22,950.00 |
| 18304 | Segrity LLC | - | 1,336.78 |
| 18305 | Segrity LLC | - | 1,312.46 |
| 18306 | Segrity LLC | - | 914.23 |
| 180232 | SelecTech, Inc. | 5,482.64 | |
| 459261 | Sentry Hardware & Marine | 18.99 | |
| 460325 | Sentry Hardware & Marine | 99.29 | |
| 460844 | Sentry Hardware & Marine | 68.55 | |
| 460856 | Sentry Hardware & Marine | 16.40 | |
| 461199 | Sentry Hardware & Marine | 83.65 | |

# SOUTHEAST ALASKA POWER AGENCY - DISBURSEMENTS

| Invoice No. | Company (Vendor) | Revenue Fund | R&R Fund |
|---|---|---|---|
| 461548 | Sentry Hardware & Marine | 26.94 | |
| 461577 | Sentry Hardware & Marine | 31.98 | |
| 1914722 | Six Robblees Inc | 892.92 | |
| 593721 | Southeast Auto & Marine Parts, Inc | 12.79 | |
| 593753 | Southeast Auto & Marine Parts, Inc | 29.00 | |
| 593793 | Southeast Auto & Marine Parts, Inc | 43.18 | |
| 593899 | Southeast Auto & Marine Parts, Inc | 24.12 | |
| 594366 | Southeast Auto & Marine Parts, Inc | 21.29 | |
| 594380 | Southeast Auto & Marine Parts, Inc | 6.69 | |
| 594398 | Southeast Auto & Marine Parts, Inc | 72.55 | |
| 594428 | Southeast Auto & Marine Parts, Inc | 24.17 | |
| 594436 | Southeast Auto & Marine Parts, Inc | 19.67 | |
| 594473 | Southeast Auto & Marine Parts, Inc | 272.82 | |
| 594836 | Southeast Auto & Marine Parts, Inc | 24.58 | |
| 595162 | Southeast Auto & Marine Parts, Inc | 30.38 | |
| 595254 | Southeast Auto & Marine Parts, Inc | 9.69 | |
| 4740 | Stikine Inn | - | 158.47 |
| 4749 | Stikine Inn | 124.00 | |
| 4784 | Stikine Inn | 147.00 | |
| 1581 | Stikine Transportation | 8,709.00 | |
| 52886 | Sunrise Aviation Inc | 2,717.50 | |
| 52898 | Sunrise Aviation Inc | 5,540.00 | |
| 52907 | Sunrise Aviation Inc | 8,280.00 | |
| 31978 | Temsco Helicopters, Inc. | 3,560.75 | |
| 31987 | Temsco Helicopters, Inc. | 2,346.23 | |
| 31993 | Temsco Helicopters, Inc. | 3,806.80 | |
| 32045 | Temsco Helicopters, Inc. | 4,264.36 | |
| 32055 | Temsco Helicopters, Inc. | 1,197.40 | |
| 32065 | Temsco Helicopters, Inc. | 3,400.77 | |
| 32068 | Temsco Helicopters, Inc. | 3,121.35 | |
| 51300560 | Tetra Tech Inc | 357.70 | |
| 51309275 | Tetra Tech Inc | 711.20 | |
| 21837 | TexRus | 5,495.01 | 363.01 |
| 21838 | TexRus | 60.00 | 1,280.00 |
| 21991 | TexRus | 360.00 | 840.00 |
| 24709 | Therm-Tec, Inc. | 630.59 | |
| 24813 | Therm-Tec, Inc. | 740.00 | |
| 78810 | Thorson Barnett & McDonald, P.C. | 1,760.00 | |
| 79017 | Thorson Barnett & McDonald, P.C. | 2,760.00 | |
| 79246 | Thorson Barnett & McDonald, P.C. | 120.00 | |
| 1103530 | Tongass Business Center | 79.15 | |
| 1103531 | Tongass Business Center | 33.96 | |
| 1104860 | Tongass Business Center | 106.34 | |
| 1112900 | Tongass Business Center | 115.98 | |
| 1112930 | Tongass Business Center | 112.22 | |
| 1112931 | Tongass Business Center | 79.20 | |
| 1120090 | Tongass Business Center | 66.26 | |
| 45762 | TSS, Inc. | 1,800.00 | |
| 45935 | TSS, Inc. | 1,125.00 | |
| 46333 | TSS, Inc. | 65.00 | |
| T139695 | Tyler Rental, Inc. | 619.07 | |
| 404580 | Van Ness Feldman | 170.00 | |
| WF15I-201806 | Wells Fargo 2015 Interest | 40,133.34 | |
| 1564193 | Wells Fargo Bank MN | 5,000.00 | |
| DNR201804 | Wells Fargo Bank-Corporate Trust | 75,000.00 | |

# SOUTHEAST ALASKA POWER AGENCY - DISBURSEMENTS

| Invoice No. | Company (Vendor) | Revenue Fund | R&R Fund |
|---|---|---|---|
| 1553813 | Wells Fargo Bank-Corporate Trust | 500.00 | |
| WF09I-201805 | Wells Fargo Bank-Corporate Trust | 25,177.34 | |
| WF09P-201805 | Wells Fargo Bank-Corporate Trust | 66,631.86 | |
| WF15I-201805 | Wells Fargo Bank-Corporate Trust | 40,640.63 | |
| 2262 | Welsh Whiteley Architects, LLC | - | 1,260.00 |
| 22622 | Western Tire Chain | 156.82 | |
| 327 | Woffinden, Jeimi | 180.00 | |
| PH201803 | Wrangell City & Borough | 2.00 | |
| 1434 | Wrangell City & Borough | 45,841.10 | |
| 65355 | Wrangell Sentinel | 675.00 | |
| 65541 | Wrangell Sentinel | - | 90.00 |
| 65764 | Wrangell Sentinel | 51.00 | |
| Subscription | Wrangell Sentinel | 102.00 | |
| INV5675 | X2nSat | 228.24 | |
| INV5715 | X2nSat | 1,590.00 | |
| 5810 | X2nSat | 1,590.00 | |
| 201803 | Bank of America Visa | 20,811.37 | |
| 201804 | Bank of America Visa | 23,319.77 | |
| | | $ 745,419 | $ 225,645 |
| | **Total Disbursements** | **$971,063.32** | |

* Bank of America credit card charges include all travel, most telecom and some utility:
ACS, AT&T Mobility, AP&T, GCI, Globalstar, KPU, PSG Borough, Roadpost, Wrangell City & Boro
These recurring telecom & utility charges are approximately $12,000/month.

# Agenda Item 6A

# New Business

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## Presentation, Consideration, and Approval of FY19 SEAPA Budget

**(Draft Budget already distributed to Directors)**

# SOUTHEAST ALASKA POWER AGENCY

## MEMO – Rate Stabilization Fund

| SUGGESTED MOTION |
| --- |
| I move to approve Resolution No. 2018-070 to adopt the Rate Stabilization Fund Policy. |

As a method to set aside funds for larger future capital projects or reduce future bonding while minimizing the impact on Member Utility rates, staff is recommending the establishment of a Rate Stabilization Fund. The suggested creation of this fund is in response to previous Board discussions with the desired goal of minimizing the impact of such projects on Member Utility rates. It also supports SEAPA's Mission Statement to provide the lowest wholesale power rate consistent with sound utility planning and business practices.

The benefits of such a fund were also foreseen when the bonds were issued as the Indenture specifically allows for the establishment of a Rate Stabilization Fund after all other obligations are met. The term "revenues" in the Indenture includes withdrawals from the Rate Stabilization Fund. Since Net Revenues must equal 120% of the annual debt service on all bonds, in an extreme case, monies could be transferred to the Revenue Fund to satisfy this covenant. (Current annual debt service on all bonds is approximately $1.5M.)

The attached policy provides for an annual review of the Rate Stabilization Fund and Board-approval of all deposits and withdrawals.

**THE SOUTHEAST ALASKA POWER AGENCY**

**Resolution Adopting Rate Stabilization Fund Policy**

**WHEREAS,** the Board of Directors has determined that it is in the best interest of the Southeast Alaska Power Agency, its Members, and ratepayers to establish a Rate Stabilization Fund to stabilize revenues over time, support long-term capital projects or reduce future bonding to minimize potential impacts to Member Utility Rates;

**WHEREAS**, the adoption of a Rate Stabilization Fund Policy would establish the method for stabilizing revenues over time, setting aside funds for larger future capital projects or reducing future bonding while minimizing the impact on Member Utility rates; and

**NOW, THEREFORE, BE IT RESOLVED,** that the Board of Directors of the Southeast Alaska Power Agency hereby establish a Rate Stabilization Fund and adopt the Rate Stabilization Fund Policy dated June ____, 2018, attached hereto and made a part hereof.

Approved and signed this ____ day of June 2018.

**SOUTHEAST ALASKA POWER AGENCY**

**By** _____
**Stephen Prysunka, Chairman**

**ATTEST:**

_____
**Karl Amylon, Secretary/Treasurer**

# SOUTHEAST ALASKA POWER AGENCY

## RATE STABILIZATION FUND POLICY

The purpose of the Rate Stabilization Fund is to facilitate the ability of The Southeast Alaska Power Agency to maintain affordable Wholesale Power Rates and to minimize the impact of any future rate increases on Member Utilities.

### RATE STABILIZATION FUND

The Rate Stabilization Fund (Fund) shall be established and maintained by The Southeast Alaska Power Agency (SEAPA). Recognizing that SEAPA's revenues are inconsistent due to weather and other uncontrollable conditions, the Fund is intended to improve SEAPA's long-term fiscal health by reserving a portion of excess revenues. Further recognizing that SEAPA is planning for extraordinary expenditures for capital improvements and may be subject to the same extraordinary expenditures for unforeseen emergencies, and that these events may be coupled with a simultaneous reduction in Revenue, proceeds of the Fund may be used to minimize the impact on Member Utility Wholesale Power Rates.

Fund proceeds may also be used to ensure that bond covenants and bond fund balance minimums are met since the bond indenture allows withdrawals from the Fund to be recognized as revenue. The Fund shall be established consistent with SEAPA's existing bond indentures.

### DEPOSITS TO THE RATE STABILIZATION FUND

- Staff shall provide financial reports and a recommendation for deposit, if any, to the Fund during the annual budget review. All deposits to the Fund shall require consideration and approval by the Board of Directors.
- Deposits to the Fund shall be considered by the Board prior to potential Rebates.

### WITHDRAWALS FROM THE RATE STABILIZATION FUND

- All withdrawals from the Rate Stabilization Fund must be authorized by an action of the SEAPA Board and specify the purpose of withdrawal.
- Withdrawals from the Rate Stabilization Fund may only be made for the conditions outlined in this policy, and consistent with Agency bylaws and then-existing bond indentures.
- To comply with existing bond indenture, all withdrawals from the Rate Stabilization Fund shall be transferred to the Revenue Fund and may then be transferred from the Revenue Fund to fulfill the stated purpose.

- SEAPA may specify that a deposit to or withdrawal from the Rate Stabilization Fund made within 60 days after the end of a Fiscal Year is to be allocated to the prior Fiscal Year rather than to the Fiscal Year in which such deposit or withdrawal is made.

**WITHDRAWAL CONDITIONS**

Withdrawals from the Fund are limited to:

- Supplementing revenue in case of a catastrophic shortfall in income;
- Ensuring that bond covenants and fund balance minimums are met;
- Reducing the amount of future bond issuances; and
- Supplementing the Dedicated R&R Fund to finance extraordinary capital expenditures.

**ADOPTED** by the Board of Directors of the Southeast Alaska Power Agency this ____ day of June 2018.

Signed:

_____
Karl Amylon, Secretary-Treasurer

Attest:

_____
Stephen Prysunka, Chairman

# SOUTHEAST ALASKA POWER AGENCY

## MEMO – Funding the Rate Stabilization Fund

| SUGGESTED MOTION |
| --- |
| I move to authorize staff to transfer $2,000,000 from the Revenue Fund to the Rate Stabilization Fund. |

Pending approval of the Rate Stabilization Fund Policy, this motion would authorize staff to open the account and transfer the initial deposit to the Fund.

# SOUTHEAST ALASKA POWER AGENCY

## REBATE MEMO

Date: **June 13, 2018** From: **Kay Key**

To: **Trey Acteson, CEO** Subject: **Fiscal Year 2018 Rebate**

**SUGGESTED MOTION**

I move to approve a Fiscal Year 2018 rebate in the amount of $800,000 to the Member Utilities. Issuance of the rebate would take place after the successful completion of the FY18 audit, contingent upon satisfying bond covenant requirements, including debt service ratio compliance, and on the condition that no catastrophic system events take place in the interim.

An approved rebate would be recorded as a reduction to FY2018 revenues. The following table displays an estimate of how the rebate would be allocated; actual figures will not be available until the fiscal year sales figures are final. Figures are based upon a three-year average of firm power sales. A rebate in this amount would reduce the effective wholesale power rate for FY18 by approximately a half-cent.

| kWh Purchases | Ketchikan | Petersburg | Wrangell | Total |
|---|---|---|---|---|
| **FY16** | 83,316,376 | 40,762,959 | 36,474,130 | 160,553,465 |
| **FY17** | 100,506,084 | 47,214,701 | 39,047,190 | 186,767,975 |
| **FY18** | 97,362,680 | 45,851,140 | 38,162,179 | 181,375,999 |
| **Total kWh** | 281,185,140 | 133,828,800 | 113,683,499 | 528,697,439 |
| **Percentage** | **53.1845%** | **25.3129%** | **21.5026%** | **100%** |
| **Rebate Allocation ESTIMATE** | **$425,476** | **$202,503** | **$172,021** | **$800,000** |

# SOUTHEAST ALASKA POWER AGENCY

**Date:** June 11, 2018

**To:** SEAPA Board of Directors

**From:** Trey Acteson, Chief Executive Officer

**Subject:** Wholesale Power Rate

The FY19 budget to be presented for the Board's consideration is premised on retaining the current Wholesale Power Rate (WPR) of 6.8 cents/kWh. The rate has remained constant for the past 20 years.

Please consider the following suggested motion:

| SUGGESTED MOTION |
| --- |
| **I move to approve setting SEAPA's wholesale power rate at 6.8 cents/kWh for Fiscal Year 2019.** |

# SOUTHEAST ALASKA POWER AGENCY

**Date:** June 8, 2018

**To:** SEAPA Board of Directors

**From:** Clay Hammer, Operations Manager

**Subject:** Consideration and Approval of Sole Source PO & Labor Contracts to Andritz Hydro Corporation for Purchase & Replacement of Actuator Pistons and Seals

The attached RR 259-15 Project discussion on the Tyee Lake Turbine Spherical Valves (TSV) explains the history leading up to this FY19 request for the board's consideration of a sole source award for the purchase and replacement of actuator pistons and seals from Andritz Hydro Corporation.

Staff spent a considerable amount of time researching procurement alternatives with other vendors for equivalent and less expensive components made in the USA for this project. Unfortunately, we could not find equivalent components. Escher-Wyss-Bell (now known as Andritz), is the original manufacturer/supplier and the sole source provider for the replacements we need. Andritz provided a budgetary quote for two actuator pistons and four seal kits, labor, and shipping, handling and import duty fees.

Section 8.1 of SEAPA's procurement policy provides that competitive bidding is not required "When the improvement can only be provided by a single contractor; or when supplies, materials, equipment or contractual services can be furnished only by a single dealer, and have a uniform price wherever purchased". There is a 12-month lead time for ordering the replacement components. The proposal from Andritz will be valid through August 31, 2018.

Board authorization is requested by staff for a sole source Purchase Order contract for the not-to-exceed value of $315,700 and a labor contract with Andritz for the not-to-exceed value of $50,000. The existing actuators and seals are originally purchased equipment. This will be the first time replacements have been requested and Andritz is the only vendor that has qualified laborers for replacement.

Staff will seek approval of $365,700 in the FY2019 budget for this sole source request.

The following is a suggested motion:

| SUGGESTED MOTION |
| --- |
| **I move to authorize staff to enter into a sole source Purchase Order Contract with Andritz Hydro Corporation for two actuator pistons, four seal kits, shipping, handling, and import duty fees for the not-to-exceed value of $315,700, and a contract with Andritz for $50,000 for the labor to replace the two actuator pistons and two seals for SEAPA's R&R Project 259-15 for a total not-to-exceed value of $365,700.** |

Attachment:
R&R 259-15

| Project | TURBINE SHUT-OFF VALVES TYL | | |
|---|---|---|---|
| Description | Restore reliability of TSV operation and add emergency manual control. | | |
| Current Estimate: | **$625,458** | Scheduled: FY19 | Project Mgmt: Clay Hammer |

## PROJECT DISCUSSION

The Tyee Turbine Shut-off Valves (TSVs) have a water-based control system that has been unreliable due in part to corrosion and biological fouling. These are large, mission-critical valves with complex control systems. Some of the specialized core control components have degraded and require significant refurbishment. An R&R project was initiated and approved in in FY15 to conduct a thorough assessment of a possible oil-based alternative, provide an engineered solution, and complete required mechanical field work.

**FY15** – SEAPA staff worked with HDR in January to assess alternatives, conduct valve inspections and perform operational testing. From this effort, a lower cost non-oil alternative was identified and a detailed scope of corrective alternatives developed. Engineering tasks related to design control and refurbishment are in-progress and include adding manual local control functionality. Mechanical field work began during the May 2015 maintenance outage, including replacement of some of the control valves and machining of the TSV#1 valve block manifold.

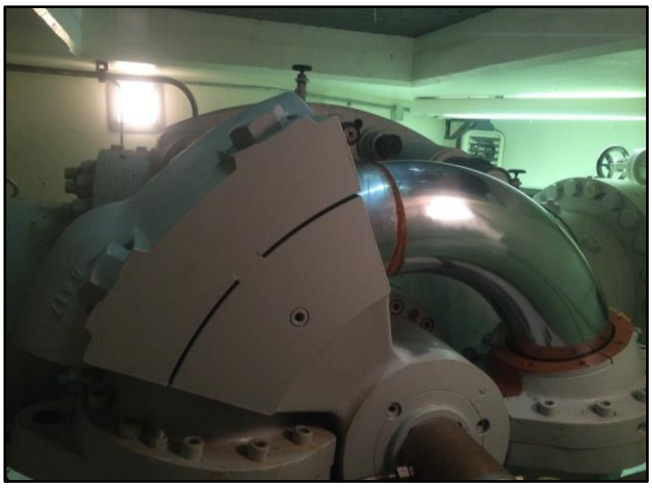
**FY16** – Engineering and field modifications for manual local control completed to allow reliable emergency operation. Existing manifolds and servo seals machined and remaining system components reconditioned as necessary to restore functionality.

**FY17** – Seeking qualified person for onsite repair of small pits in the toroidal cylinder and replacement of seals.

**FY18** – Servo inspected by Jaffa Construction. Hired consultant to write welding specification and facilitate in-place repairs. Further inspection determined that on-site repair was not feasible.

**FY19** – Purchase two actuator pistons and two seal kits for replacements, plus provide two additional seal kits for spares. Hire contractor to replace two pistons and two seals.

SERVO POSITION FOR VALVE OPEN



SERVO POSITION FOR VALVE CLOSED

FY2019 R&R PROJECT

# R&R 259-15

## TURBINE SHUT-OFF VALVES

| PROJECT COST ESTIMATE | |
|---|---|
| **DESCRIPTION** | **Cost Estimate** |
| Engineering | $133,000 |
| Add manual control | 63,000 |
| New hand pump & manifold piping | 9,000 |
| Spare & replacement control valves | 27,000 |
| Manifold machining | 16,000 |
| New TSV#1 servo seal | 17,500 |
| Vent valve machining | 9,000 |
| (2) New actuator pistons | 255,700 |
| (4) Actuator piston seal kits | 35,000 |
| Labor to replace (2) sets of seals and (2) actuator pistons | 50,000 |
| Shipping, Handling & Import Duties for (2) sets of seals and (2) actuator pistons | $25,000 |
| | $640,200 |

| EXPENDITURES | |
|---|---|
| FY15 Expenditures | $84,857 |
| FY16 Expenditures | 170,774 |
| FY17 Expenditures | 384 |
| FY18 Expenditures | 3,743 |
| Budget FY19 | 365,700 |
| Project Total | $625,458 |

### Project Cost Discussion

FY15 – Originally budgeted at $558,500

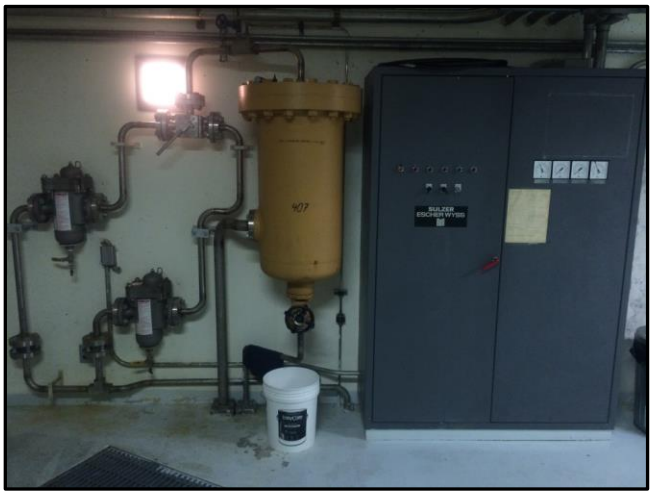
FY16 - Estimate lowered.

FY17 - Overall budget increased $16,000 to complete remaining scope of work in FY2017.

FY18 – Carry-forward of remaining $35K budget. Inspection

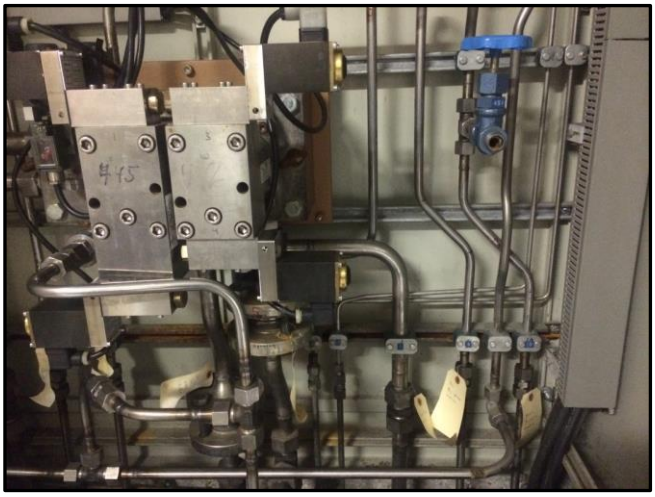
**FY19** - $365,700 to cover replacement of actuator pistons and seals. Cost estimate includes two extra sets of piston seals (inventory).

Unit #1 TSV, by-pass pipe and valve, control cabinet and filter on floor above



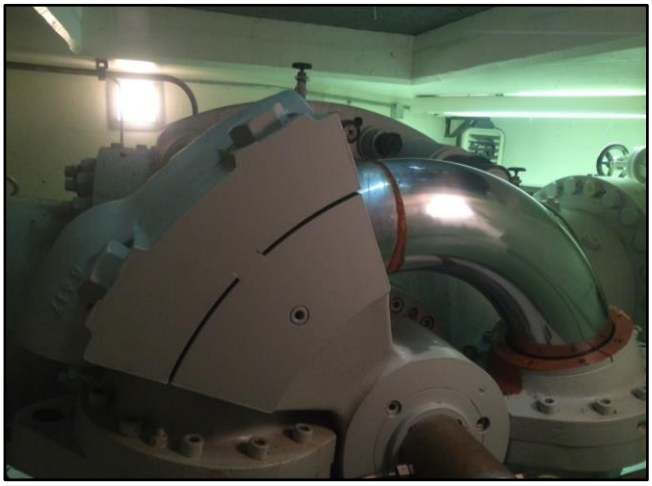
Filter system to left of control cabinet

Control valves, timers and switches internal to cabinet



Control valves and piping (lower portion of cabinet)

Servo position for valve open



Servo position for valve closed

# SOUTHEAST ALASKA POWER AGENCY
# CEO REPORT

DATE: June 14, 2018

TO: SEAPA Board of Directors

FROM: Trey Acteson, CEO

SUBJECT: CEO Report

## GOVERNMENTAL AFFAIRS:

The Alaska State Legislature gaveled out on the morning of May 13th. Our state legislative efforts this year were primarily focused on monitoring emerging legislation posing a threat to the electric industry and lobbying against newly proposed onerous environmental regulations. Issues such as funding for the Renewable Energy Fund, Emerging Technology Fund, and Power Cost Equalization were also in play. Energy related initiatives mostly died on the vine, failing to advance out of committee. This was a result of joint lobbying efforts by energy industry leadership. As Co-chair of the Alaska Power Association's Manager's Forum and Vice Chair of their Hydro Working Group, I helped rally Alaska utility managers to address important issues as they arose throughout the legislative session.

The "Yes for Salmon" initiative was certified for the 2018 ballot. The proposed Act will impose duplicative permitting and study requirements for new hydro project development and will likely increase costs for municipalities throughout S.E. Alaska. I encourage you to review the initiative, which is attached. SEAPA strongly supports healthy fisheries; however, there is more involved than what the simple title of this initiative suggests. The proposed legislation is flawed.

On the Federal level, I continue to pursue pathways to advance our Swan Lake land conveyance legislation in the Senate. While in D.C. for National Hydropower Association's Waterpower Week at the end of April, I made visits to the Hill. I met with Joe Balash, Assistant Secretary for Land and Minerals Management, and discussed our land conveyance issue. Mr. Balash advised that our current course of action was the fastest and lowest cost option, which was somewhat reassuring after more than three years of effort. We also discussed the negative impact of the Roadless Rule on hydropower development, transmission line access, and regional economic development in Southeast. Mr. Balash is a strong advocate for Alaska and has a thorough understanding of our issues. I also met with key legislative staffers that are working behind the scenes to find a vehicle for our land conveyance legislation. They were well versed on the issue and assured me it was still prominently on their radar. There are a handful of other non-controversial Alaska lands issues they are trying to bundle together. At this point, it does not appear there will be an omnibus energy bill coming out of the Senate. Our legislation will likely require repackaging with a new vehicle.

In mid-May I received a personal invitation from Senator Murkowski to join a small group of Alaska leadership at the University of Alaska Fairbanks for Alaska National Lab Day. Heads from 12 of the 17 DOE National Laboratories were assembled in one place for the first time to learn more about Alaska micro-grids and seek connections to incubate solutions for energy challenges facing Alaskans and the rest of the Nation. For those not familiar with the National Labs, they are huge entities with billion-dollar budgets and thousands of doctors and scientists at each location. They are typically some of Americas best and brightest minds, solving real world issues with a goal to create useable end products. I met with leaders from the National Renewable Energy Laboratory and Pacific Northwest National Laboratory, among several others. There are a variety of potential collaborative (cost sharing) opportunities that could benefit SEAPA. We discussed climate data/forecasting, wind resource modeling, and system stability dynamic research. I submitted formal feedback on topics of interest and anticipate they will generate a list of action items they will pursue. I also met with Gwen Holdmann, Director of Alaska Center for Energy and Power (ACEP). ACEP is based at the University of Alaska and is working to develop cost-effective energy solutions for Alaska and beyond. Their research group may be of value when we begin validation of computer generated wind modeling for our region.

**REGULATORY COMMISSION OF ALASKA (RCA):**

Staff and SEAPA legal counsel continue to support Petersburg and Wrangell in drafting responses to the RCA to resolve an open issue regarding the Thomas Bay Power Authority (TBPA) and SEAPA assuming operations of Tyee. At the core of the issue is TBPA's certificate of convenience and proper closeout in the record. On May 23rd, SEAPA counsel filed a supplemental application to discontinue a certificate of public convenience and necessity by TBPA accompanied by my declaration supporting the application to discontinue services by TBPA. This was a follow-up response to the initial Application to Discontinue Certificate No. 377. We will report back when there is an update from the Commission.

**PUBLIC RELATIONS:**

During the month of April, I visited all three member communities and presented to their respective Councils and Assemblies. Scheduling was somewhat challenging, but I appreciated their willingness to fit me into their busy agendas.

SEAPA will once again sponsor fireworks shows in our member communities. We are also working to accommodate changes in the salmon derby sponsorships as they have shifted times and species. Since SEAPA strongly supports healthy fisheries, this is good exposure for the Agency.

I continue to receive positive feedback from our radio announcements and will look to freshen up messaging as the year progresses.

SEAPA will host the National Hydropower Association's (NHA) Alaska Regional Meeting in Ketchikan on September 11. This coincides with Southeast Conference's meeting that starts the following day. This is a good opportunity to hear first-hand what is going on specific to hydroelectric power policy at the Federal level and I encourage Board Members to attend. SEAPA staff can assist with registration and travel arrangements.

**I.B.E.W. LABOR AGREEMENT:**

The existing labor agreement, which includes our Tyee operators and the Brushing Crew, is scheduled to end at the end of June. I have been in communication with the local I.B.E.W. Representative and anticipate scheduling a meeting in the very near future. I have also met with staff to review every section of the existing contract and have subsequently drafted potential new language. The next step is a preliminary legal review and then we will move forward with negotiations. I anticipate a special meeting will be required in July to present a tentative agreement to the SEAPA Board for consideration and approval. The existing contract will stay in effect until a new one is ratified.

**WHITMAN TRUE-UP AGREEMENT:**

We have reached tentative agreement with KPU on the updates to the Whitman True-up and are awaiting acknowledgement of approval by the Ketchikan City Council. Once that step is complete, the tentative agreement will be presented to the SEAPA Board for consideration and final approval. Overall, changes are minor and will simplify administration. The Whitman Project was able to be fully utilized last year without any true-up payment because operation did not cause spill at SEAPA's reservoirs. At mid-point this year, SEAPA's reservoirs have a lot of available capacity and no spill has occurred in the latest water cycle.

**BEST PRACTICES AND PROCESS IMPROVEMENTS:**

We have completed enhancements to our in-house testing and monitoring capability of critical equipment, including relays and battery systems. Our focus for FY19 will be to shore up Standard Operating Procedures at the power plants and refine the Mapcon computerized maintenance management systems (CMMS). This will require active involvement and ownership in the process from all parties involved.

**PERSONNEL:**

Mr. Henson will be retiring at the end of this month. He has worked closely with his replacement over the last couple of months to ensure a seamless transition. I am grateful for Steve's outstanding contributions to the Agency and have truly enjoyed having him on the team.

Attachment:

"Yes for Salmon" Ballot Initiative

**AN ACT ENTITLED**

"An Act providing for protection of wild salmon and fish and wildlife habitat"

BE IT ENACTED BY THE PEOPLE OF THE STATE OF ALASKA:

*Section 1. The uncodified law of the State of Alaska is amended by adding a section to read:

**Alaska Fish Habitat Policy.**

Because wild salmon are critically important to Alaska's communities, economies and cultures, it is the policy of the State of Alaska to:

(a) ensure sustainable fisheries for current and future generations by maintaining wild salmon stocks, other anadromous fish species, and important fish and wildlife habitat;
(b) protect water resources and habitat that support Alaska's wild salmon and other anadromous fish species;
(c) ensure that development activities comply with enforceable standards that protect wild salmon, other anadromous fish species, and important fish and wildlife habitat; and
(d) ensure that the Department of Fish and Game protects the natural fishery resources of Alaska consistent with Article VIII of the Alaska Constitution.

*Section 2. AS 16.05 is amended by adding a new section to read:

**Sec. 16.05.867. Fish and wildlife habitat protection standards.**

(a) The commissioner shall ensure the proper protection of fish and wildlife, including protecting anadromous fish habitat from significant adverse effects.
(b) When issuing a permit under AS 16.05.867-16.05.901, the commissioner shall ensure the proper protection of anadromous fish habitat by maintaining:
  (1) water quality and water temperature necessary to support anadromous fish habitat;
  (2) instream flows, the duration of flows, and natural and seasonal flow regimes;
  (3) safe, timely and efficient upstream and downstream passage of anadromous and native resident fish species to spawning, rearing, migration, and overwintering habitat;
  (4) habitat-dependent connections between anadromous fish habitat including surface-groundwater connections;
  (5) stream, river and lake bank and bed stability;
  (6) aquatic habitat diversity, productivity, stability and function;
  (7) riparian areas that support adjacent fish and wildlife habitat; and
  (8) any additional criteria, consistent with the requirements of AS 16.05.867-AS 16.05.901, adopted by the commissioner by regulation.
(c) The commissioner is authorized, in accordance with AS 44.62, to adopt regulations consistent with AS 16.05.867-16.05.901. All regulations, administrative actions and other duties carried out under this chapter shall be consistent with and in furtherance of the standards set out in this section.

* Section 3. AS 16.05.871 is repealed and reenacted to read:

**Sec. 16.05.871. Fish habitat permit required for certain activites in anadromous fish habitat.**

(a) Except as provided under AS 16.05.891, a person must obtain an anadromous fish habitat permit under AS 16.05.867 - 16.05.901 before initiating any activity that may use, divert, obstruct, pollute, disturb or otherwise alter anadromous fish habitat. The commissioner may specify in regulation activities that do not require an anadromous fish habitat permit if the activity has only a de minimis effect on anadromous fish habitat.
(b) The commissioner shall specify in regulation anadromous fish habitat.

(c) In the absence of a specification under (b) or a site-specific determination by the department under (e) of this section, the commissioner shall presume that a naturally occurring permanent or seasonal surface water body, including all upstream tributaries and segments, is anadromous fish habitat if it is connected to anadromous waters specified under (b) of this section or connected to marine waters.

(d) The presumption established under (c) of this section applies exclusively to AS 16.05.867-16.05.901.

(e) The department may conduct a site-specific review at the request of an applicant to determine whether to exclude a water body from the presumption established under (c) of this section. A determination that a water body is not anadromous fish habitat must be supported by the commissioner's written finding and verifiable documentation that it is not anandromous fish habitat. Any site-specific determination must be made available on the department's internet website with public notice provided through the Alaska Online Public Notice System (AS 44.62.175). The commissioner shall adopt regulations specifying how the department shall conduct site-specific reviews.

(f) In this chapter, "anadromous fish habitat" means a naturally occurring permanent or intermittent seasonal water body, and the bed beneath, including all sloughs, backwaters, portions of the floodplain covered by the mean annual flood, and adjacent riparian areas, that contribute, directly or indirectly, to the spawning, rearing, migration, or overwintering of anadromous fish.

*Section 4. AS 16.05 is amended by adding a new section to read:

**Sec. 16.05.875. Anadromous fish habitat permit application.**

(a) An applicant for an anadromous fish habitat permit shall complete an application on a form approved by the department for a permit under AS 16.05.867-16.05.901 and submit the application to the department. The commissioner shall require or collect all information, plans and specifications necessary to assess the proposed activity's potential adverse effects on anadromous fish habitat, and may collect or request additional information to evaluate an application. An applicant shall provide all information required or requested by the commissioner to assess a proposed activity's effects on anadromous fish habitat, including
(1) the scope, timing and duration of the proposed activity; and
(2) mitigation measures planned for areas of affected anadromous fish habitat.

(b) Upon receiving a complete fish habitat permit application and any other information requested or collected by the commissioner, the commissioner shall determine whether the proposed activity has the potential to cause significant adverse effects on anadromous fish habitat under AS 16.05.877(a). Before making the determination, the commissioner may work with the applicant in planning the activity to avoid or minimize the activity's potential adverse effects on anadromous fish habitat.

(c) If the commissioner finds that a proposed activity with proposed conditions and mitigation measures will not cause significant adverse effects to anadromous fish habitat under AS 16.05.877(a), the commissioner shall determine the application is for a minor anadromous fish habitat permit under AS 16.05.883.

(d) If the commissioner finds that a proposed activity has the potential to cause significant adverse effects to anadromous fish habitat under AS 16.05.877(a), the commissioner shall determine the application is for a major anadromous fish habitat permit under AS 16.05.885.

(e) The department shall provide public notice of a determination made under this section. The department shall
(1) post notice of the determination on the Alaska Online Public Notice System (AS 44.62.175); and
(2) make a copy of the application available on the department's website.

* Section 5. AS 16.05 is amended by adding a new section to read:

**Sec. 16.05.877. Significant adverse effects.**

(a) The commissioner shall find the potential for significant adverse effects where the activity may, singly or in combination with other factors:
  (1) impair or degrade any habitat characteristic protected under AS 16.05.867;
  (2) interfere with or prevent the spawning, rearing, or migration of anadromous fish at any life stage;
  (3) result in conditions known to cause increased mortality of anadromous fish at any life stage;
  (4) lower the capacity of anadromous waters to maintain aquatic diversity, productivity or stability; or
  (5) impair any additional criteria, consistent with the requirements of AS 16.05.867-16.05.901, adopted by the commissioner through regulation.

(b) The commissioner shall find that the proposed activity will cause substantial damage to anadromous fish habitat and fish and wildlife species if, despite the application of scientifically proven, peer reviewed and accepted mitigation measures under AS 16.05.887, the anadromous fish habitat will be adversely affected such that it will not likely recover or be restored within a reasonable period to a level that sustains the water body's, or portion of the water body's, anadromous fish, other fish, and wildlife that depend on the health and productivity of that anadromous fish habitat.

(c) In determining whether anadromous fish habitat will recover or be restored within a reasonable period under this section, the commissioner shall account for the life stage, life span, and reproductive behavior of the species of anadromous fish that depend on the habitat adversely affected by the proposed activity using the best available scientific information.

(d) In determining whether adversely affected anadromous fish species will remain sustainable and recover , the commissioner shall consider likely post-project conditions known to result in the mortality of anadromous fish at any life stage, and known to interfere with or prevent spawning, rearing or migration of anadromous fish using the best available scientific information.

*Section 6. AS 16.05 is amended by adding new sections to read:

**Sec. 16.05.883. Minor individual anadromous fish habitat permit.**

(a) A minor anadromous fish habitat permit may be issued by the commissioner for an activity if the commissioner determines that:
  (1) all application requirments under AS 16.05.875 are met, including the determination that the activity will not cause significant adverse effects to anadromous fish habitat; and
  (2) public notice has been given as required in AS 16.05.875(e).

(b) The minor anadromous fish habitat permit under this section must include all permit conditions or mitigation measures required of the permittee under AS 16.05.887.

**Sec. 16.05.884. General permits for minor activities.**

(a) The commissioner may authorize a general permit on a regional or other geographical basis for similar activities, if the commissioner determines that:
  (1) the activity will not singly or cumulatively cause significant adverse effects on anadromous fish habitat;
  (2) the activity is not related to large-scale development;
  (3) adverse effects can be avoided by meeting certain conditions and stipulations;
  (4) any conditions or stipulations are mandatory and enforceable; and

(5) a general permit is in the public interest.

(b) The commissioner may issue a proposed general permit or a person may petition the commissioner to issue a proposed general permit.

(c) A petition shall include a description of the geographic location and the proposed permitted activity and provide information explaining how the activity meets the requirements under (a) of this section. The commissioner shall determine whether to grant or deny a petition within 30 days.

(d) When the commissioner makes a determination to propose a general permit under (b) or (c) of this section, the commissioner shall provide public notice of the proposed general permit and provide at least 30 days for receipt of public comments. The commissioner shall hold at least one public hearing if requested by an interested person. If the proposed general permit meets the requirements in (a) of this section, the commissioner may make a determination to issue a general permit.

(e) The commissioner may issue a regional or geographical authorization to cover any person conducting an activity under a general permit or require a person to first obtain a written authorization from the department before being covered under the general permit. The department shall make general permit authorizations available through electronic means. The commissioner shall issue a decision on a request for written authorization within 5 work days after receiving the request. The general permit authorization shall set forth enforceable stipulations to avoid adverse effects to anadromous fish habitat.

(f) The commissioner shall review a general permit at least every 5 years. The commissioner may make a determination to reissue the general permit if the requirements under (d) of this section are met.

(g) The commissioner may amend a general permit at any time to include additional stipulations. The commissioner may rescind a general permit if the commissioner determines that the general permit no longer meets the requirements of (a) of this section. The commissioner shall issue public notice of any proposed permit amendment or the intent to rescind a general permit, and shall provide at least 30 days for receipt of public comments.

(h) Notice under this section shall be provided in accordance with AS 16.05.875(e).

**Sec. 16.05.885. Major anadromous fish habitat permit.**

(a) Unless reconsideration is requested under AS 16.05.889, the commissioner shall, after providing notice under AS 16.05.875(e) of a determination under AS 16.05.875(d), prepare a draft major anadromous fish habitat permit assessment that identifies and describes:

(1) the proposed activity;

(2) the extent, timing and duration of the potential adverse effects the activity could have on anadromous fish habitat and other fish and wildlife;

(3) possible alternatives or modifications to the proposed activity that will avoid or minimize the activity's potential adverse effects on anadromous fish habitat;

(4) any permit conditions and mitigation measures that the department may require of the permittee under AS 16.05.887;

(5) the amount of the performance bond necessary to restore anadromous fish habitat if the permittee is not in compliance with the permit conditions and mitigation measures required under AS 16.05.887; and

(6) the commissioner's determination of whether the proposed activity's significant adverse effects, singly or in combination with other factors:

(A) will be prevented or minimized under AS 16.05.887; or

(B) will cause substantial damage to anadromous fish habitat under AS 16.05.877(b).

(b) The commissioner shall collect, or require the applicant to collect, the information needed for permitting. The commissioner may recover fees equal to the cost of services for collecting the information and conducting the fish habitat permit assessment.

(c) Upon completion of the draft assessment under (a) of this section, the department shall:
(1) post notice on the Alaska Online Public Notice System (AS 44.62.175);
(2) make a copy of the draft assessment available on the department's website; and
(3) provide at least 30 days for public comment.

(d) After the completion of the comment period established by (c)(3) of this section and evaluation of the comments received, the commissioner shall publish a final assessment and a written permit determination on the department's website. The final assessment must include all of the components required for a draft assessment under (a) of this section. The written permit determination shall set forth the reasons for the decision and the basis for concluding that the requirements of AS 16.05.887 and of (e) of this section are met. The department shall post public notice of the final assessment and permit determination on the Alaska Online Public Notice System (AS 44.62.175) and provide written or electronic notice to each person who commented on the commissioner's determination that the application for the permitted activity was an application for a major permit under AS 16.05.875(d) or on the draft assessment prepared under (a) of this section for the activity.

(e) The commissioner may issue a major permit to an applicant only if:
(1) the public notice period required under (c) of this section is complete;
(2) any permit conditions and mitigation measures under AS 16.05.887 are mandatory and enforceable;
(3) the activity, as authorized by the written permit determination, will not cause substantial damage to anadromous fish habitat under AS 16.05.877(b);
(4) the applicant, if required, provides the bond required by (g) of this section; and
(5) a request for reconsideration of the commissioner's final assessment and written determination under (d) of this section is not timely received under AS 16.05.889.

(f) If request for reconsideration of the commissioner's final assessment and written determination issued under (d) of this section is timely received under AS 16.05.889(a), the commissioner shall issue a major permit for the activity when the commissioner
(1) denies the request for reconsideration or issues a new determination under AS 16.05.889(c); and
(2) finds that the requirements of (e) of this section have been met.

(g) After the commissioner issues a written permit determination under (d) of this section, the applicant shall file with the commissioner, on a form furnished by the commissioner, a performance bond in an amount established by the commissioner payable to the State of Alaska and conditioned on faithful performance of the requirements of this chapter and the permit. The commissioner may not issue a permit until an applicant files the bond in an amount sufficient to ensure compliance with permit terms and the completion of the mitigation measures determined necessary by the commissioner under AS 16.05.887 and included in the written permit determination posted under (d) of this section. The performance bond may be a corporate surety bond issued by a corporation licensed to do business in the state or a personal bond secured by cash or its equivalent. The commissioner may not accept a bond executed by the applicant without separate surety.

(h) A governmental entity or federally recognized tribe is exempt from the bonding requirements of this section.

(i) A permittee may not transfer or assign authority to conduct an activity that requires a permit under this section to another person without:
(1) the written approval of the commissioner; and
(2) posting a performance bond for the transferee or assignee as required under (g) of this section, unless the transferee or assignee is exempt under (h) of this section.

(j) In this section "federally recognized tribe" has the meaning given in AS 23.20.520.

*Section 7. AS 16.05 is amended by adding a new section to read:

**Sec. 16.05.887. Permit conditions and mitigation measures.**

(a) The commissioner shall prevent or minimize significant adverse effects to anadromous fish habitat. The commissioner shall require a permittee under AS 16.05.885 to implement the permitted activity in a manner that avoids significant adverse effects to anadromous fish habitat or, if significant adverse effects cannot be avoided, to mitigate significant adverse effects to fish and wildlife including anadromous fish habitat under (b) of this section. Notwithstanding (b) of this section, an anadromous fish habitat permit may not be granted for an activity that will:
  (1) cause substantial damage to anadromous fish habitat under AS 16.05.877(b);
  (2) fail to ensure the proper protection of fish and wildlife;
  (3) store or dispose of mining waste, including overburden, waste rock, and tailings in a way that could result in the release or discharge of sulfuric acid, other acids, dissolved metals, toxic pollutants, or other compounds that will adversely affect, directly or indirectly, anadromous fish habitat, fish, or wildlife species that depend on anadromous fish habitat;
  (4) replace or supplement, in full or in part, a wild fish population with a hatchery-dependent fish population;
  (5) withdraw water from anadromous fish habitat in an amount that will adversely affect anadromous fish habitat, fish, or wildlife species; or
  (6) dewater and relocate a stream or river if the relocation does not provide for fish passage or will adversely affect anadromous fish habitat, fish, or wildlife species.

(b) When establishing permit conditions for an activity, the commissioner shall, in order of priority, require a permittee under AS 16.05.883, AS 16.05.884, or AS 16.05.885 to mitigate adverse effects by taking one or more of the following actions:
  (1) limit adverse effects of the activity on anadromous fish habitat by changing the siting, timing, procedure, or other manageable qualities of the activity;
  (2) if the adverse effects of the activity cannot be prevented under (1) of this subsection, minimize the adverse effects of the activity by limiting the degree, magnitude, duration, or implementation of the activity, including implementing protective measures or control technologies; and
  (3) if the activity cannot be implemented in a manner that prevents adverse effects to anadromous fish habitat under this subsection, restore the affected anadromous fish habitat.

(c) Permit conditions and mitigation measures under this section may not offset the activity's adverse effects by restoring, establishing, enhancing, or preserving another water body, other portions of the same water body, or land.

(d) The commissioner shall require an applicant to employ the best available, scientifically supported techniques to mitigate adverse effects under (b) of this section.

(e) The department may adopt regulations consistent with AS 16.05.867 - 16.05.901 establishing appropriate permit conditions and mitigation measures applicable to activities subject to permitting requirements under AS 16.05.883, AS 16.05.884 or AS 16.05.885.

*Section 8. AS 16.05 is amended by adding a new section to read:

**Sec. 16.05.889. Reconsideration of determinations.**

(a) Within 30 days after the date of a determination of the commissioner under AS 16.05.871(e), AS 16.05.875(c) or (d), AS 16.05.883, AS 16.05.884(d) or (f), or AS 16.05.885(d), any interested person may request that the commissioner reconsider the determination. A request for reconsideration must be in writing.

(b) Within 30 days after receiving a request for reconsideration, the commissioner shall issue a written determination granting or denying the request. If the commissioner does not act on

the request for reconsideration within 30 days after receiving the request, the request is denied. If the commissioner grants the request for reconsideration, the commissioner will issue a final determination within 30 days.

(c) Unless the commissioner orders a remand for further agency proceedings, the commissioner's determination upon reconsideration is the final administrative decision for purposes of appeal to the superior court under AS 44.62.560. A person shall initiate an appeal within 30 days after the date that the final determination is mailed or otherwise distributed, or the date that the request for reconsideration is considered denied by the commissioner's failure to act on the request, whichever is earlier.

*Section 9. AS 16.05 is amended by adding new sections to read:

**Sec. 16.05.894. Notification of violation.**

When the commissioner finds, after investigation, that a person is violating a provision of AS 16.05.867-16.05.901, a regulation adopted under AS 16.05.867-16.05.901, a permit condition or stipulation imposed under AS 16.05.884, or a permit condition or mitigation measure imposed under AS 16.05.883 or AS 16.05.885, the commissioner shall notify the permittee of the nature of the violation and:

(1) order that the violation be stopped; or

(2) if the violation cannot be stopped, order the permittee to prevent or mitigate the adverse effects of the violation on anadromous fish habitat, fish and wildlife, and other adversely affected resources in a manner consistent with AS 16.05.867-16.05.901.

*Section 10. AS 16.05.901(a) is amended to read:

**Sec. 16.05.901. Penalty for violations of AS 16.05.867-16.05.901 [16.05.896].**

(a) A person who, with criminal negligence, violates or permits a violation of AS 16.05.867-16.05.901, a regulation adopted under AS 16.05.867-16.05.901, a permit condition or stipulation imposed under AS 16.05.884, a permit condition or mitigation measure imposed under AS 16.05.883 or AS 16.05.885, or an order issued under AS 16.05.894 is guilty of a class A misdemeanor and is punishable as provided in AS 12.55. In this subsection, "criminal negligence" has the meaning given in AS 16.81.900(a).

*Section 11. AS 16.05.901 is amended by adding new subsections to read:

(c) Notwithstanding (a) of this section, if a person or governmental agency fails to notify the commissioner of an activity for which a permit is required under AS 16.05.867-16.05.901 and the activity causes material damage to anadromous fish habitat or, by neglect or noncompliance with permit conditions and stipulations imposed under AS 16.05.884 or permit conditions or mitigation measures imposed under AS 16.05.883 or AS 16.05.885, causes material damage to anadromous fish habitat, the person or governmental agency is guilty of a class A misdemeanor and is punishable as provided in AS 12.55.

(d) Each day that a violation under this section occurs or continues is a separate violation.

(e) A person who violates or permits a violation of AS 16.05.867-16.05.901, or a regulation adopted under AS 16.05.867-16.05.901, a permit condition or stipulation imposed under AS 16.05.884, a permit condition or mitigation measure imposed under AS 16.05.883 or AS 16.05.885, or an order issued under AS 16.05.894 is liable, after notice and hearing, for a civil penalty in an amount not to exceed $10,000 to be assessed by the commissioner. In determining the amount of the civil penalty, the commissioner shall consider:

(1) the character and degree of injury to anadromous fish, other fish, and wildlife habitat;

(2) the degree of intent or negligence of the respondent in causing or permitting the violation;
(3) the character and number of past violations caused or permitted by the respondent; and
(4) if the information is available, the net economic savings realized by the respondent through the violation.

(f) If a respondent violates an order issued under AS 16.05.894, the attorney general, upon the request of the commissioner, may seek an injunction requiring the respondent to suspend an activity, in whole or in part, until the respondent complies with the order.

(g) If a respondent violates an order issued under AS 16.05.894 that requires the respondent to repair or correct damage, the commissioner may proceed to repair or correct the damage using state agency employees or contractors and the respondent shall be liable for the cost of the repair. The commissioner shall deliver to the respondent an itemized statement of expenses incurred.

(h) The supreme court shall establish by order or rule a schedule of bail amounts for violations under (a) of this section that allow the disposition of a citation without a court appearance. The bail amount for a violation must be stated on the citation.

*Section 12. AS 16.05 is amended by adding new sections to read:

**Sec. 16.05. Scope.**

The provisions of this Act do not apply to existing activities, operations, or facilities that have received all required federal, state, and local permits, authorizations, licenses, and approvals for activities adversely affecting anadromous fish habitat, on or before the effective date of this Act, until expiration or termination of the user's permit, authorization, license, or approval.

*Section 13. AS 16.05.851 and AS 16.05.896 are repealed.

AS 16.05.851 and AS 16.05.896 are repealed.

*Section 14. The uncodified law of the State of Alaska is amended by adding a section to read:

The provisions of this Act are independent and severable. If any provision of this Act is found to be invalid or unconstitutional, the remainder of this Act shall not be affected and shall be given effect to the fullest extent possible.

# SOUTHEAST ALASKA POWER AGENCY

**Date:** June 6, 2018

**To:** Trey Acteson, Chief Executive Officer

**From:** Clay Hammer, Operations Manager

**Re:** Report for February 19-20, 2018 Board Meeting

## MAJOR CONTRACTS and PROJECTS

### Tyee Road Access to Tidewater Project

SEAPA had applied to the U.S. Army Corps of Engineers (USACE) for assistance with design and implementation of a plan to alleviate the silting in the Tyee Lake harbor area. We received an official letter from the Corps stating that they have determined there to be no federal interest in the Tyee Lake Navigation Improvements Study.

Staff solicited an estimate from a local contractor for a budgetary figure. $2,533,000 was the ROM estimate for the construction of a road from the harbor to salt water plus a breakwater and landing area. This road and new harbor area would give us 24/7 access by water to the Tyee project, which would be a significant safety and maintenance improvement.

Further review by staff discovered that tunnel tailings that were to be used for fill material for the roadway were not ample enough to complete the project thereby adding substantial drilling and blasting costs to the original estimate. Knowing that a substantial amount of rock would be required to complete the project using the shore side route, staff took another look at available route alternatives that may be more feasible knowing that drilling and shooting would need to take place anyway. What staff discovered is that there is another possible route that could reduce the overall length of the road by 4/10ths of a mile and possibly require less rock work.

Staff is now in the process of preparing a Request for Proposals (RFP) to have a qualified engineering firm evaluate the two different road alternatives and provide a written report that will compare the overall cost difference between the two routes with consideration also given to any permitting, licensing, and easement requirements and environmental concerns.

[Remainder of page intentionally left blank.]

The above photo is a current aerial view of silt in the access channel leading to the Tyee Lake dock and barge landing.

(Note: Large Sandbar choking off access at the bend where Bradfield River meets access slough.)

Overhead view of alternative routes for construction of the Tyee Road:


| | | |
|---|---|---|
| Green Route | Original Shore-side proposed alternative | (Approx. 1.5 miles long) |
| Red & Yellow Overland Routes | Would follow inland contour of creek valley and muskeg benches | (Approx. 1.1 miles long) |
| Blue Line | Wrangell Transmission Line | N/A |

[Remainder of page intentionally left blank.]

(Aerial View)
Termination Point Inland and Shoreside Road Options

[Remainder of page intentionally left blank.]

(Aerial View)
Overland Route Looking Back towards Tyee Plant

(Note: Tyee and STI Transmission Lines coming up the valley with Bradfield River in the distance.)


**ATV Use on the Tyee Transmission System**

Staff has been in contact with Meridian Environmental, the contractor hired to see SEAPA's Tyee transmission line right-of-way Special Use Permit Amendment obligations through to completion regarding use by SEAPA of the Argo on Forest Service Land.

Meridian indicates that most of the work is complete and approved with only three (3) minor exhibits needing submittal to close the amended portion of the permit. These include:

1) List of locations used by Argo to access the right-of-way
2) Weed management protocol
3) List of stream crossings, crossing method, and streambank protection

This information has been provided to Meridian for inclusion in the permit amendment however Meridian staff further stated that conversations with the Forest Service Permit Administrator indicate that the actual Special Use Permit itself is not complete and that there are requirements within the original SUP that were never completed and need to be brought up to date.

Forest Service staff has identified elements of the original SUP that were either not completed or need updating. Staff has spoken with Meridian and have asked if the two elements of the permit can be separated. This would enable us to get the amendment complete for the Argo work and then focus on any issues regarding the actual SUP itself separately. Meridian staff will pursue this with the Forest Service permit administrator and get back with us.

(SEAPA Brushing Crew)
Assisting Local Volunteers with Firewood Delivery to the U. S. Forest Service's
Middle Ridge Cabin, on Wrangell Island

[Remainder of page intentionally left blank.]

## Tyee Satellite Platform Survey and Plat

A task order was issued to DOWL Engineering in Ketchikan to survey and plat the location of the Tyee satellite platform situated on DNR lands. This work is complete and has been turned in to DNR for approval. DNR approval is anticipated as soon as they have time to process the information.

**Swan-Tyee Intertie Final As-Built Survey and DNR ROW Permitting Process**

Field survey work has been completed. We can expect from three-to-twelve months for DNR to respond. Realistically, we may get this done by the end of 2018. The contractor performing this work is still waiting on a response from DNR.

**Submarine Cable ROV Inspection**.

SEAPA has awarded the contract for ROV submarine cable inspections to ITB Subsea Ltd. of Vancouver, BC. This work is currently scheduled to start the 5th of July in front of Wrangell with inspections of the Zimovia Strait, Stikine Strait, and Sumner Strait crossings to be documented first, then finishing with the Bradfield Canal crossing. ITB was the contractor that laid the cables back in 1982 and as such were the last to lay eyes on it until now. The report that is generated at the end of the inspection should provide valuable information on the condition of the cables and their future life expectancy.

**Annual Transmission Line and Plant Maintenance**

Annual line and plant maintenance is currently well on its way. Besides from the usual pole climbing inspections, the Agency is replacing a 100-ft.-tall, H-Pole structure on the Swan/Bailey line, a 65foot- single pole at 7-Mile along the Mitkof Highway near Petersburg and a broken Anchor will be repaired on the Tyee Line. Maintenance contractor, Electric Power Constructors will be performing the work during the scheduled outages.

Plant Maintenance to be performed during the scheduled outages include the Turbine Runner repair work at the Swan Lake plant and the ROV tunnel inspection work at Tyee Lake.

**Tyee Lake Report**

In addition to routine plant, substation, and switchyard maintenance, the Tyee crew participated in a scheduled training class on Arc Flash Awareness presented by SEAPA's electrical engineer, Robert Seidman, and safety contractor, David Martin, with TSS, Inc. of Ketchikan.

Other plant activities include:

- An overhaul of the plant garbage incinerator
- Installation of a battery monitor system in the battery room
- Updates and modifications to the Mapcon system
- Replacement of the gatehouse hydraulic control panel and support switches
- Modification of Gatehouse hydraulic piping

The brushing crew has been clearing trails and work areas from the helipads to and around the towers that are scheduled to be climbed for maintenance and inspection this season. This work will be take place on the Swan-Bailey line, the STI, and the Tyee line. Completion of the work is expected ahead of schedule with the balance of the season to be spent repairing helicopter pads and addressing other smaller brushing concerns.

**Swan Lake Report**

KPU's June 2018 Board Report, together with an Annual Swan Lake 2018 Shutdown Report attached as Appendix A, are attached for your review.

Staff will be available at the meeting to discuss any questions or concerns.

End of Report

# KETCHIKAN PUBLIC UTILITIES

## Swan Lake Project Report

Andy Donato, Electric Division Manager | June 2018

**SAFETY | ENVIRONMENTAL |SECURITY**

- Visitors include PRO&M review team, SSRAA, BAM LLC (construction crew), Ketchikan Yacht Club, BOC, FERC, American Hydro (turbine runner welders), bear hunters, power trollers (fishing boats overnight), KPU Linemen, Mistras Group (runner inspector)
- Two of three surveillance cameras are in-service; the third has been mounted and interconnected but still in progress due to network issues
- Intake building alarm field wiring is complete; configurations in progress
    - Plant horn or buzzer
    - Kuntz PLC power alarm
    - Intrusion input
- All KPU crew have been respiratory fit tested
- The auxiliary log boom remains broken, waiting on the appropriate lake level for repair
- Crane and rigging safety inspections made; bought new rigging and come-alongs

**OUTAGES | UNIT CONSTRAINTS | RESERVOIR LEVEL**

- KPU had a Diesel Campaign to mitigate Swan low lake level starting February 27th and ending April 13th; two record low lake levels reached: March 5th, 277.7' and April 2nd, 276.1' (Intake level at 271.5')
- Annual Outage May 30th – June 8th (shutdown report attached)
- Reservoir level: 305.3 and rising as of June 8th
- Raise/lower function for intake gate in the Control Room remains tagged "not operational" for Segrity work

**MAINTENANCE (Pre-outage)**

- Replaced chains on the draft tube (April 11)
- Brush rigging clean-up and megger testing (resistance to ground)
- Upper & lower generator winding clean-up
- LOTO/HEC revamp to streamline the planned outage; crew felt revamp was successful
- Bearing cooler leak repairs (thrust bearing on Unit #2)
- Coolant leak repairs on diesel generators
- Assisted with LOTO/HEC in initial third-party runner inspections
- Assisted BAM with Misc. Metalworks Project and road reconstruction work

- New communications link dish installation

**PROJECT SUPPORT**

- DC System Upgrade - New DC battery bank monitoring system
- Lake bubbler equipment support; conduit run for PLC interconnect
- Scrap steel and barge-out prep
- New station (LVSG) switch gear project review
- Supported transport of SEAPA's line clearing crew

**COMPLIANCE**

- Fire suppression cylinders are all back and spares in place
- Batteries in the common fire alarm panel were replaced
- Quarterly Dam deflection surveys made with R&M
- Spillway gate/standby power testing
- Gathering and review of DSSMR documents for FERC

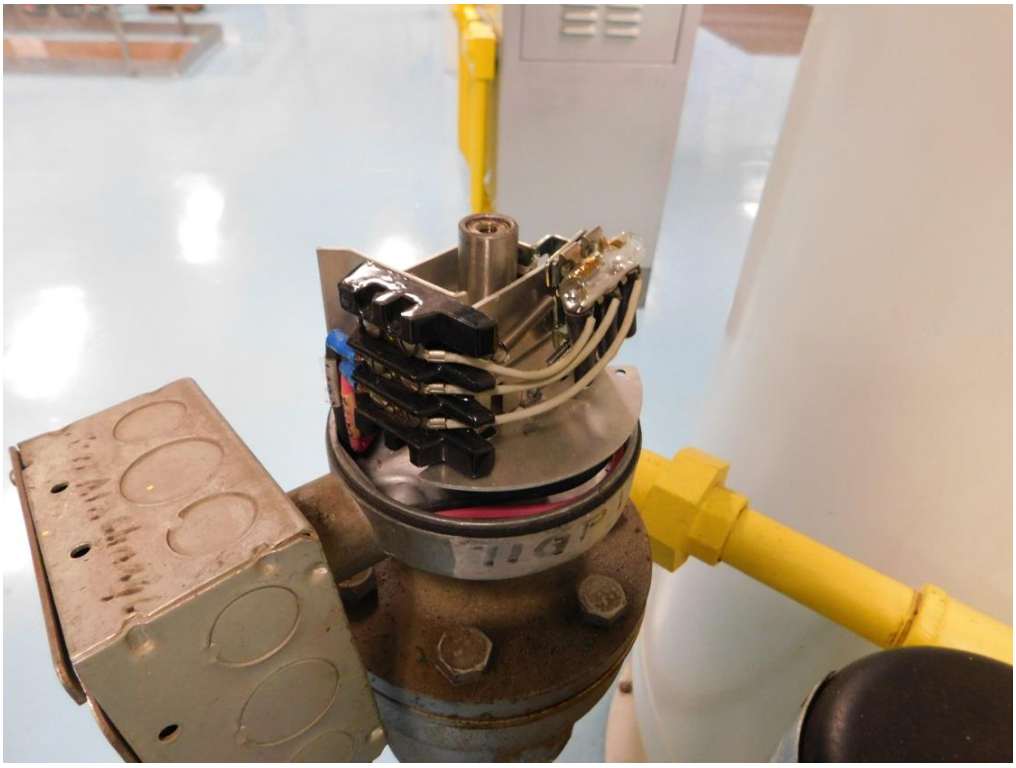
**(2018 Annual Swan Lake Shutdown Report attached; see Appendix A)**

**Photos/Attachment**

Above photo: Continuation of the DC Distribution System Upgrade

Above photo: Winch PMs and chain replacement for Draft Tube Stop Logs (gates)

Photo Below: Governor Oil pressure switch service



Above/Below photos: Ladder fabrication and install by BAM along Dam abutments

Above photo: Ladder fabrication and install by BAM along Dam abutments

Above photo:  new ladder and hand rails to top of Dam structure

Above photo:  New hand railing provides a perfect place for a security camera install

Attachment:

Appendix A - 2018 Annual Swan Lake Shutdown Report

# 2018 Annual Swan Lake Shutdown Report

## 5-30-18 through 6-8-18

Work performed by:
Joel Buchanan
Rick Warstler
Andy Cowan
Colin Ayers
John Milner
Barre Gadd
American Hydro
Electric Power Constructors
KPU linemen

# Work Completed During Shut Down

## Mechanical

- SWG#2 Thrust bearing temp gauge installed
- Inspected Zern water strainer
- Bearing clearances taken
- Draft tube inspections
- Wicket gate inspection and clearance
- Runner inspection
- Inlet / Bypass valve inspection
- Brake shoe inspection / measurements
- Draft tube chain replacement
- Governor air bypass valves installed
- Runner to draft tube measurements
- Dam crack pin measurements
- Power house supply water line shutoff valve installed
- Domestic water bypass valve leak fixed
- Unit cooling water flow switch cleaned
- Hole watch for contractor welding runner repair
- Power tunnel dewater/inspection
- Unit greaser line cleanout
- Draft tube liner cavitation runner repair/welding
- Coolant for bearing coolers
- Governor pump drive coupling inspections
- Governor oil filters changed
- Wicket gate adjustments
- Unit oil leak repairs
- Clean up

# Electrical

- 5 Kv Megger polarization index test
- Winding inspection
- Unit oil / brake dust clean up
- Replaced gauges for 13.8/115 transformers
- 13.8 Kv buss inspection inside and out
- Checked and cleaned line starters for the Governors, high pressure lube, sump pumps.
- Fire foam in unit 2 switch gear
- Station service inspections
- Rittmeyer flow meters
- Checked brushes and slip rings
- Rotor lead inspection
- Substation maintenance
- Switch gear / breaker inspections
- Air handling system for units

[Remainder of page intentionally left blank.]

# Water Strainer

We took apart the strainer and found the wipers to be in good condition. The stainless-steel screen had some algae build-up that was removed. We re-assembled and tested with all functions working properly.

# Unit Clearances

## SWG#1

### Turbine Guide Bearing

| Up stream | Down Stream | Left | Right |
|---|---|---|---|
| .003 | .011 | .013 | .002 |

### Upper Guide Bearing

| Up stream | Down Stream | Left | Right |
|---|---|---|---|
| .015 | .001 | .013 | .015 |

### Lower Guide Bearing

| Up stream | Down Stream | Left | Right |
|---|---|---|---|
| .004 | .007 | .009 | .004 |

### Runner to Draft tube liner

| Up stream | Down Stream | Left | Right |
|---|---|---|---|
| .400 | .414 | .407 | .403 |

## SWG#2

### Turbine Guide Bearing

| Up stream | Down Stream | Left | Right |
|---|---|---|---|
| .015 | .004 | .014 | .005 |

### Upper Guide Bearing

| Up stream | Down Stream | Left | Right |
|---|---|---|---|
| .002 | .003 | .015 | .015 |

### Lower Guide Bearing

| Up stream | Down Stream | Left | Right |
|---|---|---|---|
| .006 | .007 | .007 | .006 |

### Runner to Draft tube liner

| Up stream | Down Stream | Left | Right |
|---|---|---|---|
| .380 | .406 | .400 | .398 |

### Dam crack pins

| Date | lake level | south | center | north | checked by |
|---|---|---|---|---|---|
| 6/27/10 | 306.4 | 2.659 | 5.250 | 2.390 | RD-RM |
| 6/19/11 | 303.3 | 2.625 | 5.246 | 2.388 | BB-TH |
| 5/28/13 | 303.8 | 2.629 | 5.246 | 2.389 | RD-DS |
| 4/29/14 | 307.2 | 2.655 | 5.248 | 2.387 | RD-RM |
| 6-1-17 | 305.3 | 2.658 | 5.250 | 2.390 | RW-CA |
| 6-6-18 | 304.6 | 2.657 | 5.247 | 2.391 | CA-AC |

# Brake Pad Inspection


Both units received new brake pads in 2017. SGW#2 has the original style of pads SWG#1 has aftermarket pads. New this year: we started tracking brake pad thickness and numbered each one 1-3. Both sets started at 1.00" It was found that the pads in SWG#1 are too soft and prematurely wearing. We are in the process of ordering new pads and will change them out as soon as possible.

Brake Pads SWG#1

| Pad #1 | Pad#2 | Pad#3 |
|---|---|---|
| .791 | .778 | .850 |

Brake padsSWG#2

| Pad #1 | Pad#2 | Pad#3 |
|---|---|---|
| 1.007 | 1.000 | 1.004 |

# Draft Tube Inspection

Before the shutdown we pulled both draft tube gates out and blocked them up. The chain needed replacement. New 5/8" chain and all ¾" shackles were installed. Top chain is 18'2" long and 7' bottom. During the outage, we looked over all the seals, guides, and bracing. Everything looked to be in great condition.

# Wicket Gate Inspection

We inspected the wicket gates with feeler gauges for clearances and performed a condition visual of the gate itself. All are in good condition; no cavitation. There were two gates in SWG#2 that had some scouring on the top band for being too tight; those two gates were adjusted down to stop that.

Wicket Gate Clearance SWG#1

| Gate # | A | B | C | D | Top | Center | Bottom |
|---|---|---|---|---|---|---|---|
| 1 | .004 | .006 | .006 | .006 | 0 | 0 | 0 |
| 2 | .003 | .004 | .007 | .008 | 0 | 0 | 0 |
| 3 | .002 | .004 | .010 | .009 | 0 | 0 | 0 |
| 4 | .002 | .004 | .009 | .010 | 0 | 0 | 0 |
| 5 | .003 | .003 | .009 | .005 | 0 | 0 | 0 |
| 6 | .002 | .002 | .011 | .011 | 0 | 0 | 0 |
| 7 | .002 | .003 | .013 | .011 | 0 | 0 | 0 |
| 8 | .002 | .003 | .013 | .013 | 0 | 0 | 0 |
| 9 | .003 | .004 | .011 | .011 | 0 | 0 | 0 |
| 10 | .002 | .003 | .016 | .014 | 0 | 0 | 0 |
| 11 | .003 | .003 | .010 | .010 | 0 | 0 | 0 |
| 12 | .003 | .004 | .015 | .014 | 0 | 0 | 0 |
| 13 | .005 | .005 | .009 | .010 | 4 | 4 | 4 |
| 14 | .003 | .003 | .009 | .010 | 0 | 0 | 0 |
| 15 | .002 | .003 | .009 | .010 | 0 | 0 | 0 |

Wicket Gate Clearance SWG#2

| Gate # | A | B | C | D | Top | Center | Bottom |
|---|---|---|---|---|---|---|---|
| 1 | .006 | .006 | .020 | .015 | 0 | 0 | 0 |
| 2 | .005 | .006 | .020 | .020 | 0 | 0 | 0 |
| 3 | .002 | .003 | .019 | .016 | 0 | 0 | 0 |
| 4 | .004 | .005 | .022 | .018 | 0 | 0 | 0 |
| 5 | .001 | .001 | .023 | .022 | 0 | 0 | 0 |
| 6 | .003 | .003 | .019 | .016 | 0 | 0 | 0 |
| 7 | .002 | .001 | .023 | .017 | 0 | 0 | 0 |
| 8 | .001 | .006 | .021 | .017 | 0 | 0 | 0 |
| 9 | .002 | .006 | .023 | .017 | 0 | 0 | 0 |
| 10 | .002 | .001 | .023 | .017 | 0 | 0 | 0 |
| 11 | .003 | .004 | .017 | .015 | 0 | 0 | 0 |
| 12 | .001 | .001 | .017 | .016 | 0 | 0 | 0 |
| 13 | .001 | 0 | .017 | .015 | 0 | 0 | 0 |
| 14 | .002 | 0 | .010 | .008 | 0 | 0 | 0 |
| 15 | .003 | .002 | .014 | .017 | 0 | 0 | 0 |
| 16 | .003 | .004 | .011 | .014 | 0 | 0 | 0 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 16 | .003 | .003 | .005 | .009 | 0 | 0 | 0 |

# Unit Governor Oil

Photo above is changing one of the four oil filters in each unit. The filters did not show any signs of contamination.

Photo above shows the coupling from the drive motor to hydro pump. All the key ways are tight and rubber between them is in good condition. During the inspection, it was noticed that there is not a spare coupling. This will be ordered and inventoried as a spare.

# Unit Governor Air

Last year it was found that we needed to install isolation valves to each governor's air solenoid. Now we can take one out of service while the other unit stays online. This was done and tested with no leaks found after installation.

[Remainder of page intentionally left blank.]

# Draft Tube Welding

John Milner arrived on site and performed welding in the draft tube. SWG#2 didn't have much cavitation on the steel liner. SWG#1 had some bad cavitation that was welded up with stainless 309 and then buffed smooth.

# Bearing Coolers

New coolant with a 30/70 mix was added to SWG#1 to bring the level up to 5.25”. No leaks were found in the units and the screens were cleaned.

# Unit Greasers

Above photo shows we unhooked every line on each unit and hooked up a hand grease gun to test flow. There was one line in each unit that had a blocked grease fitting. Once the lines were freed, flow to the lines is good. We are in the processes of switching the grease over to a bio-degradable product. The plan is to buy the grease in a six-to-eight-month supply per unit and order two different colors. When one barrel runs out we will replace it with the opposite color then watch the clear grease lines in the unit change color to confirm everything is working properly.

Above photo shows SWG#2 grease line alternator, which was found to be stuck in one position. It was torn down and fixed now the alternator is working correct. To help find this problem out sooner in the future we are going to install visual counters on the greaser and make it part of the daily round sheet.

# Power House Water Line

Above photo shows that after we installed the shut off valve we were able to take apart the water bypass valve that had been leaking. It was found to have a 2" pipe nipple that had cavitation and was replaced with a new one.

Above photo shows the new power house water supply line valve installed. This previously did not exist and the only way to turn off water to the power house was to shut off water to the whole facility.

[Remainder of page intentionally left blank.]

# Runner Cavitation Repair

Contractors from American Hydro Corp. welded runner cavitation on both units, then buffed them back to their original shape. A third-party inspector was hired to inspect each unit. Both units passed the inspection.

In the future when we see slight “frosting” caused by cavitation, we will buff them out and polish to keep the runner nice and smooth, so the cavitation does not get worse. We will also buy some long-handled die grinders and flat wheels recommended by the contractor.

# 5KV Megger/Polarization Index Test

FLUKE

Meter Information: FLUKE 1550B V1.23/1550C Date/Time: 6/9/2018 12:36:53 PM

## Displayed Readings Form

Rev. 3.0

Test Description: 2018 shut down

| | D | Test Tag | Results Ohms | V DC | A DC | Test Duration | Calculated Results Capacitance | PI | DAR | Test Conditions Voltage | Ramp | Time Limit | Test Ended By |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | | swg1 C | 45.1 G | 5258 | 116 n | 0:10:03 | 0.17 µF | 5.63 | 1.43 | 5000 | Off | Off | User |
| 2 | | swg1 B | 42.9 G | 5258 | 123 n | 0:10:01 | 0.17 µF | 5.61 | 1.40 | 5000 | Off | Off | User |
| 3 | | swg1 A | 41.4 G | 5258 | 127 n | 0:10:08 | 0.17 µF | 5.51 | 1.42 | 5000 | Off | Off | User |
| 4 | | swg2 C | 44.1 G | 5258 | 119 n | 0:10:04 | 0.24 µF | 9.63 | 2.39 | 5000 | Off | Off | User |
| 5 | | swg 2 B | 45.4 G | 5258 | 116 n | 0:10:02 | 0.24 µF | 9.66 | 2.36 | 5000 | Off | Off | User |
| 6 | | swg2 A | 45.7 G | 5258 | 115 n | 0:10:01 | 0.24 µF | 9.79 | 2.35 | 5000 | Off | Off | User |
| 7 | | | | | | | | | | | | | |

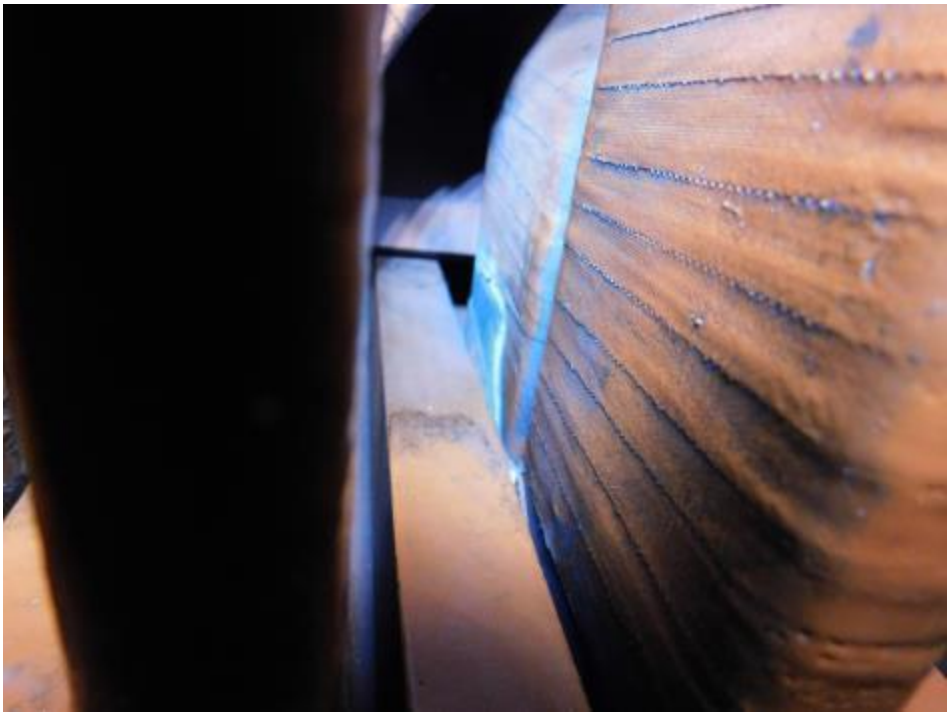
5KV Megger tests were performed on both units with polarization results listed above. Tags 1,2,3 are for SWG-1 and 4,5,6 are for Unit 2. The length of the polarization test is over a 10-minute time frame.

# Station Service N2 Inspection.

With the N2 breaker racked out, we performed inspections on the breaker, which was found to be dusty and in need of some fresh grease on finger clusters and auxiliary contacts. They were wiped down to clean the dust and re-greased to be put back in service. N1 was found to be hung up and could not be racked out safely while station service was energized. At the direction of Ed Schofield and Robert Siedman, the N1 breaker was left in place as it is opening and closing properly. With new station service equipment arriving soon, it was decided that it was best to leave it for now.

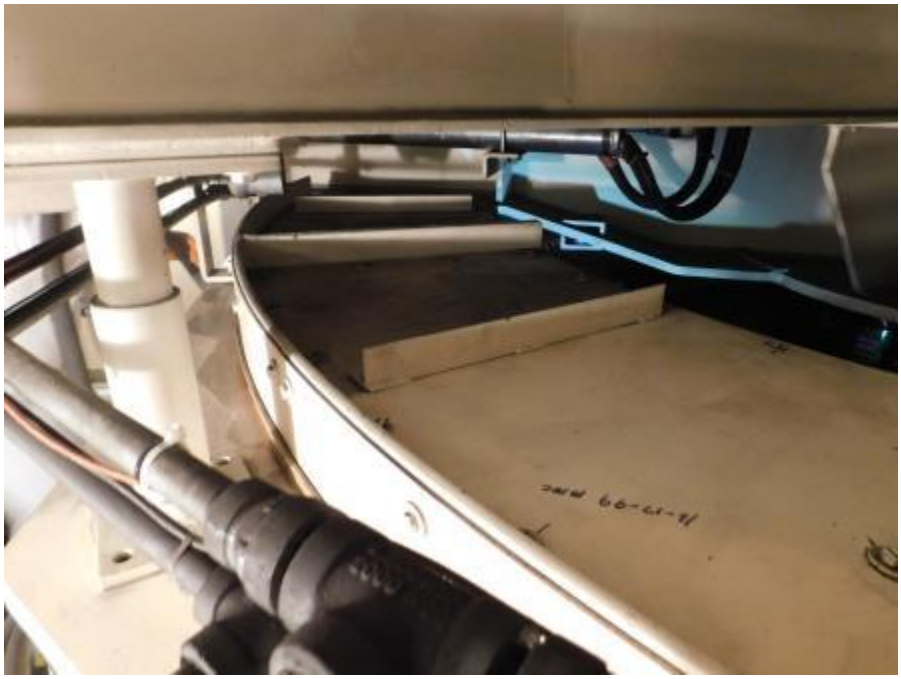
[Remainder of page intentionally left blank.]

# Winding Inspections



The above photos are typical of before-and-after cleaning of the areas that have corona developing on them. The affected areas were marked so that we can find these locations for observations during our next inspection. The corona was sprayed with insulating electric Varniseal varnish to help minimize future corona.

# Unit Oil/Dust Cleanup

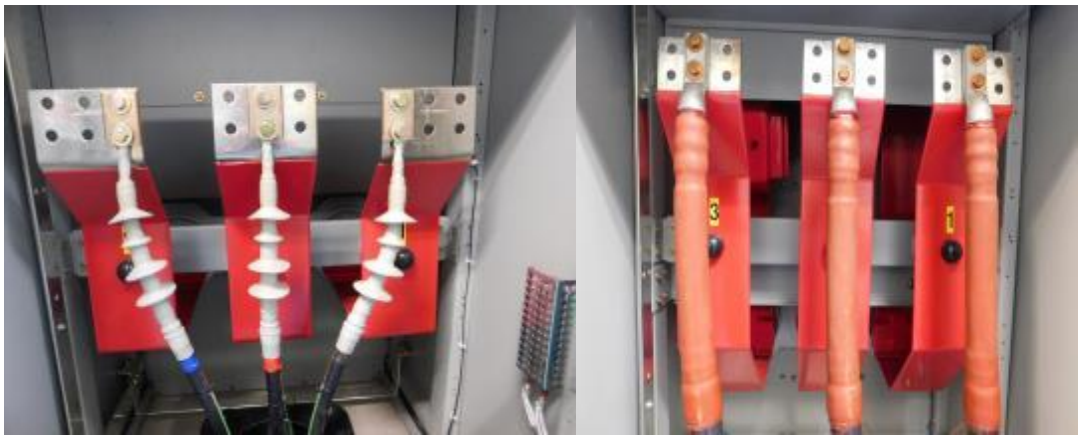


Both generator housings were cleaned of oil, dust, and brake dust during the shutdown. Barry Gadd from the maintenance shop in Ketchikan arrived onsite to give us a hand.

# Switchyard Transformer Oil Level Gauges

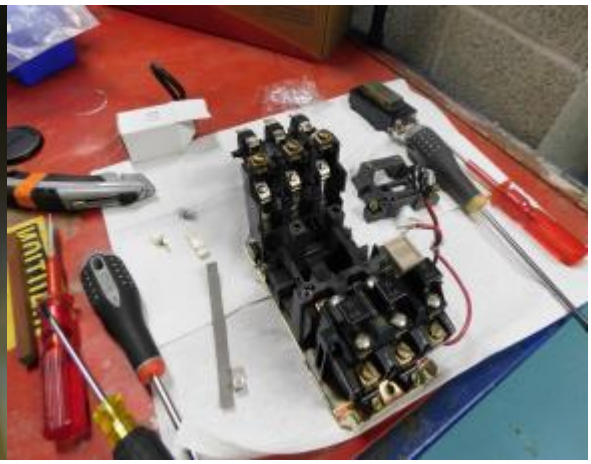

The KPU line crew installed new oil level gauges on 13.8/115KV transformers. The gauges were replaced as preventive maintenance as they had lost their seals and were at the end of their life expectancy. While the yard was de-energized, the line crew cleaned insulators, did an inspection on the 13.8KV buss, worked on PM's for the yard, and took oil samples. Many thanks to the line crew for their help.

# Switch Gear Inspection



Both switch gears were inspected for cleanliness and tightness of hardware; all looked good. With this equipment being new last year the equipment was found to be clean except for some cleanup on the stress cones and 13.8KV connections, which were wiped with Electrosolve to remove oil and dust residue. Visuals on PT's and checking for tightness on the clamps for the PT fuses were performed. All looked good. The 13.8KV chase way for the generator leads on Unit #2 was sprayed with a fire-retardant foam to isolate the chase way from dust debris and fire suppression.

# Line/Motor Starters for Governors

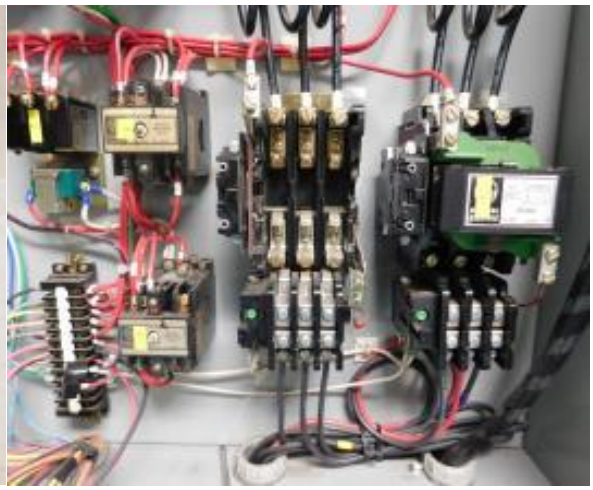



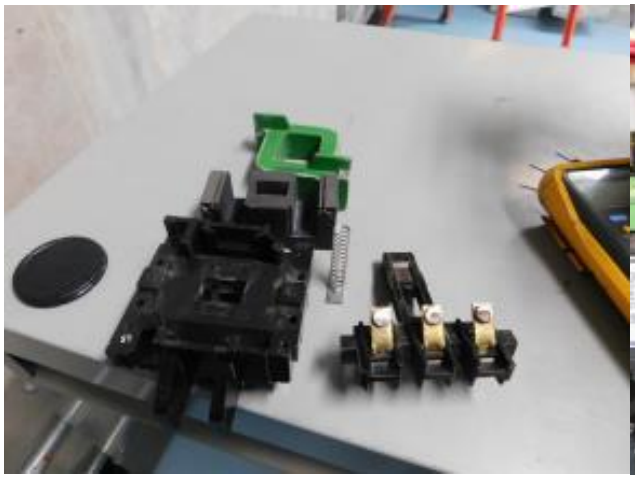
The line/motor starters were taken apart and inspected and contact inspected for wear on the contactor body. Pumps A and B for Unit #1 were in found to be in very good shape; contacts were cleaned, burnished, and re-assembled.

The line/motor starters for Unit #2 showed a little more wear but were found to be acceptable for another year. Both sets of contacts showed minor pitting. We will replace with new contacts next year as the contacts were found to have plenty of life yet, and other than the minor pitting, would be in as good of shape as Unit #1's contacts.

Both pumps in both governors were tested for proper operation after re-assembly.

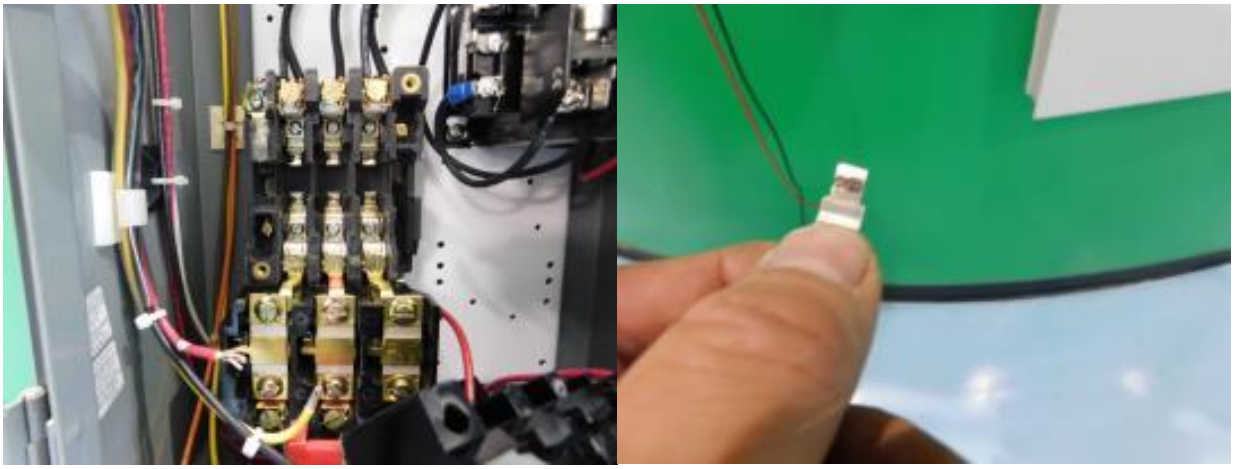
# Sump Pump Line/Motor Starters





Both sump pumps #1 and #2 were disassembled and inspected for wear, cleanliness, and pitting. Both line starters were found to be in good shape and after cleaning/burnishing the contacts were re-assembled and tested before putting back online.

# High Pressure Lube Pump Line/Motor Starters



The line/motor starters for both units were disassembled for inspection. The contacts were found to be in good condition minus some cleaning and burnishing. After cleaning/burnishing the line starters for both units, the line starters were re-assembled and tested in manual and found to be in working order.

# Rittmeyer Transducer Replacement (Flowmeters)




Eight transducers were replaced during the shutdown, four for each unit. The penstock was drained for the crew to do this job. After successfully replacing transducers, Unit #2's flow meter began to operate properly with Unit #1's still displaying similar symptoms as before the work started. As time allows we will recheck connections to the transducers on Unit #1. If not the connections, we believe the controller will need to be updated as it is obsolete.

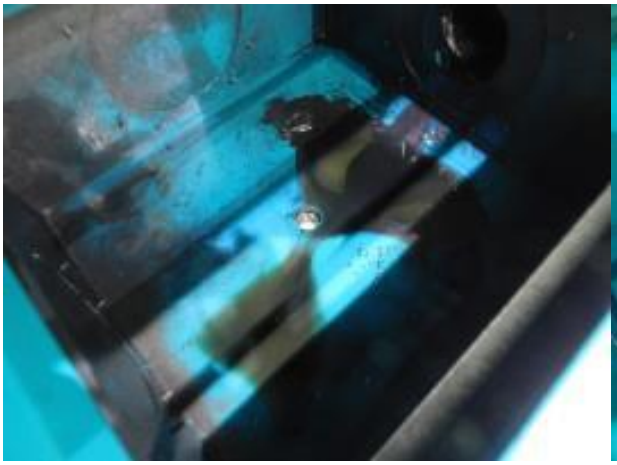
# Brushes, Slip Rings, Rotor Connections

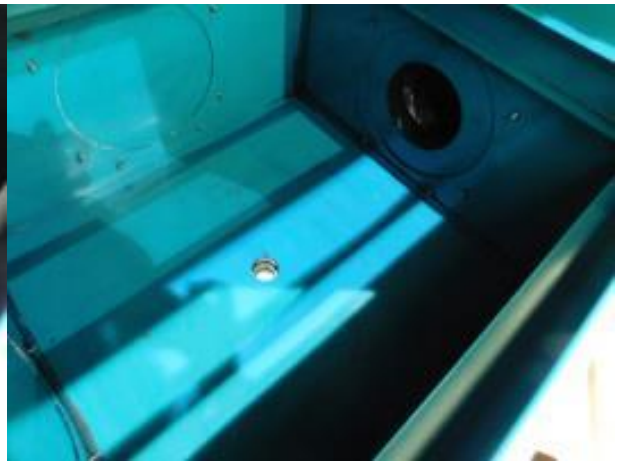

The brushes were inspected and in the case of Unit #2, the lower set was replaced as they were found to be wore down past the replacement level we watch for. The brush rigging, and upper generator housing was cleaned of carbon dust, oil, and dust for both units. After seating a new set on Unit #2 the rigging was cleaned, and the brush rigging and rotor was megger tested to 100VDC and found to have a resistance of 9.65M ohms before cleaning and 2.92 Gig ohms after.

Unit #1's megger reading were 1.4M ohms before cleaning and 3.6 Gig ohms after.

The rotor leads were found to be tight and in good order.

# Air/Oil Mist Handling Units

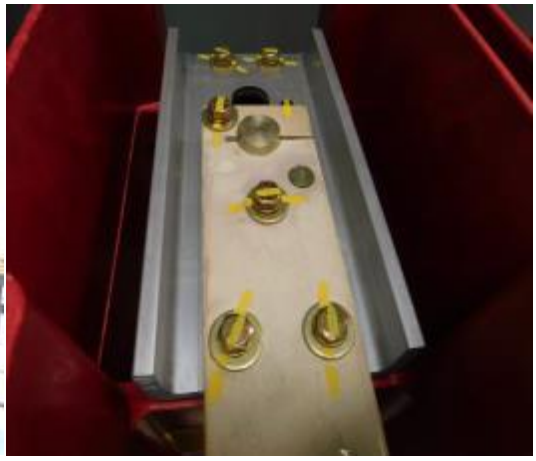


The air/oil mist handling units were cleaned thoroughly and filters replaced. The photos above show before and after photos of the filters and cleaning, respectively.

# Main Breaker Inspections

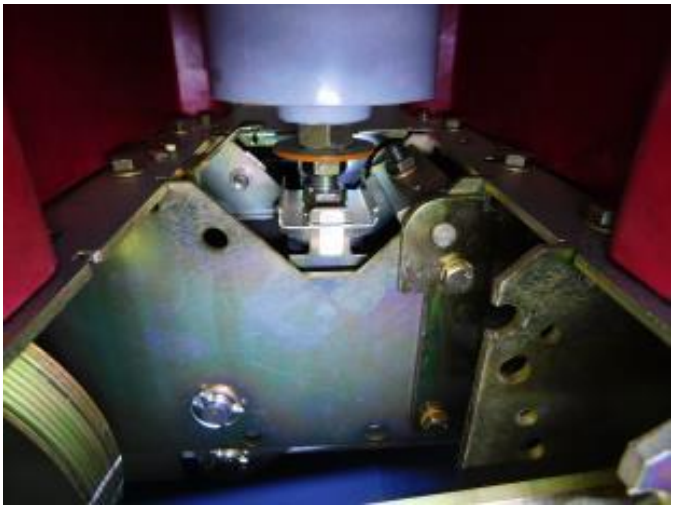






# Main breaker Inspections Unit #1

Unit #1 C-Phase interrupter indicator

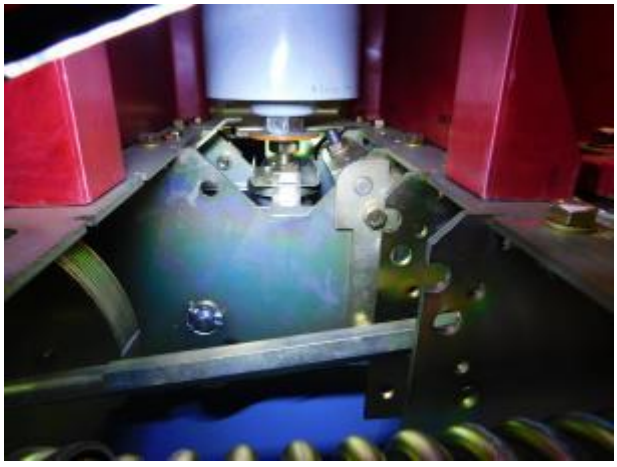


Unit #1 B-Phase interrupter indicator

Unit #1 A-Phase interrupter indicator

# Main Breaker Inspections Unit #2

Unit #2 C-Phase interrupter indicator



Unit #2 B-Phase interrupter indicator

Unit #2 A-Phase interrupter indicator

# Main Breaker Inspections

The main breakers were racked out of switch gear to inspect and clean, and re-grease as necessary. Since the breakers were brand new last year, they still looked good and were very clean. Excess grease was wiped off of finger clusters and the finger clusters were re-greased with manufacturer's recommended grease. (See above photos for future reference and/or ordering more grease).

Breaker cubicles were inspected for loose wiring, damaged wiring, and burnt wiring. The cubicle was in good shape and nothing of concern was found.

The previous two pages are for future reference for the interrupter wear and for gaging the life of the interrupters of the breakers. There is a small indicator in the center of the photo to reference for later. These photos should be our baseline for inspections going forward.

After inspections and shutdown breakers were successfully racked/tagged back in, both units were put online for testing.

# Substation Maintenance

Electric Power Constructor's (EPC) was the line contractor for the tower and switch maintenance for the switchyard.

Disconnect SB-91G: Greased all moving connections, cleaned connection prongs and applied corrosion inhibitor. I had to open and close the switch in one fluid motion, otherwise the cam driven arm has a tendency to stick. I Examined adjustments and could not pinpoint a way to mitigate it. The main arm that has a grounding arm attachment B Phase showed a lot of rust on the surface.

Disconnect SB-91: Lubed all moving connections and applied corrosion inhibitor to contact points.

B-PHASE radial arm switch lower insulator failed and broke at the base plate of the insulator. Underslung jumper insulator caught the broke insulator when it failed. After visual inspection, the underslung insulator appears to have no visible cracks or damage. Removed base plate of bottom broken insulator and replaced bolts so the switch can be operational for A and C phases.

All three switches have surface rust present on all metal components.

Disconnect SB-90: Grease all moving mechanisms and applied corrosion inhibitor as needed. Main switch arm connecting the 3 switches has a lot of rust on it. All insulators appear to be in good working order.

Disconnect SB-92: Greased moving pieces on switch arm assembly; top side of steel structure has large amounts of surface rust including switch arm and switch bases.
Disconnect SB-89: Greased all switch connections. Worm drive and all arms are in good working order. Contact points all close correctly.

Disconnect SB-85: Greased arms and switch points. Worm drive and arms in proper order. Contact points closed properly and tightly.

Disconnect ST-84 Greased connections, contact points and applied corrosion inhibitor. Insulators are clean and in working order.

Disconnect ST-86: greased switches; all contacts are making good connection.

Disconnect ST86G: The grounding ends were only making contact half way and the handle was very hard to open. I greased all moving pieces and cleaned ends of the ground bars and added corrosion inhibitor; switch closed all the way.

(Notes were taken by Journeyman Lineman, Arlin Welch, of EPC)

The upper photos show a damaged insulator with the 3rd photo above showing a temporary repair jumper to B-Phase.

# Lessons Learned and Items to be Addressed

Learning from last year's tunnel inspection, we used a deck brush to mitigate slipping/ falling hazards in the tunnel this year.

Learning from last year's shutdown, we improved our lockout-tag out process for both units and the tunnel.

During the shutdown we learned to install new transducers for the flow meters and to adjust wicket gate elevation adjustments.

We learned this year that the 75-ton crane alignment for lowering job boxes and material is not conducive to lowering material to the turbine deck. It is also much slower than the 15-ton crane.

We learned this year that we need to have an extra/surplus air monitoring hose on site when welding in the draft tube as it gets damaged and needs to be changed periodically. We had enough but we will need to order a replacement hose.

# SOUTHEAST ALASKA POWER AGENCY

**Date:** June 11, 2018

**To:** Trey Acteson, CEO

**From:** Ed Schofield, Power System Specialist

**Subject:** June 19-20, 2018 Board Report

## Tyee Lake Intake Gate Hydraulic Power Unit Repairs

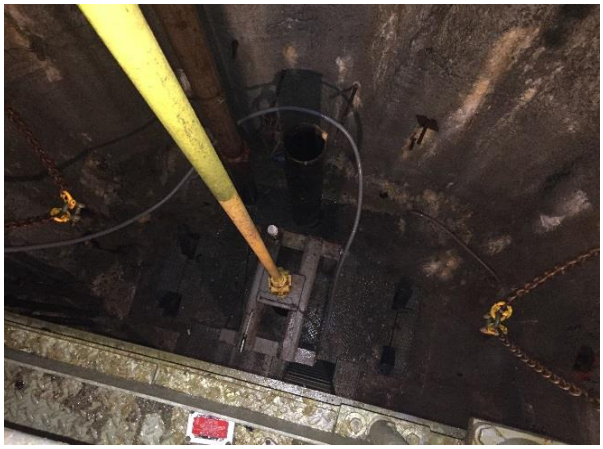
The Tyee intake gate Hydraulic Power Unit (HPU) is located within the intake gate shaft 188 feet below the intake gatehouse, which is located along the north side of Tyee Lake at El. 1630.0'. The intake HPU powers the intake gate and enables the Tyee Plant to be isolated from the Tyee Lake waters for plant maintenance or water conveyance emergencies. Due to the extremely wet environment within the intake gate shaft, the HPU electrical control and hydraulic system is subject to severe corrosion and component failures. The severe environment and the 188' access ladder has resulted in an inoperable intake gate multiple times for extended periods since commissioning of the Tyee plant in1983. In April 2018, SEAPA staff constructed and installed a new HPU electrical control panel to restore the function of the HPU. After installation of the new control panel, efforts have begun to remove the intake gate from the lower power tunnel (El. 1215.0') for preventative maintenance inspection. Staff plans to raise the intake gate to the maintenance deck at El. 1417.0' for a complete gate inspection and cleaning prior to the tunnel ROV inspection in September 2018.

In just one week after the new control system was installed, the cylinder travel limit switch had already failed due to water condensation within the electrical conduit and flooding the new water tight limit switches. It is very apparent that making this HPU system reliable would require an improved design. A functional intake gate is essential to plant operation and safety. It is recommended that the HPU system be either completely redesigned or even relocated to an above-ground location to make it more accessible for preventative maintenance purposes. After several days of maintenance efforts, the gate HPU is now functional and plans are in place to raise the intake gate to the maintenance deck at El. 1417.0' for a complete gate inspection and cleaning. This will occur prior to the tunnel ROV inspection scheduled for September 2018. It is standard operating practice to pull the intake gate for inspection on a five-year rotation. To date the intake gate has not been pulled from the gate shaft guides for inspection due to an unreliable HPU system.

Tyee Lake Intake Gatehouse

Tyee Lake Intake Gate Shaft

Lift Cylinder Stem Rack El. 1432.0'



Lift Cylinder Stems El. 1417.0'

Lift Cylinder El 1432.0'

Hydraulic System El. 1442.0'

**Tyee Lake Gate Shaft ROV Pre-Inspection**

Plans are in place to conduct a complete ROV inspection of the Tyee unlined rock tunnel system, now scheduled for early September 2018. In preparation for the Tyee tunnel ROV inspection, a pre-ROV inspection was conducted to confirm the intake gate slot and pressure shaft entrance dimensions. The gate slot is located at the bottom of the gate shaft at El. 1215.0'. The gate slot is the intake gate guide and downstream sealing surface when in the closed position. The pressure tunnel is the vertical portion of the tunnel that extends from El. 1205.0' down to El. 85.0'. The as-built dimensions of both these locations were uncertain as conflicting dimensions were given. The dimensions of the gate slot and entrance to the upper power tunnel are critical to the success of the primary ROV access. Prior to the Pre-ROV inspection, the Tyee Intake gate was raised out of the slot to provide the ROV room to pass under the gate and through the gate slot. On May 15, 2018, the Pre-ROV inspection was successful. It was performed by a compact ROV capable of diving to a depth and distance of 400' feet. The ROV dive started at reservoir depth 1234.0' and was successful in reaching the top of the pressure shaft and the lake tap intake screen. To accomplish this, the ROV drove vertically down the gate shaft through the gate slot, then horizontally 270.0 feet downstream to the entrance of the upper pressure shaft. The ROV was equipped with side scan sonar, enabling the unit to measure all surrounding dimensions to 1/8 of an inch. The ROV then flew back upstream past the intake gate slot and under to the tunnel fine debris screen (which was removed for this survey and reinstalled) out to the Tyee Lake tap debris screen and rock trap. The ROV survey revealed no deficiencies and was able to determine gate slot and power tunnel entrance dimensions, and pressure shaft transition configuration and dimensions. The tunnel water clarity was extremely muddy due to record low reservoir elevations and warm weather snow melt, which eroded the reservoir inlet stream delta (see photos below). Due to the compromised visibility of the water, the visibility in the video footage taken during the inspection was less than one foot.

Tyee Lake Intake Gate Guide Shaft

ROV Equipment Packaging

Tyee Lake Inlet Stream

Tyee Lake Inlet Stream

**Swan Lake Miscellaneous Metalworks Project**

The contractor for the Swan Lake Miscellaneous Metalworks Project installed access ladders, handrails, and a Flash Board Gate trigger guard, to the Swan Lake dam. These project components were originally planned for installation during the Swan Lake Reservoir Expansion Project completed in 2016; however, installation was not completed in 2016 due to time constraints and forecasted high reservoir elevations during the last months of the reservoir expansion project. High reservoir elevations and a conflict with Swan Lake's new Reservoir Debris Boom Project delayed the project again in 2017. The project was completed during March and April 2018 and consisted of the installation of two reservoir access ladders at the dam's north and south abutments. The north abutment ladder provides access to the reservoir patrol boat and the south abutment ladder provides access to the south dam parapet walkway. A man ladder was also installed on the south spillway pier, which provides access to the spillway ogee for flood control gate preventative maintenance. Handrails were installed on the top of the north and middle spillway piers, providing safe access to the Fixed Wheel Gate hydraulic lift cylinders for preventive maintenance.

Swan Lake Spillway Access Ladder

Swan Lake South Dam Abutment Ladder

North Abutment Reservoir Access Ladder

North Abutment Reservoir Access Ladder

North Pier Top Handrail

Center Pier Top Handrail

Trigger Guard & Center Pier

Installing Reservoir Access Ladder

## Board of Consultants (BOC) Meeting No.5

The Swan Lake Reservoir Expansion Project completed in 2016 consisted of the placement of a flood control gate within the Swan Lake dam's 100' foot uncontrolled spillway. The Federal Energy Regulatory Commission (FERC), issuer of the Project's license to operate, requires all major construction projects to assemble a team of senior dam design engineers to review and approve all design concepts, construction practices, and maintenance plans. This group of engineers is known as the Board of Consultants (BOC). The BOC assembled a total of five times throughout the scope of the project. BOC Meeting No. 5 was held at Swan Lake on May 23rd and was to be the final commitment of the BOC for the Swan Lake Reservoir Expansion Project. The intent of BOC Meeting No. 5 was to inspect the completed project to assure that the project was constructed as designed and to review the actual operations of the project since commissioning. The BOC also reviewed all maintenance plans and standard operating procedure documents and provided a recommendation for continued monitoring practices. Each BOC meeting was attended by FERC engineers, SEAPA, and facility operators. A total of 14 participants attended BOC Meeting No. 5. The BOC issued a final report to SEAPA clarifying the required PM tasks, operational procedures, and equipment monitoring of the flood control gate system. The final BOC report was submitted to FERC on June 7, 2018.

## Swan Lake Annual FERC Inspection

An annual inspection by FERC of the Swan Lake Project is a requirement of the project's FERC license. The 2018 Swan Lake annual inspection was held on May 23rd. A FERC engineer's inspection report will be issued later; however, the verbal report provided to SEAPA indicated no reportable deficiencies.

## Swan Lake FERC 2019 Part 12 Report

Every five years, FERC requires that the Agency retain a FERC-approved Independent Consultant (IC) to develop a FERC Part 12 Report. The IC must review the Swan Lake Dam's safety, operational, and monitoring practices. The first phase of the IC's tasks includes a discussion on Potential Failure Modes. On May 23, 2018, the IC and a FERC engineer inspected the Swan Lake facility and then met with the BOC team to discuss Probable Failure Modes (PFM) associated with the Swan Lake Dam's new flood control gate installation.

On May 24th, the second phase of the Part 12 PFM discussion occurred. This phase of the Part 12 covered the PFM's relating to the entire Swan Lake facility. The Part 12 tasks will continue throughout 2019, with a final report submitted to FERC in December 2019.

## Swan Lake FERC DSSMR Report

The 2017 Dam Safety Surveillance Monitoring Report (DSSMR) has been completed and submitted to FERC. The DSSMR is an annual FERC licensing requirement used to document the dam safety monitoring tasks throughout the past year of service.

## Swan Lake Dam Access Road Repairs

The Swan Lake dam access road has been resurfaced and reshaped with 240 yards of one-inch minus road rock. The rock was purchased in Ketchikan and barged to Swan Lake during the last scheduled barge to Swan Lake. The dam access road averages an 11% grade and is .7 miles long. Keeping a crown on the road surface for proper water drainage and clear ditching is critical

to the operations and maintenance of the dam. The dam access road is considered a critical dam safety infrastructure to FERC. A deficient or inadequately maintained dam access road is subject to FERC mandates.

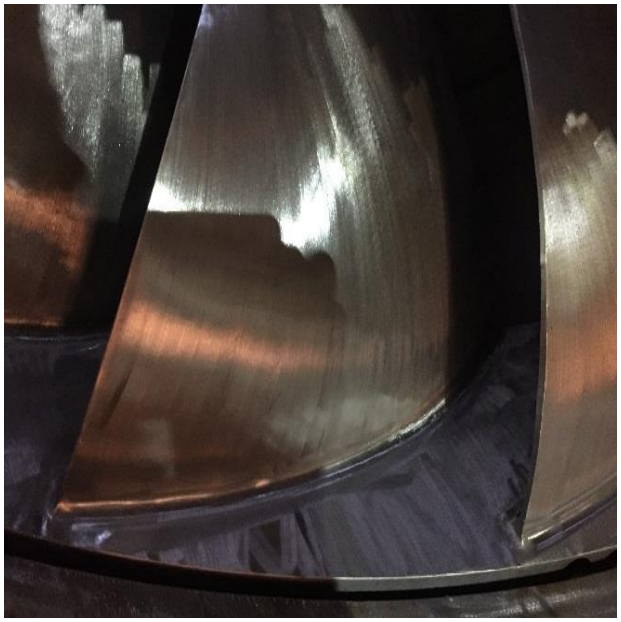
**Swan Lake Runner Cavitation Repairs 2018**

The Swan Lake Runner Cavitation Repair Project started on May 30, 2018 and completed on June 8, 2018. Cavitation damage on hydro runners is a continuous maintenance concern, requiring monitoring and runner blade surface reconditioning. The cavitation damage of the Swan Lake runners was at a depth of 40% of blade thickness. Repair of the runner blades required grinding out of the cavitation area and then welding back and buffing to original surface contour conditions. The repairs were made by a team from American Hydro Inc. This type of welding repairs requires specialized welding, buffing skills, and techniques gained only by experience. An improperly repaired runner will result in loss of efficiency and a decrease in runner life. All thirteen blades of both Unit #1 and Unit #2 were repaired to new condition.

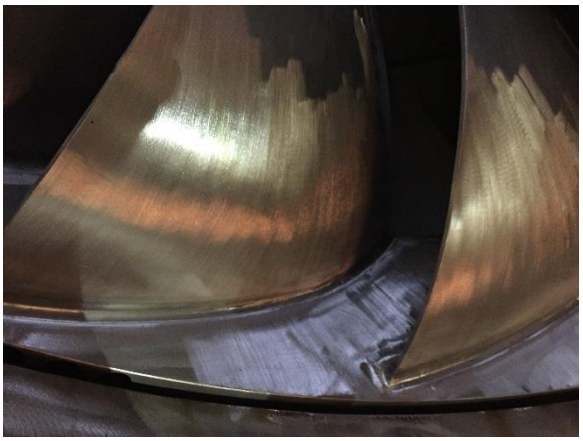
SWL Runner Cavitation Damage

SWL Runner Cavitation Damage

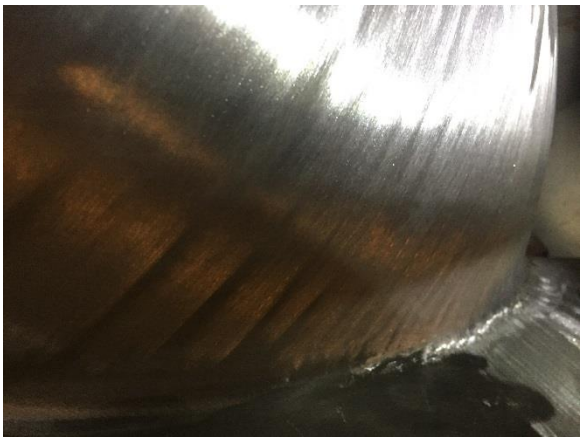
View of Runner from Draft Tube



Runner Blades after Repair



Runner Blades after Repair



Runner Blade after Repair

**Swan Lake Marine Bulkhead Restoration Project**

The Swan Lake Marine Bulkhead Restoration Project is scheduled to start on June 16th and anticipated to be complete by the end of June. This project will recondition the bulkhead to original construction condition with the installation of seven new pilings, sheet-pile walers, and new sheet pile anchors and fenders. Pool Engineering Inc. of Ketchikan is performing the restoration work.


Swan Lake Marine Bulkhead (2017 photo)

## Swan Lake Home No. 2 Replacement Project

Replacement home design and specifications are complete, and ready for final development of a Request for Proposals (RFP) for purchase and installation. Prior to issuance of an RFP, a Ketchikan Gateway Borough zoning permit is required and an ADEC Wastewater Permit to Operate must accompany the zoning permit application. An ADEC Wastewater Permit to Operate should have been issued after construction in 1980 however no permit could be located. A review of original construction records determined that an ADEC permit to construct was issued at the time of construction; however, a final engineer review and acceptance for operations, which would have completed the ADEC permitting process, did not appear to have occurred. An ADEC Permit Application to Operate the Swan Lake Wastewater Permit was prepared and submitted to ADEC on June 8, 2018. The ADEC permit application requests approval to replace the present ocean outfall with a new leach field. The leach field will decrease future monitoring and reporting requirements to ADEC.

## Swan Lake Bureau of Reclamation PRO&M Facility Review

The U. S. Bureau of Reclamation (USBR) Power Review of Operations and Maintenance (PRO&M) Team performed an on-site review and evaluation of operations, maintenance and management practices of the Swan Lake Hydroelectric facility from April 29 through May 3, 2018. The USBR PRO&M Team consists of senior USBR engineers for the sole purpose of hydro facility reliability reviews. The Team performs facility reviews for 75 hydroelectric plants throughout the Western United States for both the USBR and the U. S. Army Corps of Engineers plants.

The intent of the PRO&M Program is to evaluate all hydroelectric facilities under the program for conformance with industrial operating standards as written in the USBR's Facilities Instructions, Standards, & Techniques (FIST) manuals. The USBR PRO&M Team performed the same review at SEAPA's Tyee Lake Hydroelectric Facility in March of 2016.

The PRO&M Team reviews a facility's:

- preventative maintenance records
- training records
- standard operating procedures
- safe working practices followed
- plant prints for accuracy, and
- general communication and SCADA automation

The Team also interviews plant operators to establish institution knowledge. At the completion of the facility review, the PRO&M team provides a verbal exit report to operators and management personnel, providing all involved the opportunity to question the findings and discuss corrective actions to be taken.

Each PRO&M Team member provides a written report, and a summary report is provided to the Team leader of the combined written reports. The PRO&M summary report identifies deficient items in three defined categories:

- Category 1 consists of items concerning personnel safety that should be assessed and immediate corrective action taken
    - four Category 1 items were noted and have been corrected
- Category 2 consists of items of potential plant equipment failure if corrective action is not taken, and
- Category 3 consists of items of recommended corrective action based on PRO&M Team experience

As of the date this report was prepared, the USBR PRO&M Team's written report has not yet been received by SEAPA.

End of Report

# SOUTHEAST ALASKA POWER AGENCY

**Date:** June 8, 2018

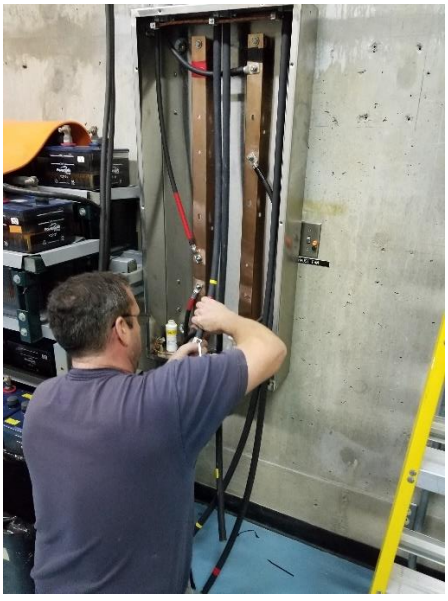
**To:** Trey Acteson, CEO

**From:** Robert Siedman, P.E., Director of Engineering & Technical Services

**Subject:** Report for June 18-19 Board Meeting

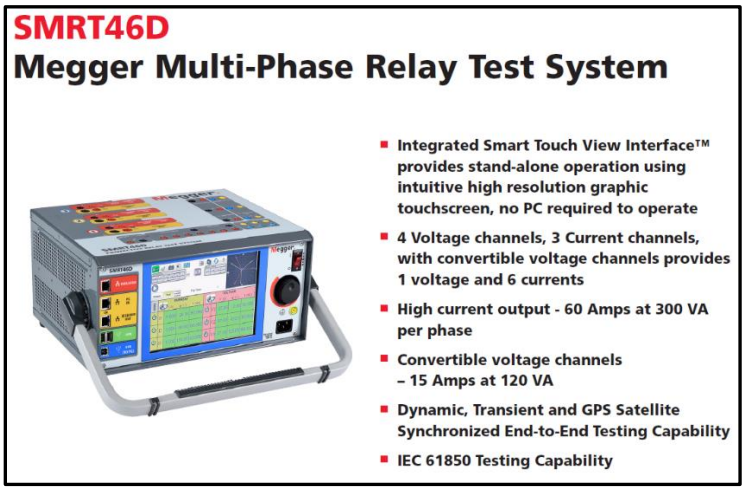
## Swan Lake DC Distribution Upgrades

The Swan Lake DC Distribution Upgrades are 100% complete. All panels, switches, conduit and cable trays have been installed. Testing and commissioning occurred on March 21 and was successful.



The DC Distribution Upgrade Project was engineered, designed, and procured by SEAPA and installed by plant personnel. This project has updated the DC distribution at Swan Lake to industry standards, added redundancy, added a safety disconnect switch for increased personnel safety and made allowance for equalization and battery discharge testing of the batteries.

## Megger SMRT Automated Relay Testing




The R&R project (RR291-18) to procure a relay testing system is 100% complete. A SMRT46D was procured, which can run automated relay test suites for testing SEAPA distribution, transformer, generator and line relays. The test system is also capable of re-simulating actual events from Comtrade files retrieved out of event reports from actively installed relays.

In addition to procuring a Megger SMRT46D relay test system, SEAPA is 100% complete with developing a test bed utilizing SEAPA's spare protective relays. The test bed (relay rack) was used to develop automated test suites.

The test rack combined with the SMRT test system is currently providing SEAPA the ability to test all protective relays in the field (ongoing) to verify calibration and functionality. In addition, SEAPA spare relays have been programmed in the test rack to have the ability for on-a-moment's-notice deployment into the field, minimizing risk of outages due to relay failures.

## SEAPA Protective Relay Testing

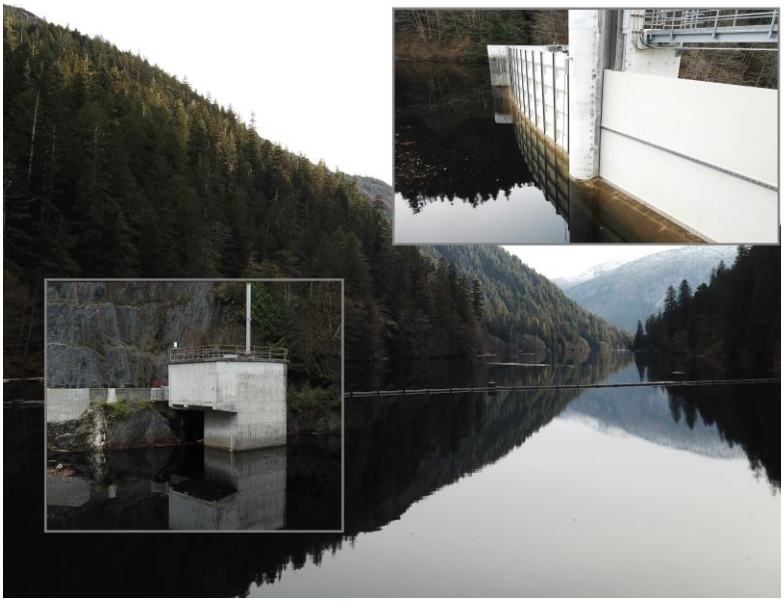
During the Swan Lake 115kV Line outage, SEAPA tested the protective relay at Bailey Powerhouse (left) to determine proper calibration and functionality. The SEL-311C line distance protective relay passed all injection tests and appears to be in good working order.

In addition to testing the Bailey Powerhouse SEL-311C relay, SEAPA tested the Swan Lake 311C line distance relay and the SEL-387E transformer differential protective relay. Testing was performed during the Swan-Bailey Line outage which demonstrated the flexibility of in-house testing programs. No additional outages were required. The line distance and transformer differential relays at Swan Lake passed injection tests and are in good working order.

## Swan Lake Security Cameras

As part of the Swan Lake Reservoir Expansion Project (fixed wheel gate and flashboard array), FERC required SEAPA to hire a Board of Consultants (BOC) prior to FERC issuing the license amendment. One of the BOC's major concerns identified in the pre-construction plan review meeting was security risks and possible vandalism to the flashboard array, which led to the recommendation for installation of security cameras.

SEAPA procured and has completed security camera installations at the dock, on the powerhouse, and at the dam.



The cameras that are installed are pan-tilt-zoom and record events at the three locations discussed. In addition to meeting security requirements as recommended by FERC and the BOC, the camera located at the dam allows for monitoring of the vertical gate and flashboard array for debris, ice, and physical position. This increased ability to record operations reduces risk of any debris causing vertical gate malfunctions.

## Tyee Lake Intake Gate Controls

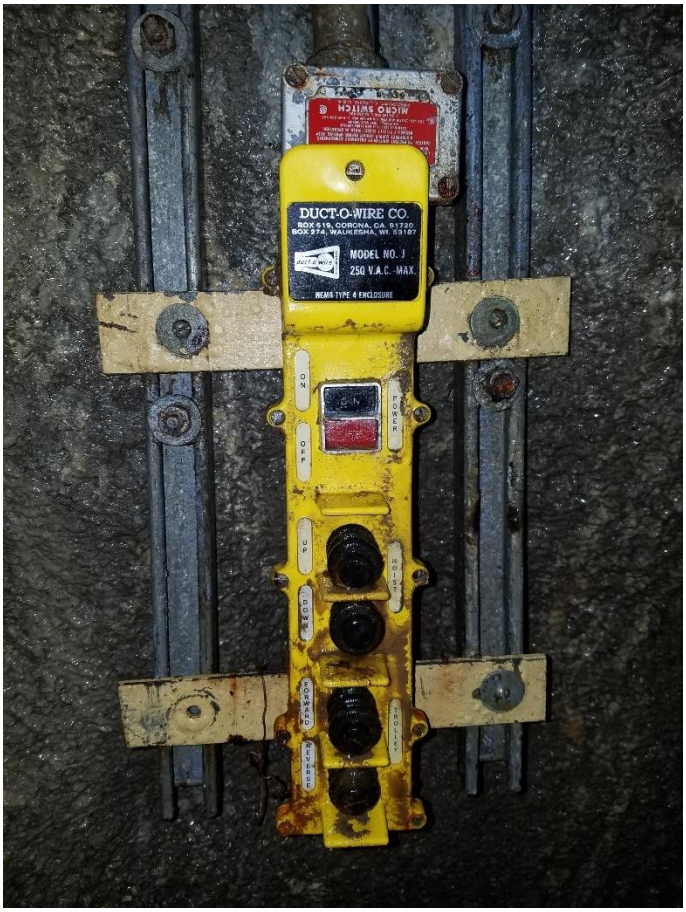
SEAPA completed an in-house design, procured electrical equipment, and developed a mock-up of the new intake gate electrical circuit at the Tyee Powerhouse. The mockup allowed for functional testing to insure successful installation prior to helicopter flights and a 200 ft. descent into the shaft.

The new electrical circuit was installed and commissioned successfully; however, during operation of the gate, the limit switch position shaft was rusted internally and failed completely. In addition, the new limit switches failed. The gate was required to be lifted 12 ft. for a preliminary ROV inspection however was again inoperable. As seen to the right, a hydraulic bypass device was developed while SEAPA was 200 ft. down the shaft and the gate was raised successfully for the preliminary ROV inspection. A future R&R to replace the hydraulics is proposed for FY19.

## Tyee Lake Overhead Hoist Controls

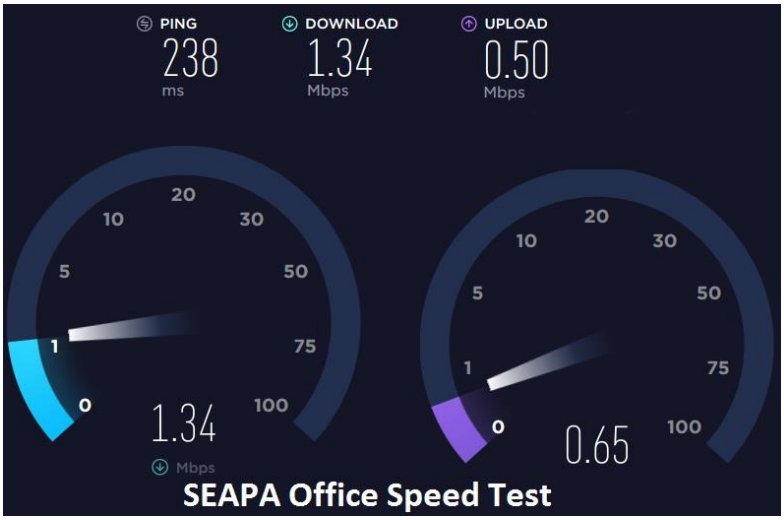
The Tyee Lake overhead hoist is used to lift the access gates, lower tools and equipment, lift the intake gate out of the slot and other miscellaneous tasks. During the SEAPA October visit to the Tyee Lake gatehouse, the overhead hoist was operating correctly from the pendant that was located at the top of the intake gate shaft (lake elevation). The hoist also has pendant operation 200 feet down the shaft; however, when SEAPA tested the hoist from this station, the pendant froze in the off position.

The lower pendant as shown is typical of the electrical equipment that is located at the bottom of the shaft. The wet environment causes electrical devices to rust and quit operating.



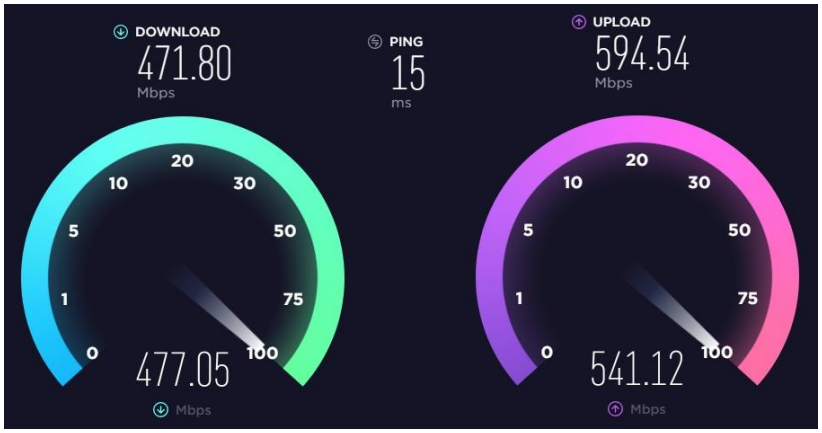

SEAPA has identified a replacement pendant that is more robust in wet environments and plans to replace the lower pendant in preparation for removal of the intake gate. This work is set to occur in the Summer of 2018 prior to the ROV inspection

## SEAPA Communications



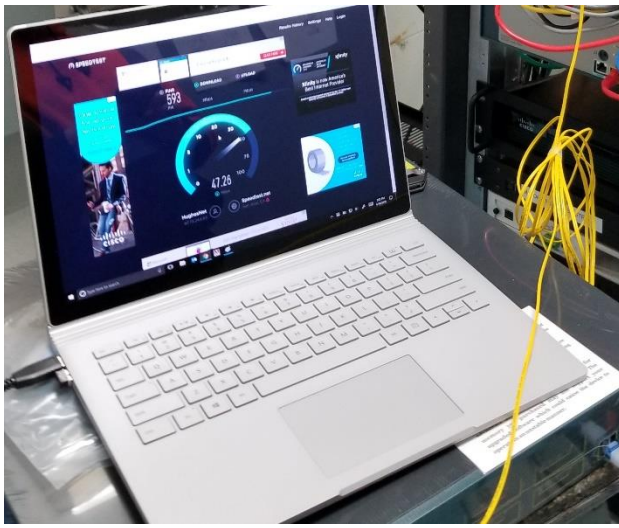

Network Communications at the SEAPA office were previously connected through DSL, 3-megabit-per-second connections. There were three DSL drops into the office, one for SEAPA email and business communications, one for the STCs historian and webserver and one for SCADA. The internet speeds were extremely slow and made it difficult for SEAPA to conduct routine daily operations. Typical speed tests showed 1.34Mbps (left).

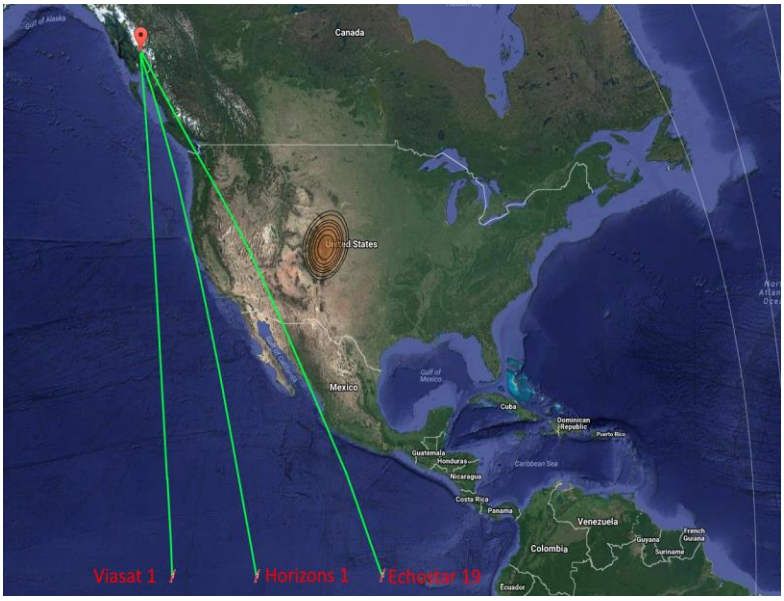
SEAPA contacted KPU telecoms and installed a new fiber communications drop. The new fiber backbone increased network speeds from 1.34Mbps to over 200Mbps. The increased speeds have improved email communications, ftp servers, web servers and have also increased productivity. The 3-DSL connections are in the process of being removed using port mapping and VLANs which will decrease SEAPAs cost for internet service.



Swan Lake communications have been extremely slow which have caused latency in SCADA, STCS and phone conversations. Network speeds have continually been an issue where at times speeds of 0.5Mbps were evident. With the launch of the EchoStar 19 satellite in 2017, vSAT speeds of 50Mbps were available. In April of 2018, SEAPA installed a new vSAT satellite dish (left) to update Swan Lake communications. Cost savings of $1,250 per month and an increase in network speeds of 1,800% are achieved from this upgrade.

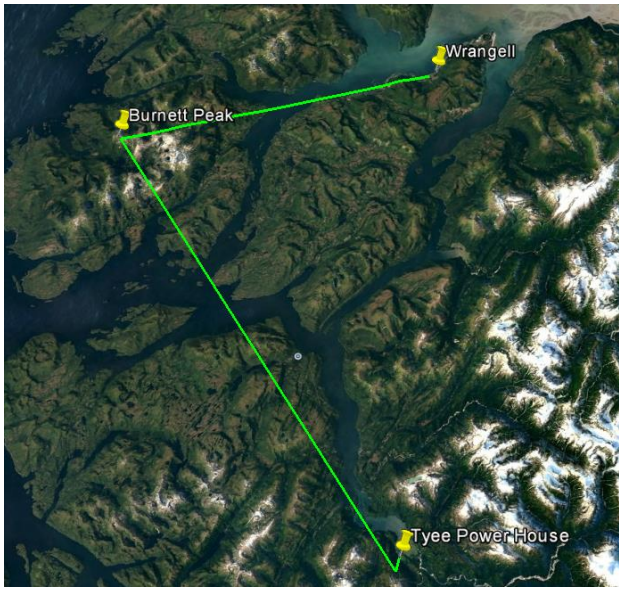
Swan Lake already had a fiber backbone installed with two spare circuits. Transitioning from the old satellite to the new one required use of a spare fiber pair and installation of a Meraki business network switch. As seen to the right, network speeds have been significantly increased with the new satellite and fiber backbone. Currently, SEAPA is moving circuits from the old to the new satellite, allowing time to confirm stabilization and reliability of SCADA and STCs networks.






SEAPA is currently utilizing AP&T microwave links for communications at Tyee. The microwave utilizes a passive reflector on Tyee mountain and a Burnett Peak repeater to send communications from Tyee to Wrangell. Maintenance costs on this type of communication is extremely high at nearly $40k per year for Burnett Peak. An additional $15k per year is the cost for the communication link. SEAPA has already installed a Satellite platform, fiber and power at Tyee in preparation for a Satellite link similar to Swan Lake.

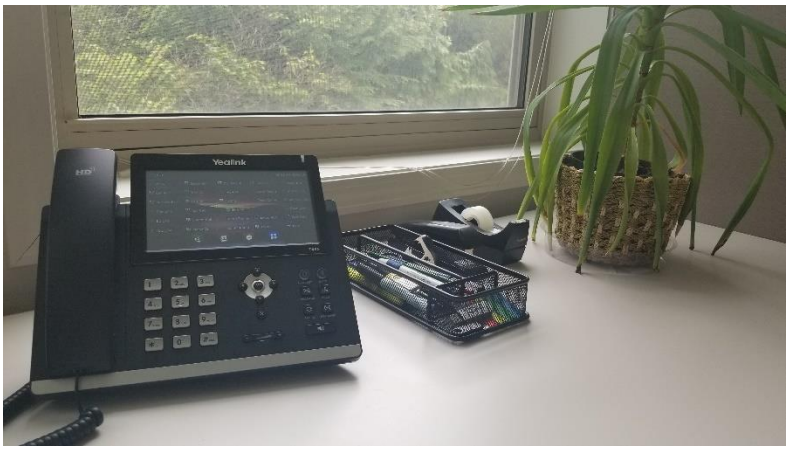
Tyee Lake communications are more of a challenge than Swan Lake due to the location of the facility and visibility of the southern sky. The Echostar 19 satellite is not visible and therefore only a Horizons-1 or Viasat-1 link can be made. Following discussions with Viasat-1 providers SEAPA was recently informed that the Viasat-1 providers do not intend to open a spot beam over Southeast Alaska anytime soon. The only option is a connection to Horizons-1, which would be an upgrade for Tyee of 500% in speeds and a cost savings of nearly $40,000 per year. SEAPA is still investigating options.



## SEAPA Phone Servers


The intent of SEAPA's RR293-18 project was to replace the UC-560 phone server (left) in the SEAPA office with a Cisco 2921 voice router and UCS E16OD module. After further consideration and research, SEAPA decided that hosting phones in the SEAPA office was not in our best interest. After contacting KPU telecoms, SEAPA decided that it would replace all the office phones with KPU-hosted IP phones for a cost savings of over $70,000 on hardware and engineering.

The new 'Yealink' phones (right) are hosted by KPU telecoms and the server is maintained by them. Installation was seamless and the phones work extremely well. SEAPA intends on replacing Swan Lake, Tyee Lake and Wrangell office phones with similar types to bring all SEAPA phones onto the same network through VPN connections that will be hosted by KPU telecoms as well.



## Battery Monitor Systems

RR-279 is a Renewal & Replacement project for installation of battery monitoring systems at Tyee Lake, Swan Lake and the Wrangell substation. The Swan Lake battery monitoring system (right) was installed and commissioned in May of 2018. Integration into SCADA and an HMI monitoring screen is currently being installed.



The Tyee battery monitor system was installed in March of 2018. Installation is 100% complete and includes HMI programming and display. SCADA integration using Modbus communication is planned.

## Swan Lake Control Room Touch Screens

The Swan Lake Control Room Touch Screens are based on hardware that is over ten years old and out of active support. The existing bench board analog meters are obsolete and incompatible with the new exciters. Calibration of the existing meters is not reliable. Meters on the bench board are displaying voltages, Megawatts, Megavars and other values that are all inaccurate with up to 30% error. SEAPA is in the process of replacing the meters with Digital Touch Screens.

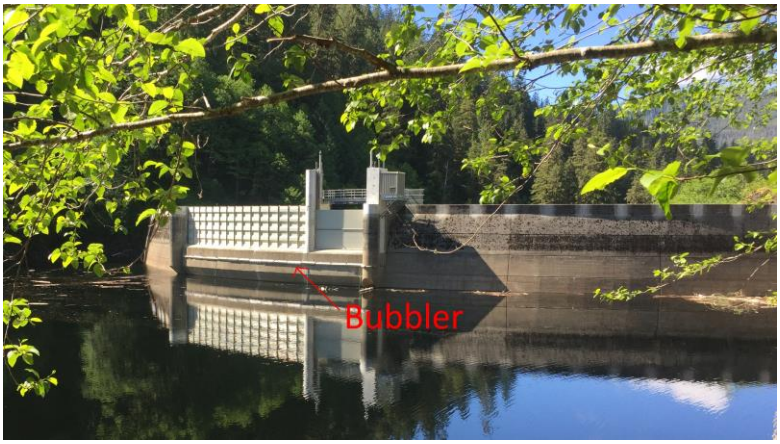
GE View Panels (right) were ordered and programmed, ready to be installed. Installation, testing, and commissioning is scheduled to occur in July of 2018. The panels will allow operators to quickly and easily view Generator Voltages, Mega-watts, Megavars and other values necessary to operate the units. Accuracy will be restored with digital display units which have self-calibration algorithms.

## Swan Lake Governor Modernization

RR-289 is a Renewal & Replacement project to replace the L&S proprietary programming, programmable logic controllers (PLCs) and touch screens for the governors at Swan Lake. The existing PLCs are obsolete and do not have spare parts available on the market. Programming will reduce oscillations to the distributing valve servos by improving jitter and governor response.


SEAPA issued a task order to Segrity to complete this project, which is currently in progress with engineering 90% complete. Parts for the Flex-500 Woodward generator turbine control module were ordered and the Flex-500 has been programmed, ready for installation. Isochronous load sharing at Swan lake, HMI integration with STCs, and HMI integration with 86R functions are all included in the scope of work for this project.

## Swan Lake Dam Spillway Bubbler System




SEAPA is currently in the process of designing an automated system for the Swan Lake Dam Spillway Bubbler System. The purpose of the bubbler is to prevent ice build up on the flashboards and vertical gate to insure proper operation.

SEAPA is designing the automated functionality for the spillway bubbler to operate under two conditions. The first condition is a function of temperature. When temperatures are below 32 degrees, the first condition will be met. The second condition will be lake level. The Bubbler System is not required to be in operation if lake levels are not near elevation 330. SEAPA will be adding this as a second condition. Communication to the compressor enclosure is required. Onsite personnel were tasked with installing conduit and pulling communication wires. PLC programming and installation are scheduled for FY19.

## Swan Lake Intake Building Compressor Alarm


The intake gate compressor is used to provide compressed air to the Swan Lake level pressure transducer. Compressed air at a low PSI is used to measure atmospheric pressure (in H2O) caused by the amount of water in the lake. It is extremely accurate with only a 0.1% error.

The lake level transducer is only accurate if compressed air is maintained to the system. In October 2017, SEAPA noticed a significant discrepancy between lake levels that were measured by onsite personnel and what was reported in Scada. The likely cause was that the air compressor was turned off and after a period of time (a couple of days), low pressure in the compressor tank was causing inaccurate lake level readings.

To resolve concern with this in the future, SEAPA ordered and had onsite personnel install a pressure system alarm. Integration into the Scada system is currently being performed.

KETCHIKAN - PETERSBURG - WRANGELL
SEAPA
Southeast Alaska Power Agency

# SEAPA 2018
# BOARD MEETING DATES

| Date(s) | Location | Comments |
|---|---|---|
| September 27, 2018 (Thurs) | Ketchikan | 9 am – 5 pm |
| December 12-13, 2018 (Wed-Thurs) | Petersburg | Split Meeting: Wed 1-5/Thurs 9-2 |

## 2018 Calendar

**January 2018**

| W | S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|---|
| 1 | | 1 | 2 | 3 | 4 | 5 | 6 |
| 2 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| 3 | 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 4 | 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 5 | 28 | 29 | 30 | 31 | | | |

**February 2018**

| W | S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|---|
| 5 | | | | | 1 | 2 | 3 |
| 6 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 7 | 11 | 12 | 13 | 14 | 15 | 16 | 17 |
| 8 | 18 | 19 | 20 | 21 | 22 | 23 | 24 |
| 9 | 25 | 26 | 27 | 28 | | | |

**March 2018**

| W | S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|---|
| 9 | | | | | 1 | 2 | 3 |
| 10 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 11 | 11 | 12 | 13 | 14 | 15 | 16 | 17 |
| 12 | 18 | 19 | 20 | 21 | 22 | 23 | 24 |
| 13 | 25 | 26 | 27 | 28 | 29 | 30 | 31 |

**April 2018**

| W | S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|---|
| 14 | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 15 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| 16 | 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 17 | 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 18 | 29 | 30 | | | | | |

**May 2018**

| W | S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|---|
| 18 | | | 1 | 2 | 3 | 4 | 5 |
| 19 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 20 | 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 21 | 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 22 | 27 | 28 | 29 | 30 | 31 | | |

**June 2018**

| W | S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|---|
| 22 | | | | | | 1 | 2 |
| 23 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| 24 | 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 25 | 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 26 | 24 | 25 | 26 | 27 | 28 | 29 | 30 |

**July 2018**

| W | S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|---|
| 27 | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 28 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| 29 | 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 30 | 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 31 | 29 | 30 | 31 | | | | |

**August 2018**

| W | S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|---|
| 31 | | | | 1 | 2 | 3 | 4 |
| 32 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| 33 | 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 34 | 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 35 | 26 | 27 | 28 | 29 | 30 | 31 | |

**September 2018**

| W | S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|---|
| 35 | | | | | | | 1 |
| 36 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 37 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| 38 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 39 | 23 | 24 | 25 | 26 | 27 | 28 | 29 |
| 40 | 30 | | | | | | |

**October 2018**

| W | S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|---|
| 40 | | 1 | 2 | 3 | 4 | 5 | 6 |
| 41 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| 42 | 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 43 | 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 44 | 28 | 29 | 30 | 31 | | | |

**November 2018**

| W | S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|---|
| 44 | | | | | 1 | 2 | 3 |
| 45 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 46 | 11 | 12 | 13 | 14 | 15 | 16 | 17 |
| 47 | 18 | 19 | 20 | 21 | 22 | 23 | 24 |
| 48 | 25 | 26 | 27 | 28 | 29 | 30 | |

**December 2018**

| W | S | M | T | W | T | F | S |
|---|---|---|---|---|---|---|---|
| 48 | | | | | | | 1 |
| 49 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 50 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| 51 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 52 | 23 | 24 | 25 | 26 | 27 | 28 | 29 |
| 1 | 30 | 31 | | | | | |

(See attached for additional information on 2018 meeting dates and events)

# 2018 MEETING DATES | EVENTS

| DATE | ORGANIZATION | EVENT \| LOCATION |
|---|---|---|
| **JANUARY** | | |
| 1 | SEAPA | HOLIDAY – New Year's Day |
| 2 | Petersburg Borough Assembly Meeting* | Petersburg |
| 4 | Ketchikan City Council Meeting* | Ketchikan |
| 9 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| 15 | Petersburg Borough Assembly Meeting* | Petersburg |
| 18 | Ketchikan City Council Meeting* | Ketchikan |
| 23 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| 30 – Feb 1 | Alaska Power Association (APA) | Managers' Mtg & Legislative Conf - Juneau |
| **FEBRUARY** | | |
| 1 | Ketchikan City Council Meeting* | Ketchikan |
| 5 | Petersburg Borough Assembly Meeting* | Petersburg |
| **8** | **SEAPA BOARD MEETING** | **Ketchikan** |
| 13 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| 13-14 | Southeast Conference Mid-Session Summit | Juneau |
| 15 | Ketchikan City Council Meeting* | Ketchikan |
| 19 | SEAPA | HOLIDAY – Presidents' Day |
| 20 | Petersburg Borough Assembly Meeting* | Petersburg |
| 20-23 | Northwest Hydroelectric Association (NWHA) | Annual Conference & FERC Mtg. – Portland |
| 27 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| **MARCH** | | |
| 1 | Ketchikan City Council Meeting* | Ketchikan |
| 5 | Petersburg Borough Assembly Meeting* | Petersburg |
| 13 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| 15 | Ketchikan City Council Meeting* | Ketchikan |
| 19 | Petersburg Borough Assembly Meeting* | Petersburg |
| 27 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| **APRIL** | | |
| 2 | Petersburg Borough Assembly Meeting* | Petersburg |
| 5 | Ketchikan City Council Meeting* | Ketchikan |
| 10 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| 16 | Petersburg Borough Assembly Meeting* | Petersburg |
| 17 | **SEAPA SPECIAL BOARD MEETING (Telephonic)** | **Ketchikan** |
| 19 | Ketchikan City Council Meeting* | Ketchikan |
| 23-27 | NRECA CFPC Course (Unit 1) | Madison, Wisconsin |
| 24 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| 30 – May 2 | National Hydropower Association (NHA) | Annual Conference / Water Week – D.C. |
| **MAY** | | |
| 3 | Ketchikan City Council Meeting* | Ketchikan |
| 7 | Petersburg Borough Assembly Meeting* | Petersburg |
| 8 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| 14-16 | Northwest Hydroelectric Association (NWHA) | Strategic Planning Meeting – Seattle |
| 17 | Ketchikan City Council Meeting* | Ketchikan |
| 20-23 | Northwest Public Power Association (NWPPA) | Annual Meeting – Boise |
| 21 | Petersburg Borough Assembly Meeting* | Petersburg |
| 22 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| 28 | SEAPA | HOLIDAY – Memorial Day |

| | | |
|---|---|---|
| **JUNE** | | |
| 4 | Petersburg Borough Assembly Meeting* | Petersburg |
| 5-7 | APA Federal Legislative Conference | Washington, D.C. |
| 7 | Ketchikan City Council Meeting* | Ketchikan |
| 12 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| 18 | Petersburg Borough Assembly Meeting* | Petersburg |
| **19-20** | **SEAPA BOARD MEETING** | **Wrangell** |
| 21 | Ketchikan City Council Meeting* | Ketchikan |
| 26 | City & Borough of Wrangell Assembly Meeting | Wrangell |
| 26-29 | HydroVision International | Conference – Charlotte |
| **JULY** | | |
| 2 | Petersburg Borough Assembly Meeting* | Petersburg |
| 4 | SEAPA | HOLIDAY – Independence Day |
| 5 | Ketchikan City Council Meeting* | Ketchikan |
| 9-13 | NRECA CFPC Course (Unit 2) | Dulles, Virginia |
| 10 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| 16 | Petersburg Borough Assembly Meeting* | Petersburg |
| 16-19 | AEGIS | Policyholders Conference – Chicago |
| 19 | Ketchikan City Council Meeting* | Ketchikan |
| 24 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| **AUGUST** | | |
| 2 | Ketchikan City Council Meeting* | Ketchikan |
| 6 | Petersburg Borough Assembly Meeting* | Petersburg |
| 14 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| 16 | Ketchikan City Council Meeting* | Ketchikan |
| 20 | Petersburg Borough Assembly Meeting* | Petersburg |
| 21-24 | Alaska Power Association (APA) | Annual Meeting – Fairbanks |
| 28 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| **SEPTEMBER** | | |
| 3 | SEAPA | HOLIDAY – Labor Day |
| 4 | Petersburg Borough Assembly Meeting* | Petersburg |
| 6 | Ketchikan City Council Meeting* | Ketchikan |
| 11 | National Hydropower Association (NHA) | Annual Meeting – Ketchikan |
| 12-14 | Southeast Conference | Annual Meeting – Ketchikan |
| 11 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| 17 | Petersburg Borough Assembly Meeting* | Petersburg |
| 20 | Ketchikan City Council Meeting* | Ketchikan |
| 25 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| **27** | **SEAPA BOARD MEETING** | **Ketchikan** |
| **OCTOBER** | | |
| 1 | Petersburg Borough Assembly Meeting* | Petersburg |
| 4 | Ketchikan City Council Meeting* | Ketchikan |
| 9 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| 11-12 | APA Accounting & Finance Workshop | Anchorage |
| 15 | Petersburg Borough Assembly Meeting* | Petersburg |
| 18 | Ketchikan City Council Meeting* | Ketchikan |
| 23 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| ? | SEAPA Annual Audit | Ketchikan |

| NOVEMBER | | |
|---|---|---|
| 1 | Ketchikan City Council Meeting* | Ketchikan |
| 5 | Petersburg Borough Assembly Meeting* | Petersburg |
| 12 | SEAPA | HOLIDAY – Veterans' Day - Observed |
| 13 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| 15 | Ketchikan City Council Meeting* | Ketchikan |
| 19 | Petersburg Borough Assembly Meeting* | Petersburg |
| 22-23 | SEAPA | HOLIDAY – Thanksgiving & Day After |
| 27 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| **DECEMBER** | | |
| 3 | Petersburg Borough Assembly Meeting* | Petersburg |
| 6 | Ketchikan City Council Meeting* | Ketchikan |
| 11 | City & Borough of Wrangell Assembly Meeting* | Wrangell |
| 12-13 | APA December Meeting Series | Anchorage |
| **12-13** | **SEAPA BOARD MEETING** | **Petersburg** |
| 17 | Petersburg Borough Assembly Meeting* | Petersburg |
| 20 | City of Ketchikan Council Meeting* | Ketchikan |
| 24-25 | SEAPA | HOLIDAY – Christmas Eve & Christmas Day |

*Please note that the Assembly and Council meetings noted on the calendar are estimated as a result of the schedule below.

- Petersburg Borough Assembly — 1st & 3rd Monday every month
- City & Borough of Wrangell Assembly — 2nd & 4th Tuesday every month
- Ketchikan City Council — 1st & 3rd Thursday every month