

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
RESOLUTION 22-06

Battle Creek Diversion Project Callback Acceptance

INTRODUCTION

All the Purchasers of the Bradley Lake Management Committee ("BPMC") have supported the development and completion of the Battle Creek Diversion Project ("BCD Project"). As reflected in Resolutions No. 2017-02, including the First and Second Amendments and Resolution 2018-01 (together the "Earlier BCD Project Resolutions"), any Purchaser who did not initially participate in the development, construction and completion of the BCD Project (a "Non-Purchaser"), was granted an option to participate in the future.

On April 29, 2022, Golden Valley Electric Association ("GVEA"), an initial Non-Purchaser, issued its Callback Notice¹ and payment to the Alaska Energy Authority (the "Authority"). As provided in the Earlier BCD Project Resolutions, the GVEA Callback Notice and payment results in a reallocation of BCD Project shares beginning June 1, 2022. This Resolution 2022-06 acknowledges receipt of the GVEA payments and provides a revised allocation of percentages from the BCD Project, consistent with the Earlier BCD Project Resolutions.

PURPOSE OF BPMC RESOLUTION 22-06

The purpose of this Resolution 22-06 is to formally acknowledge GVEA's Callback Notice, accept GVEA's payment for the BCD Project and re-allocate the BCD Project shares consistent with the Earlier BCD Project Resolutions.

RESOLUTION NO. 22-06

WHEREAS, the BPMC has authorized the development and financing of the BCD Project through the adoption of the Earlier BCD Resolutions - Resolution No. 2017-01 (June 28, 2017), Resolution No. 2017-02 (October 13, 2017), First Amendment to Resolution No. 2017-02 (December 1, 2017), Second Amendment to Resolution No. 2017-02 (December 6, 2017), and Resolution No. 2017-03 (December 16, 2017);

¹ See the First Amendment to Attachment 1, Resolution No. 2017-02.

WHEREAS, the BPMC adopted Resolution No. 2018-01 to clarify the methodology to be used by the BPMC and to allocate BCD Project shares of any Non-Participating Purchaser that had not been otherwise sold or transferred.

WHEREAS, GVEA has provided its Callback Notice as required in the First Amendment to Attachment 1, Resolution No. 2017-02, and the Authority has determined that the amounts received are consistent with the terms and conditions in the Earlier BCD Project Resolutions;

WHEREAS, with receipt of the Callback Notice and payment prior to May 1, 2022 GVEA will participate in the BCD Project at the level equal to the capacity percentage it holds in the Bradley Lake Project;

WHEREAS, attached and incorporated herein by this reference is Amendment No. 1 to Exhibit A, Resolution No. 2018-01, that reflects the allocated percentages for all Participating Purchasers in the BCD Project.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BPMC, the aforementioned comments and Recitals are incorporated and made part of this Resolution No. 2202-06;

BE IT FURTHER RESOLVED, that the Earlier BCD Project Resolutions are incorporated as if fully set forth herein;

BE IT FURTHER RESOLVED that GVEA as a prior Non-Participating Purchaser in the BCD Project provided its timely Callback Notice prior to May 1, 2022 and the Authority has determined that the payment amount received is consistent with the terms and conditions of the Earlier BCD Resolutions;

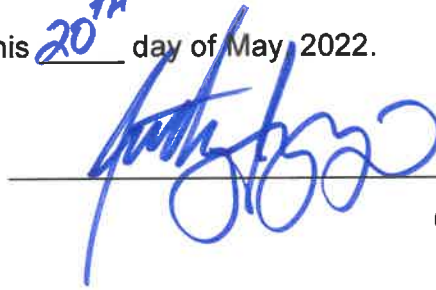
BE IT FURTHER RESOLVED that the BPMC accepts the Callback Notice and the Authority's determination that the total amount of the required payment meets all terms and conditions of the Earlier BCD Resolutions;

BE IT FURTHER RESOLVED that the attached Amendment to Exhibit A, Resolution No. 2018-01 reflects the actual shares for each Participating Purchaser of the BCD

Project, now including GVEA, and replaces the existing Exhibit A, Resolution No. 2018-01.

BE IT FURTHER RESOLVED that except for the changes expressly provided in Exhibit A, Resolution No. 2018-01, no further changes have been made to the Earlier BCD Project Resolutions by the adoption of this Resolution No. 2022-06

DATED at Anchorage Alaska, this 20TH day of May, 2022.



Chair, Anthony M. Izzo

Attest: 
Secretary, Curtis Thayer

**FIRST AMENDMENT
TO
EXHIBIT A
TO
RESOLUTION NO. 2018-01**

Reallocation of BCD Shares – (with revised Exhibit A)

Battle Creek Monthly Participating Purchaser Contributions
Revised Exhibit A
Computation of Contribution Amounts

*Percent Share Assumes GVEA
16.9% purchased proportionately
from original participants per
Exhibit A of Board Resolution 2018-01 Methodology*

	(A)	(B)	(C)	(D)	(E)
	Reallocated Percent on May 1st <u>Share</u>	FY22 Budget Amend 4	GVEA Buy-In Reallocation of Share x FY22 Budget Amend 4 (A) x \$3,564,354	Battle Creek Participant Contributions Prior to May 1st Paid thru 5/31/22 (B) x 11/12's	Battle Creek Participation on May 1st Revised Amount Due or (Refunded) as of 06/01/22 (C) - (D)
POWER PURCHASER					
Chugach Electric Association	32.72%	1,403,682	1,166,459	1,286,709	(120,249)
Homer Electric Association	34.44%	1,477,109	1,227,478	1,354,017	(126,539)
Matanuska Electric Association	14.86%	637,324	529,616	584,214	(54,597)
City of Seward	1.08%	46,338	38,507	42,477	(3,970)
GVEA	16.90%		602,393	0	602,393
	100.00%	3,564,453	3,564,453	3,267,415	297,038

				Total Paid by GVEA	1,883,993
				FY22 Portion Due to Orig Participants	(602,393)
				Pre FY22 Contributions to be Refunded	1,281,600
	Prior to May 1st Original %				
		FY22 - Amounts Due to Original Participants 6/01/22 (E)	Pre FY22 by Participant	Total	
Allocation of GVEA Payment	Refund %				
Chugach Electric Association	39.38%	120,249	504,694	624,943	
Homer Electric Association	41.44%	126,539	531,095	657,634	
Matanuska Electric Association	17.88%	54,597	229,150	283,747	
City of Seward	1.30%	3,970	16,661	20,631	
Remain with US Bank for FY22 Bdgt		297,038		297,038	
GVEA Share	100.00%	602,393	1,281,600	1,883,993	

Accounting Entries

Cash Received at US Bank	Dr. (Cr.)
June 2022 Battle Creek Operating Revenue	1,883,993
Liability for Refund to Utilities-Pre FY22	(297,038) =Bdgt/12 months)
Liability for Refund to Utilities-FY22	(1,281,600)
	(305,355)
	(0)

ALASKA ENERGY AUTHORITY
Revised Exhibit A
Battle Creek Allocation
Revised Exhibit A to Resolution 2018-01

Power Purchaser	BCD Percent Share Prior to GVEA Buy-in	Re-allocation of 16.9% to GVEA May 1, 2022	BCD Percent Share After GVEA Buy-in	Bradley Lake Shares
Chugach Electric Association	39.38%	6.66%	32.72%	56.30%
Homer Electric Association	41.44%	7.00%	34.44%	12.00%
Matanuska Electric Association	17.88%	3.02%	14.86%	13.80%
Golden Valley Electric	0.00%	0.00%	16.90%	16.90%
City of Seward	1.30%	0.22%	1.08%	1.00%
	100.00%	16.90%	100.00%	100.00%