Presented by: The Manager Introduced: 08/03/87

Drafted by: Ad Hoc Snettisham

Committee

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 1256

A RESOLUTION REQUESTING THE GOVERNOR OF THE STATE OF ALASKA TO REQUEST THE ALASKA POWER AUTHORITY TO PREPARE A PROPOSAL TO PURCHASE THE SNETTISHAM HYDROELECTRIC POWER GENERATION FACILITY FROM THE U.S. DEPARTMENT OF ENERGY.

WHEREAS, the President of the United States has made several proposals to the Congress for rate reform for federally-owned power generation facilities, and

WHEREAS, these proposals, if implemented, would drastically increase the wholesale price of electricity produced by the Snettisham Hydroelectric Power Generation Facility, with a resultant severe impact on retail customers, and

WHEREAS, on April 1, 1987, the U.S. Department of Energy, the owner and operator of the Snettisham facility, issued a request for proposals for the purchase of the facility, and

WHEREAS, the Ad Hoc Snettisham Committee, comprised of representatives from the City and Borough of Juneau, the Alaska Electric Light and Power Co., and the Glacier Highway Electric Association, with the assistance of the Alaska Power Authority and the Juneau Energy Advisory Committee, has been reviewing the request for proposals to determine the feasibility of purchase of the Snettisham facility, and

WHEREAS, the committee has prepared a report which indicates that, under certain circumstances, the Snettisham facility could be purchased and operated in a manner which results in wholesale power rates approximating those under continued federal ownership without rate reform, and

WHEREAS, the committee has determined that the most appropriate entity to own and operate the facility would be the Alaska Power Authority, an agency of the State of Alaska, and

WHEREAS, the boards of directors of the Alaska Electric Light and Power Co. and the Glacier Highway Electric Association have adopted resolutions endorsing the purchase of the facility under the conditions described by the committee in its report, and

WHEREAS, the Capital Improvement Projects Committee of the Assembly has reviewed the committee's report and unanimously recommended adoption of the report by the Assembly;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

- 1. That the Assembly hereby adopts the report of the Ad Hoc Snettisham Committee.
- 2. That the Assembly respectfully requests that the Honorable Steve Cowper, Governor of the State of Alaska, request the Board of Directors of the Alaska Power Authority to submit a proposal to the U.S. Department of Energy for the purchase of the Snettisham Hydroelectric Generation Facility under the general terms and conditions of the committee report.
- 3. Effective Date. This resolution shall be effective immediately upon adoption.

Adopted this 3rd day of August, 1987.

Mayor

Attest: