

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

BOARD MEETING
AGENDA ITEM SUMMARY

December 17, 2003

ACTION REQUIRED

AGENDA ITEM NO. IX.F.

- Information Only
 Motion
 Resolution
 Executive Session
 Other
-

TOPIC

A transmission line to connect existing lines at International Station to the planned new South Anchorage Substation is under design and construction is scheduled to begin in late summer of 2004. Project authorization is requested.

DISCUSSION

Installation of a new 138kV transmission line to a new 138/34.5kV substation in south Anchorage is planned. The substation and associated transmission and subtransmission lines are necessary to supply the increasing system demands in the area. The existing 34.5kV subtransmission lines are no longer able to transfer the projected loads if any one link is out of service. Approval of the 138kV Transmission Line from International to South Anchorage Substation Project will assure adequate power supply in south Anchorage within the timeframe required.

OTHER OPTIONS EXPLORED

Alternatives to the proposed action have been investigated in a 34.5kV Long Range Plan (11/97) and a subsequent update (01/03) and would consist of major upgrades and additions to the 34.5kV system as well as addition of voltage support equipment (capacitors) in all substations in the area. Costs for these improvements have been found to exceed those of the proposed action and would only serve to postpone installation of transmission facilities by 5 to 7 years. We have also investigated whether installing transmission facilities in existing substations in the area would be feasible at lower costs and found that similar to subtransmission upgrades, overall costs would be higher since reliability could only be assured, if many of the 34.5kV line and switchgear upgrades are undertaken at the same time.

CHIEF EXECUTIVE OFFICER'S RECOMMENDATION

Motion: Move that the Chugach Board of Directors give project authorization for construction of a new transmission line from International Station to a new substation in south Anchorage with an estimated cost of \$4,000,000 to \$5,000,000 and an estimated completion date of December 2005.