

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

FINANCE COMMITTEE MEETING
AGENDA ITEM SUMMARY

April 8, 2009

ACTION REQUIRED

AGENDA ITEM NO. VIII.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

Project Authorization – 138 kV Transmission Line, Retherford Station to University Station

DISCUSSION

The South Anchorage 138 kV loop project was developed in order to provide a second 138 kV transmission tie between the University and International Substations as well as a bulk supply substation for South Anchorage load. This overall project was planned as three separate activities, the International to Retherford Station Transmission Line, the Retherford Bulk Transmission Substation, and the University Station to Retherford Transmission Line. The first two of these projects were constructed and are in use. The University Station to Retherford Transmission Line is to be completed in 2010 as the final segment of the overall project, with transmission line construction along the O'Malley Road alignment from Retherford Station to the existing line along Elmore Road. Installation of the 138 kV overhead line along O'Malley Road makes it necessary to underground existing distribution facilities, along with a new 34.5 kV supply line to distribution substations in south Anchorage.

The undergrounding of the existing distribution line and the placement of the new underground subtransmission line along O'Malley Road will be mostly funded with money collected, per municipal ordinance, for the undergrounding of existing facilities. It is estimated that \$7,500,000 in undergrounding funds will be expended during this \$11,300,000 project.

Project funds for this project were approved in the fiscal year 2009 budget on November 20, 2008.

BUDGETARY IMPACT

Total project amount, excluding undergrounding funds is estimated at \$3,800,000. Total amount of undergrounding funds to be expended is estimated at \$7,500,000.

MOTION

Move that the Finance Committee recommend to the Board of Directors to authorize project expenditures to complete the South Anchorage Transmission Loop from the Retherford Station to Elmore Road with an estimated total cost of \$11,300,000, and an estimated completion date of June 2010.

Chugach Project Authorization

Project Name: 138 kV Transmission Line, Retherford Station to University Station

Project Category: System Improvement

Safety		Incremental Load Growth	X	New Service		R&R SCADA	
Agency Mandated		Reliability		Operating Efficiency		R&R Generation	

Accountabilities & Approvals

	<u>Signatures</u>	<u>Date</u>
Board of Directors: Alex Gimarc, Secretary	_____	__/__/__
CEO: Bradley Evans, CEO	_____	__/__/__
Executive Sponsor: Ed Jenkin, VP Power Delivery	_____	__/__/__
Project Manager: Jon Sinclair, Sr. Project Engineer	_____	__/__/__

Purpose and Need:

This project will complete the South Anchorage Transmission Loop by installing the section between Retherford Station and the existing line at Elmore Road. It will provide a loop supply to Retherford Station and increase reliability to consumers fed through this station. The construction of the South Anchorage Transmission Loop utilizes an alignment presently occupied by overhead distribution facilities. The distribution lines and a new 34.5 kV circuit to supply three south Anchorage substations will be installed underground to allow the placement of the overhead 138 kV line.

Project Description:

The project will build 2.7 miles of overhead 138 kV transmission line. 1.7 miles of 34.5 kV and 1.8 miles of 12.5 kV circuits will be installed underground along O'Malley Road between the New Seward Highway and Elmore Road, where they connect into existing circuits.

Approval Amount: \$ 11,300,000

Projects in 2009 Budget@ \$ 12,649,991

	Labor	Contract	Travel	Materials	Other	Total
Forecast	\$798,000	\$6,576,000	\$0	\$3,804,000	\$122,000	\$11,300,000

Variance Discussion:

None