

Reviewed October 2009

Project Fact Sheet: TEELAND DOUGLAS TRANSMISSION LINE PROJECT

CURRENT STATUS This project is presently under re-scoping: 1) \$10M of the original appropriation was re-appropriated to upgrade the Static VAR Compensation Equipment that allows the Alaska Intertie without damaging transients, and a repair of Tower 195, a transmission tower that is in danger from encroachment by the Talkeetna River, and 2) AEA is accomplishing a regional integrated resource plan for the Railbelt, that will establish an economic plan for transmission and generation to serve the Railbelt over the next 50 years. Under this plan, the segment upgrade will be viewed in the context of overall system improvement. It is expected that endpoints of the intertie completion project will be set under this planning effort, and the project may need to be re-scoped and funding level modified. Work has been halted to renegotiate the contract, and for possible re-scoping under the IRP.

PROJECT COST: \$20.3 million

DESCRIPTION: Upgrade and extend the line from the Teeland Substation on Knik-Goose Bay Road to the Douglas substation in the Matanuska-Susitna Borough. The project is an integral part of the Alaska Intertie and will replace approximately 25 miles of an existing transmission line operated at 138kV, owned by MEA.

PURPOSE: Construction of this bypass line will parallel the existing MEA owned line, and allow the present MEA owned intertie link, 20 miles of which is insulated at 115kV and operated at 138kV, to return to MEA control and service. Continued use of this 20-mile portion of the 25-mile MEA asset by certain Railbelt utilities until January 1, 2014 has been provided for through an RCA order.

SOURCE OF FUNDS: 2002 Legislative appropriation to AEA.

PARTICIPANTS: EA is contracting with Municipal Light and Power under a cooperative agreement to accomplish the transmission line project. AEA will own the new line and it will become part of the Alaska Intertie Project.

BENEFITS: This new line will be an addition to the existing 170 mile Alaska Intertie. With AEA ownership and access, the existing agreements with MEA for use of MEA transmission lines, which are complex, will no longer be needed. It is expected that intertie operations will be simplified, and MEA will gain the full use of its assets it previously had devoted to intertie operation.

ADDITIONAL BACKGROUND: It was determined that the most effective way to construct the line was to have ML&P manage all construction activities. This decision was the result of a collaborative effort between AEA and the Intertie participant utilities. The project has been approved by the Intertie Operating Committee.