

PRESS RELEASE

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FOR IMMEDIATE RELEASE

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AEA Board Supports Purchase of Soldotna-Quartz Creek Transmission Line

(Anchorage) – The Alaska Energy Authority (AEA) Board of Directors moved toward improving the reliability of the Railbelt bulk power system and decreasing costs for Alaska’s Railbelt ratepayers. In the regular Board meeting held Wednesday, August 5 the AEA Board endorsed AEA’s efforts to purchase the 39.3 mile 115-kilovolt transmission line between the Sterling Substation and Quartz Creek (SSQ Line) from the Homer Electric Association.

The SSQ Line is an essential component of the Railbelt transmission system, which delivers Bradley Lake hydroelectric generated power from Homer north to Fairbanks. Bradley Lake, a 120-megawatt hydroelectric project, is 27 miles southeast of Homer and delivers the least expensive power available to Railbelt ratepayers.

“I would like to extend my thanks to all the participating utilities and their efforts by working together for the benefit of Alaska ratepayers in Southcentral and on the Railbelt,” **said AEA Board Chair Dana Pruhs.**

AEA Executive Director Curtis W. Thayer added, “If it wasn’t for the utilities in this process we wouldn’t be where we are. The six utilities came together after the Swan Lake Fire and worked cooperatively to benefit all their ratepayers and get Bradley power to more customers.”

The transaction brings many significant benefits to customers including better cost alignment, increased reliability, and future prospect for upgrades to the line, which would decrease line losses and allow for increased power transmission north, and unconstraining Bradley power.

“When I think about AEA’s mission to reduce the cost of energy in Alaska, I can’t think of a better example than what will be a historic purchase of the SSQ Line,” **said Tony Izzo, CEO of Matanuska Electric Association and the Chair of the Bradley Lake Project Management Committee.** “This critical infrastructure brings the cheapest power on the Railbelt system to almost three quarters of the state’s population from renewable hydro-electric resources. I think it’s a great example of what AEA can do in the state of Alaska.”

The closing of this transaction is anticipated in the fourth quarter of 2020.

The Alaska Energy Authority is a public corporation of the state. Its mission is to reduce the cost of energy in Alaska.

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