Alaska Energy Authority
BOARD MEETING MINUTES
Thursday, July 25, 2013
Anchorage, Alaska

1. CALL TO ORDER

Chair Hugh Short called the meeting of the Alaska Energy Authority to order on July 25, 2013 at 1:17 pm. A quorum was established.

2. ROLL CALL: BOARD

Members present: Chair Hugh Short (Public Member); Vice Chair Commissioner Susan Bell (Commissioner, Department of Commerce, Community, and Economic Development) Commissioner Bryan Butcher (Commissioner, Department of Revenue); Gary Wilken (Public Member).

3. AGENDA APPROVAL

The agenda was approved as amended.

4. ROLL CALL: STAFF, PUBLIC

Staff present: Sara Fisher-Goad (AEA Executive Director); Michael E. Lamb (Deputy Director-Finance & Operations); Sean Skaling (Deputy Director of Alternative Energy and Energy Efficiency); Gene Therriault (Deputy Director of Energy Policy Development); Wayne Dyok (Lead Project Manager); Cady Lister (Energy Efficiency Manager); Emily Ford (Public Outreach Liaison); Betsy McGregor (Environmental Manager); Julie Anderson (Stakeholder Manager & HSE Officer); Jennifer Haldane (Human Resource Manager); Aaron Rhoades (Human Resource Manager); Kirk Warren (AEA Project Manager); and Teri Webster (AEA Executive Assistant).

Others present: Brian Bjorkquist (Department of Law); Bernie Smith (Regulatory Commission of Alaska); and Sunny Morrison (Accu-Type Depositions).

5. PUBLIC COMMENTS

There were no public comments.

6. PRIOR MINUTES

The May 30, 2013 AEA Board meeting minutes were adopted.

7. NEW BUSINESS
7A. Resolution No. 2013-04 Bylaw amendment regarding appointment of AEA chair and vice chair

Ms. Fisher-Goad explained this resolution will designate the AIDEA Vice-Chair as the AEA Chair and the AIDEA Chair as the AEA Vice-Chair to allow flexibility and lessen the time constraints for both the AEA Chair and the AIDEA Chair. She believes this is a prudent switch and asks for the Board's support.

MOTION: A motion was made by Mr. Wilken to adopt Resolution No. 2013-04. Motion seconded by Commissioner Bell. Motion passed unanimously.

7B. Resolution No. 2013-05 Re-adoption of the commercial building energy audit program regulations

Ms. Fisher-Goad stated this resolution provides technical edits to the original regulation. The Department of Law suggested these should be re-adopted by the Board. Exhibit A lists the summary of the technical changes. She noted the changes will impart consistency within the regulations and requested the Board's approval.

MOTION: A motion was made by Mr. Wilken to adopt Resolution No. 2013-05. Motion seconded by Commissioner Bell. Motion passed unanimously.

7C. Susitna-Watana update

Ms. Fisher-Goad requested Ms. McGregor, Environmental Manager, Ms. Anderson, stakeholder manager new hire, and Mr. Dyok to join her at the table during the Susitna-Watana update PowerPoint presentation. She reviewed in detail the environmental and field work that is occurring and the ongoing communication plan. 

Mr. Wilken liked the presentation and asked who else will review this presentation. Ms. Fisher-Goad noted this is the basis for a presentation to any legislative meetings. She has been working with Senator Huggins' office on having a presentation in the Valley and has been working with Representative Millett, who is one of the Co-Chairs of the House Energy Committee, on having a presentation at an interim Energy meeting. Ms. Fisher-Goad intends on meeting with the Interior delegation to provide the same presentation.

Mr. Wilken asked if there is going to be a rendering of what this dam might look like. Mr. Dyok stated MWH has been working on an updated rendering and could provide that at the next Board meeting.

7D. Alaska Intertie Agreement reliability rules and open access written update

A written report was handed out to the Board.

8. EXECUTIVE DIRECTOR COMMENTS

8A. Program and project fact sheets
Ms. Fisher-Goad commented the program and fact sheets have been updated. Ms. Fisher-Goad introduced Ms. Haldane, who is the new Human Resources Manager. Ms. Fisher-Goad noted she is sorry to see Mr. Rhoades leave the position and move to Fairbanks.

Ms. Fisher-Goad expressed her appreciation to Chair Short for being a fantastic Chairman and for his hard work during the last few years. He will be missed.

8B. **Next regularly scheduled meeting - Thursday, September 26, 2013**

9. **BOARD COMMENTS**

Mr. Wilken requested his comments, regarding Chair Short and his departure be incorporated into today's AEA minutes. His comments were as follows: "Mr. Wilken agreed with the previous remarks and commented to Chair Short that 10 years from now when his family is able to settle down and his business is underway, let Mr. Wilken know when Chair Short is going to run for Governor and he will give the first 500. Mr. Wilken stated there will be a hole left when Chair Short is gone and hopes his friendship and leadership continues for many years."

Commissioner Bell expressed her appreciation for the Susitna-Watana update. She believes it is important to carry this information forward. She asked if $165 million has been spent between the last fiscal year and the present fiscal year on Susitna-Watana. Ms. Fisher-Goad responded $165 million is correct. Commissioner Bell commented the talking points she gained from the presentation will help her describe the rigorousness of the work being performed and help show the state's commitment in moving this project forward. She especially liked the illustration which quantified the number of Alaskan contractors working on this project. She appreciated the robust format of the project and program descriptions. Commissioner Bell reiterated that it has been a pleasure working with Chair Short.

Commissioner Butcher stated he has enjoyed working with Chair Short. He expressed his gratitude to Ms. Fisher-Goad and her staff for their hard work and responsibility. He commented they are doing a great job.

Chair Short commented it has been a pleasure working with Ms. Fisher-Goad and thanked her and her team for all of their work. He stated he is sorry to hear Mr. Rhoades is leaving.

10. **ADJOURNMENT**

There being no further business of the Board, the AEA meeting adjourned at 1:58 pm.

[Signature]

Sara Fisher-Goad, Executive Director/Secretary
Alaska Energy Authority
Licensing Update: Successes

• Licensing Process
  – Approved environmental study plan
  – Meeting milestones
  – Remaining on schedule
  – NMFS study disputes denied

• Culture of Safety
  – Recognition from contractors and stakeholders

• Next Milestone: Initial Study Report on Feb. 3, 2014
Winter Studies

Ice processes, hydrology, bed sampling, fish, moose, caribou and furbearer studies continue year-round.
Fish Sampling and Tagging

Extensive study efforts in Lower, Middle and Lower Susitna Basin.
Example of Intensive Interdisciplinary Study Site (Focus Area)

Equipment and instrumentation has been installed at the seven accessible sites.
Modifications to FERC-Approved Plans

• Late Spring and Ice Breakup
• CIRI/Cook Inlet Village Corporations’ Lands Access
• Budget
Study Modifications: Late Spring and Ice Breakup

• Delayed the start of some studies:
  – Fish and salmon resources (fish weirs, cameras, screw traps)
  – Ptarmigan
  – Furbearer surveys
  – Cook Inlet Beluga whale aerial surveys
Study Modifications: CIRI/Cook Inlet Village Corporations Land Access

- Limited upland study area to state and federal lands in Upper Basin
- Limited water resources investigations in mainstem Susitna River to submerged lands within navigable portions of the river
- No access to tributaries from Portage Creek to Watana Creek, or non-navigable portion of Susitna River through Devils Canyon
Study Modifications: Budget

• As the Capital Budget was approved, FERC was reviewing the Revised Study Plan
  – Increased requirements increased costs
• Postponed studies or study components to 2014:
  – One-year or desktop studies
  – Full execution of models
  – One-year access/transmission corridor studies
  – One-year data collection efforts that may not be necessary depending on 2013 results
Project Phases

   - 2013: WE ARE HERE
   - 2014: Preparation - Planning, Collaboration - Environmental Studies

   - 2015: Submit FERC Application
   - 2016: Application - Submittal - Review - Determination

   - 2017: Construction
   - 2018: Inspections - Testing

4. Operational Phase (Starting in 2024)
Contractors

MWH Americas, Inc.
- Agnew & Beck Consulting, LLC
- Alden Research Laboratory, Inc.
- Applied Weather Associates, LLC
- Electrical Power Systems, Inc.
- Energy & Resource Economics
- Fugro Consultants, Inc.
- Golder Associates, Inc.
- Hanson Alaska, LLC
- McMillen, LLC
- Norm Abrahamson
- Northern Ecological Services
- Northern Economics, Inc.
- Nuss Engineering, LLC
- Slater Energy Consultants
- USKH, Inc.
- Wood Canyon Group, Inc.

HDR Alaska, Inc.
- Aquacoustics, Inc.
- Bue Consulting, LLC
- SLR International Corp.
- Stephen Braund & Associates
- Terrasound Limited
- University of Alberta

URS Alaska, LLC
- Arctic Hydrologic Consultants
- Bearsense
- C. Mike Prewitt, Ph.D.
- Charles M. Mobley & Associates
- Chumis
- Hart Crowser, Inc. (Pentec)
- Marnie Isaacs and Associates
- McDowell Group
- MWH Americas, Inc.
- North Wind
- Northern Land Use Research
- OASIS Environmental Inc.
- R2 Resources
- SGS Environmental Services
- Tetra Tech
- Watershed Geodynamics
- WHPacific, Inc.

DOWL HKM.
- Aquacoustics, Inc.
- Cultural Resource Consultants, LLC
- Harris Miller Miller & Hanson, Inc.
- LGL Alaska Biological Consultants, LLC
- Long View Associates, Inc.
- Northern Ecological Services, Inc.
- Northern Economics Inc.

ABR, Inc.
- Alaska Swiftwater Resources
- Brailey Hydrological Consultants
- Chalk Board Enterprises, LLC
- DES.IT, LLC
- Engineering & Environmental Internet Solutions
- Geovera, LLC
- Golder Associates, Inc.
- GW Scientific
- Millers Ecological Consulting
- R2 Resources
- Solstice Environmental Consulting
Managing Contractors

- Weekly core-team meetings
- Bi-weekly full-staff meetings
- Monthly technical-team meetings
- Staff and contractor meetings every two months
- Scheduling mechanism to track schedule and budget variances
- Detailed and specific permit compliance process, including field audits
Logistics: Objectives

1. Field safety and integrated Health, Safety and Environment culture
2. Optimize efficiencies and maximize data collection
3. Control costs
4. Reduce risks and environmental impact
5. Reduce impacts on locals and recreational users
Logistics

• Logistics management
  – Logistics manager and field logistics coordinators

• Scheduling
  – Transportation (helicopters, boats, field crews)
  – Accommodations (Stephan Lake Lodge, Talkeetna, Gold Creek)

• Communications
  – Real-time satellite tracking of helicopters and boats
  – Aviation weather cameras
  – Stable broadband Internet and phones in all camps
  – State-owned radio repeater

• Fuel

• Field reporting
Multi-Agency Coordination

- State of Alaska Agencies
  - ADF&G, Alaska State Parks, Department of Natural Resources

- Alaska Department of Fish and Game
  - Susitna-Watana Hydro Studies
  - Coordination on Mat-Su salmon studies

- HSE Coordination with nearby projects
  - Radio frequencies
  - Scheduling

- University of Alaska

- Federal agencies
  - NMFS and U.S. Fish and Wildlife Service, United States Air Force, Federal Aviation Administration
Communications Plan

• Continuing to refine communications plan, to include: defining audiences, messaging and communication tools

• Communication shifting from planning to implementation phase

• Developing a stakeholder strategy and outreach plan
  – Stakeholder distinct, yet coordinated with licensing efforts
  – Focus on key influencers and timing of interaction
  – Current focus is on landowners, i.e. CIRI and Cook Inlet Village Corporations
Focus on Stakeholder Relations

• Communications and stakeholder staffing
  – Using internal AEA resources
  – HSE & Stakeholder Manager
  – Exploring potential for coordinator with CIRI & Cook Inlet Village Corporations

• Working to maintain positive relationship with Ahtna Regional Corporation

• Holding individual meetings with regional and village corporations and tribes within general project area

• Working to improve communications framework with CIRI and Cook Inlet Village Corporations
CIRI and Cook Inlet Village Corporations

- CIRI and Cook Inlet Village Corporations working group
  - Conditional support for Susitna-Watana Hydro
  - Seeks opportunities for economic development
- Timing and prioritization within Cook Inlet Village Corporations resulted in delays
- CIRI and Cook Inlet Village Corporations seek recognition of their key role as landowners
Concerns and AEA Response

• Fostering Positive Communications
• Trespass and Permits
• Health and Safety
• Indemnification
• Cultural Resources and Unanticipated Discoveries
Fostering Positive Communications

• AEA has requested working group meeting
  – Big picture discussion, sharing priorities
  – Site tour and study effort overview with leadership

• AEA is providing weekly field activity and project status reports

• AEA has provided staff organization chart, roles and individual contact information

• Need to define economic development and participation opportunities
Trespass and Permits

• Resolved 2012 trespass issues, working with Knikatnu, Inc. on 2013
• Staffing changes
• Adjusted 2013 field season to not include CIRI or Cook Inlet Village Corporation lands
• Detailed land status maps, based on GIS
• All contractors must have permits and maps on hand at all times
“In its most recent letter, dated May 14, 2013, AEA appears to recognize the significance of these ongoing trespass and safety issues, among other things”

– CIRI and Cook Inlet Village Corporation Working Group letter to FERC, June 20, 2013
Health and Safety

• Health Safety and Environment positions
  – Contract position
  – Stakeholder manager/HSE officer
• HSE and Emergency Action Plans Required
  – Including fire evacuation plans
• Safety Training
  – Swift water rescue
  – Bear awareness
  – Firearms
  – CPR and First Aid
• EMTs stationed at Stephan Lake Lodge
• Safety Compliance Audits
“AEAs commitment to safety was very obvious in the field with all of the many staff we encountered. We will provide a summary of our site visit to you soon, but I wanted to get a quick note of appreciation to you.”

– Sue Walker, NMFS email to Wayne Dyok on July 3, 2013
Indemnification

- State of Alaska cannot provide indemnification
- Potential solution for contractors to provide indemnification, but puts logistical burden on landowners
- Attorney General’s office has provided draft language to CIRI counsel, waiting on Working Group feedback
Cultural Resources: Unanticipated Discoveries Plan

• Year-long stakeholder involvement
• Complies with State and Federal regulations
• Field crew training and protocols required to be on hand at all times
• Priority notification to landowner
  – No 2013 field activities on CIRI or Cook Inlet Village Corporation land
  – Artifacts have been found on State and BLM lands. Curation plans in place at the Museum of the North at UAF
Next Steps

• Licensing and Engineering Milestones
  – Resource Management and Procurement Plan
  – Owner’s Engineer RFP
  – Feasibility Report

• Financing Plan and Economics

• Utility Coordination

• Stakeholder Engagement