

PRESS RELEASE

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AEA Closes on \$166 Million in Bond Financing for Transmission Upgrades and Battery Storage

(Anchorage) – The Alaska Energy Authority (AEA), the state’s energy office, has closed today on its [previously announced](#) \$166 million in bond financing to improve the efficiency and deliverable capacity of power from the Bradley Lake Hydroelectric Project. The bonding by AEA, in partnership with the Railbelt utilities, will come at no additional cost to ratepayers or added burden on the State treasury.

Proceeds from the bond issuance will pay for transmission line upgrades and battery energy storage systems that will reduce existing constraints on the Railbelt grid by increasing transmission capacity to export Bradley Lake hydropower, while also allowing for the integration of future renewable energy generation.

Bradley Lake, owned by AEA, is the largest hydroelectric plant in Alaska and generates the lowest cost power in the state. More than 550,000 Alaskans, from Homer to Fairbanks, benefit from the 120-megawatt facility, which generates up to 10 percent of the total annual electrical energy consumed by Railbelt residents and businesses alike.

Bradley Lake is managed by the Bradley Lake Project Management Committee, which is comprised of a representative from each of the five Railbelt utilities and AEA. Since Bradley Lake’s completion, each utility has paid a portion of the annual debt service on the original bonds. In 2021, the bonds were paid off and under the Power Sales Agreement the Railbelt utilities are obligated to make annual payments until 2050. Such funds are now available to be used for upgrades related to Bradley Lake.

The Railbelt utilities are comprised of Chugach Electric Association, Golden Valley Electric Association, Homer Electric Association, Matanuska Electric Association, and the City of Seward.

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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