

**BRADLEY LAKE PROJECT
MANAGEMENT COMMITTEE MEETING
AGENDA
December 5, 2025
10:00 AM**

To participate dial 1-888-585-9008 and use code 212-753-619#

1. CALL TO ORDER
2. ROLL CALL (for Committee members)
3. PUBLIC ROLL CALL (for all others present)
4. AGENDA APPROVAL
5. PUBLIC COMMENTS
6. APPROVAL OF MEETING MINUTES – [September 19, 2025](#)
7. NEW BUSINESS
 - A. [FY25 BPMC Audited Financial Statements](#) and [Letter](#)
 - B. [FY25 Refund of Surplus](#)
 - C. [2026 BPMC Meeting Schedule](#)
8. OLD BUSINESS
 - A. Dispute Resolution Process – Wheeling Services Agreement
 - B. IRS Refund and Interest AEA
 - C. Renewable Energy Credits (REC's) Update AEA
 - D. [CIPLink \(Grip 3, Phase 1\) Update](#) Jim Mendenhall
 - E. [Bradley Lake Expansion Project Update](#) Ryan McLaughlin
 - F. SQ Upgrade Update
 - G. [Railbelt Regional Coordination Update](#) Brian Hickey
9. [OPERATORS REPORT](#) Martin Law
10. COMMITTEE REPORTS
 - A. [Budget vs. Actuals](#) Mark Ziesmer
 - B. [O&D Report](#) Josh Crowell
11. EXECUTIVE SESSION – (Bylaws Section 5.11.4) – To (1) discuss confidential financial matters the immediate knowledge of which may have an adverse effect on the Authority or Project; and (2) matters discussed with an attorney for the Committee or a member of the Committee, the immediate knowledge of which could have an adverse effect on the legal position of the Committee or the Authority.

12. MEMBERS COMMENTS
13. NEXT MEETING DATE – January 16, 2026 (*pending approval*)
14. ADJOURNMENT

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE (BPMC)
REGULAR MEETING MINUTES
September 19, 2025

1. CALL TO ORDER

Vice Chair Arthur Miller called the meeting of the Bradley Lake Hydroelectric Project Management Committee to order at 10:04 a.m. He noted that he is sitting in today for Tony Izzo. A quorum was established.

2. ROLL CALL (for Committee members)

Arthur Miller (Chugach Electric Association [CEA]); Tony Zellers (Matanuska Electric Association [MEA]); Dan Bishop (Golden Valley Electric Association [GVEA]); Brad Janorschke (Homer Electric Association [HEA]); Brian Hickey (City of Seward); and Curtis Thayer (Alaska Energy Authority [AEA]).

3. PUBLIC ROLL CALL (for all others present)

Jennifer Bertolini, Mark Billingsley, Patrick Domitrovich, Pamela Ellis, Ryan McLaughlin, Jim Mendenhall, William Price, Leanne Smoke, Robert Vargas, Mark Ziesmer (AEA); Joel Paisner (Ascent Law Partners); Matt Clarkson, Josh Crowell, Sherri Highers, Chris Koehler, Andrew Laughlin, Mike Miller, Paul Millwood (CEA); Andrew Jensen (Governor's Office); Larry Jorgensen, Sarah Lambe, Martin Law, Andrew Patrick, Jessica Spuhler (HEA); Tony Izzo, David Pease, Jon Sinclair (MEA), and Julian Jensen (Public).

Tony Izzo commented that he is attending via the Teams Meeting and will need to leave the meeting at various times. There was no objection.

4. AGENDA APPROVAL

MOTION: A motion was made by Mr. Thayer to approve the agenda. Motion seconded by Mr. Zellers.

A roll call was taken, and the motion to approve the agenda passed unanimously.

5. PUBLIC COMMENTS - None.

6. APPROVAL OF MEETING MINUTES – July 25, 2025

MOTION: A motion was made by Mr. Thayer to approve the Minutes of July 25, 2025. Motion seconded by Mr. Bishop.

A roll call was taken, and the motion to approve the Minutes of July 25, 2025, passed

unanimously.

7. NEW BUSINESS – NONE

8. OLD BUSINESS

A. Resolution 25-03 In Support of Dixon Diversion Financing

Vice Chair Miller explained that there are two draft resolutions in the packet. The difference between the two draft resolutions is in the last Be It Also Resolved. The second draft resolution states: "(2) the Required Project Work determination is supported by any necessary industry and economic opinions; and (3) each Project Participant's governing board shall authorize the financing." Vice Chair Miller asked the members which version should advance, if any.

MOTION: A motion was made by Mr. Thayer to approve Draft 2 of Resolution No. 25-03. Motion seconded by Mr. Hickey.

Vice Chair Miller commented that he believes the second version provides additional specificity regarding the effort and gives appropriate oversight associated with the financing of the project. Vice Chair Miller recommended an amendment to Section (1), replacing the words "shall be" with the word "is," to read: (1) The Dixon Diversion is deemed a Required Project Work project under the Power Sales Agreement.

The maker of the motion, Mr. Thayer, accepted Vice Chair Miller's verbiage as a friendly amendment. The second, Mr. Hickey, accepted the friendly amendment.

Mr. Zellers noted that this is deemed required project work. He asked if BPMC is setting a precedent to require the governing boards to approve other required project work. Mr. Thayer explained that the resolution has the BPMC deem the Dixon Diversion as required project work. The resolution does not have the individual boards define the required project work. He noted that the seven-page legal opinion by the Orrick law firm has been shared with the Chief Executive Officers (CEOs) of the utilities. Additionally, the Department of Law used Orrick to perform the previous two opinions regarding required project work.

Mr. Zellers expressed his understanding and agreement of the basis for the opinion. However, his question is regarding future required project work, and the effect of this resolution that requires the project participants' boards to approve the financing.

Mr. Thayer explained that this resolution is nearly identical to the resolution for \$166 million and the resolution for \$17 million. He discussed that AEA is maintaining the condition that the individual boards have the final authority on the financing. This is a requirement of the AEA board. Mr. Thayer indicated that AEA is not going to secure financing for the Dixon Diversion without having resolutions from the individual utility boards agreeing to those financing terms, financing mechanisms, and the term sheet. The purpose of Resolution 25-03 is to allow AEA to work with financing partners to establish financing and subsequently bring that financing package before the BPMC and the utilities. Mr. Thayer explained that the resolution answers the

question in the affirmative that there are buyers for the water.

Mr. Zellers expressed appreciation to Mr. Thayer for providing additional background. Mr. Zellers indicated that MEA does not object to the amended version of the resolution.

Mr. Janorschke indicated that his question may have been answered by Mr. Thayer. Mr. Janorschke asked if the proposed language in section (2), "the Required Project Work determination is supported by any necessary industry and economic opinions", was obtained from the Orrick response.

Mr. Thayer agreed and reiterated that this same requirement has been included in all the financing models, including on the SQ Line and other bonding. In the past, GDS Engineering was utilized for the opinion supporting prudent utility practice.

Mr. Janorschke discussed if the words "any necessary" should be included. He suggested that the words "any necessary" could be removed. Mr. Janorschke commented that he is supportive either way. Mr. Thayer indicated that AEA is open to his suggestions and noted that similar language was used in the past. He believes the opinion will still be the same.

Vice Chair Miller commented that he could support either removing the words "any necessary" or leaving the wording intact. He believes the meaning is the same either way.

Joel Paisner, Ascent Law Partners, responded to Mr. Janorschke's comments that the language is part and parcel of the Power Sales Agreement that if work is determined to be required project work, it needs to be supported by the industry and economic opinions. He noted that the threshold has to be crossed, whether or not the words "any necessary" are included. Mr. Paisner responded to comments made by Vice Chair Miller. Mr. Paisner explained that each project that the BPMC sponsors and AEA agrees to pay for needs to meet the required project work determination under the Power Sales Agreement. The same level of scrutiny will be conducted in the future, and the same terms need to be met. Likewise, that work will obtain the approvals, review, and authorizations by the utilities. Mr. Paisner discussed that this resolution is very consistent with the Power Sales Agreement and the past approved work.

Vice Chair Miller agreed with Mr. Paisner's comments. He thanked him and Mr. Thayer for their comments.

Mr. Bishop asked what work is left to be done to determine that it is required project work.

Mr. Thayer explained that the last portion is to get the opinion determining if the work is supported by industry and economic standards. The conclusion is that the Dixon Diversion should be considered required project work as an improvement or betterment to Bradley Lake.

Vice Chair Miller asked Mr. Thayer for the estimated timeline when GDS Engineering will begin working on the report.

Mr. Thayer stated that if approval is granted today, the procurement process will begin. GDS

Engineering was the only company that bid in the previous procurement. Mr. Thayer is hopeful that a report could be provided by the next meeting or shortly thereafter.

Vice Chair Miller asked Mr. Thayer for the estimated timeline to receive governing board authority from each of the respective utilities.

Mr. Thayer said that AEA is expected to come back to the BPMC with term options within a couple of months.

Vice Chair Miller asked if the financing must be in place by the first half of 2026 to maintain the current schedule and commercial operation date of 2031.

Mr. Thayer indicated that the goal is to have the financing identified and in place by the spring of 2026. The Federal Energy Regulatory Commission (FERC) filing is expected to occur in January. He believes the Loan Office option takes approximately six to nine months.

There were no other comments or questions.

A roll call was taken, and the motion to approve Draft 2 of Resolution No. 25-03, including the friendly amendment to Section (1), replacing the words “shall be” with the word “is,” passed unanimously.

B. Updates:

i. CIPLink (Grip 3, Phase 1 Update)

Jim Mendenhall, AEA, provided the Grid Resilience and Innovation Partnerships (GRIP) 3, Phase 1 update. Mr. Mendenhall noted that the memorandum update on the Cook Inlet Power Link (CIPLink) project has been provided. AEA discussed that a response has been received from the Department of Energy (DOE) regarding the previously submitted data request. They are working to complete the data review process as expeditiously as possible, and they will be in contact as soon as possible. Mr. Mendenhall expressed his understanding that the DOE will not make any public announcements until the decisions are made for all the projects. The contract is pending. The cost estimates and “Go” recommendation were submitted. He noted that because of the schedule and timing, AEA requested that HDR proceed with the environmental review and other work in Cook Inlet during the summer. Mr. Mendenhall noted that they have National Environmental Policy Act (NEPA) authorization that allows for that work to be completed.

Mr. Mendenhall discussed that Stantec is assisting AEA with the planning and procurement in addition to their preliminary engineering report. This will offer more design and lead to making commitments for the material. He expects that the HVDC converter procurement will be for a full EPC turnkey contract on a negotiated basis, and the cable component will probably involve a combined supply and install contract. Further updates will be provided as progress continues.

Mr. Mendenhall indicated that the financial status remains at \$64.2 million. The additional \$142.3 million is being sought to fully meet the cost obligations. AEA is reviewing financing

options to finance the remaining balances, such as loans, private debt, public/private partnerships, or private equity. Mr. Mendenhall noted that the project costs total approximately \$1.4 million to date.

Vice Chair Miller asked for the timeline to identify the available financing options.

Mr. Mendenhall explained that review of the financing options is occurring in parallel with the Dixon Diversion Project. He noted that the Dixon Diversion is ahead in the process because it is a simpler project. Discussions are ongoing with the GRID Deployment Office and the Loan Program Office regarding the possibility of using a DOE loan for a project that has a DOD funded match. Mr. Mendenhall discussed that the additional funding must be in place by July 2027. He highlighted that the AEA team has been involved in these efforts and one meeting has occurred with the AEA Finance Subcommittee regarding options.

Vice Chair Miller asked if Mr. Mendenhall is still comfortable with the eight-year timeline.

Mr. Mendenhall agreed. He commented that DOE indicated they would provide a final decision as soon as possible. Due to that response, AEA decided to move forward with the environmental and the procurement efforts. AEA will pay 50% of the total amount of those efforts and AEA is willing to take the calculated risk to keep the project on schedule.

Mr. Janorschke expressed one of his engineering concerns regarding trips of the future line, and their effects that are different from trips that currently occur. He asked if Stantec is reviewing how to respond in those scenarios.

Mr. Mendenhall commented that he does not have the information to answer that question. Staff have worked closely with the EPS team and the Railbelt Transmission Study. His understanding is that this line will prevent faults because it provides another path. Mr. Mendenhall suggested that Mr. Janorschke email him the question and he will provide an answer. There were no other comments or questions.

ii. Bradley Lake Expansion Project Update (Dixon Diversion/Bradley Pool Raise)

Ryan McLaughlin, AEA, provided the Dixon Diversion Update. Mr. McLaughlin discussed that the project name has been changed from the Dixon Diversion to the Bradley Lake Expansion Project. This was done to ensure consistency and clarity with the FERC licensing documents. There are multiple sub-projects within the overall extension project. The overall Bradley Lake Expansion Project includes the Dixon Diversion project and the Bradley Pool Raise. The Dixon Diversion sub-project contains the diversion dam, tunnel inlet, tunnel outlet, and tunnel features. The Bradley Pool Raise sub-project contains the spillway crest raise and the dam crest raise.

Mr. McLaughlin explained that activity at the site is ongoing. The mobilization took three barge trips to complete. Drilling at the dam has begun, and nine boreholes will be drilled throughout the next month. The first borehole was drilled yesterday. Mr. McLaughlin indicated that DOWL

was on-site on Wednesday and completed the annual operator and safety inspection training. The engineers also visited the Dixon Diversion dam site to evaluate the current design with the existing site conditions. The next Board of Consultants meeting is scheduled October 29 – 31, 2025. The results of the Probable Maximum Precipitation (PMP) and Probable Maximum Flood (PMF) study will be discussed. Mr. McLaughlin noted that the initial results suggest that compared to the original studies in the 1980's, the PMP is slightly lower and the PMF is slightly higher. These results were not unusual since there is a larger drainage area.

Mr. McLaughlin discussed that AEA submitted a recommendation to FERC for the future Dixon Diversion dam to be classified as low-hazard. It is expected that FERC will concur, as the Bradley Lake Dam and the Battle Creed Diversion are also low hazard. Additionally, there are no structures or populations downstream. Furthermore, a concurrence has been requested regarding the Inflow Design Flood (IDF) recommendation that used the 100-year flood of 7,900 cfs. Concurrence is expected.

Mr. McLaughlin stated that EPS continues to work on the design for 3-phase power from the Bradley powerhouse to the dam. The work is at 65%. The design package is expected to be completed by next summer, at which time the cable and transformers can be ordered for an installation date of summer of 2027. Mr. McLaughlin discussed the decision to fully line the Dixon Tunnel. This will have minimal cost impact to the project compared to previous cost estimates, and should improve both worker safety and the hydraulics of the tunnel. Likewise, the design criteria was established for a 14-foot minimum finished inside diameter of the tunnel. This balances the cost of a larger tunnel versus the additional capacity to capture higher future flows. Mr. McLaughlin explained the table in the presentation regarding the average annual runoff volume to the proposed Dixon Dam location by record length.

Mr. McLaughlin reviewed the environmental aspects of the Bradley Lake Expansion Project. The sockeye run was completed through Red Lake, and resulted in a count of 1,479 sockeye. This is the highest count in the three years of monitoring. The Coho run is ongoing. Mr. McLaughlin discussed the photos included in the presentation that highlight the challenges and difficulties that the environmental monitoring tasks entail. The hope is that the current monitoring system will not get washed out and destroyed by high flows until the Coho run is complete. Mr. McLaughlin concluded his presentation with the report that the current expenditure amount to date is \$8.2 million.

Mr. Thayer read the note AEA received from FERC Commissioner Judy Chang expressing her appreciation for the hospitality during the recent tour of the Bradley Lake Hydroelectric Project.

Vice Chair Miller commented on the great job of management for the Bradley Lake Expansion Project. He asked if the borehole drilling will be completed this year.

Mr. McLaughlin indicated that the current drilling effort will be completed in mid-October. However, subsequent drilling will occur on the front side of the dam next spring when the water level is lower and the drilling midway along the tunnel alignment will occur next summer.

Vice Chair Miller asked if the project cost estimate is still within the \$350 million range.

Mr. McLaughlin agreed. He noted that the cost estimate will be updated over the winter. The preliminary results are very similar and within \$5 million of the previous estimate. There were no other comments or questions.

iii. SQ Upgrade Update

Chris Koehler, CEA, gave the SQ Upgrade Update presentation. Mr. Koehler noted that he is the Project Manager on the Sterling Substation to Quartz Creek Transmission Line rebuild of 39 miles of line owned by AEA. The line was purchased from HEA in 2020. There is an existing 100-foot right-of-way. The construction of the project is separated into three individual projects. Project 1 begins at the Sterling Substation and continues eight miles to the boundary of the Kenai National Wildlife Refuge. This construction was completed earlier this year. Project 2 begins at the end of Project 1 and runs through the start of the Kenai National Wildlife Refuge. It will end at the far side of the vehicle access in Mystery Hills. The construction is scheduled for 2026 and 2027. Project 3 is approximately 13 miles and will continue from Mystery Hills' helicopter access only area, across the Kenai River to the islanded zone between the Kenai River and the Russian River, then across Cooper Creek and all the way to Quartz Creek Substation. Construction is planned for 2027 and 2028.

Mr. Koehler explained that the project is needed because the line is at the end of its lifespan. The existing line has significant damage and outages. The line will be rebuilt for the reliability of the Bradley Lake Hydroelectric Plant. Mr. Koehler discussed that the scope of work is to retire the existing 39 miles of transmission line, conductors, structures, foundations, anchors, guys, and then to install fiber optic cable and a completely new upgraded transmission line designed and insulated to 230 kV.

Mr. Koehler reviewed the schedule graph included in the presentation. He reiterated that Project 1 construction is complete, and the as-builts and closeout are in progress. The preliminary engineering is completed for Project 2, including the geo-tech exploration work, preliminary foundation design, and steel load and design drawings. The bid package for the steel pole structures has been issued. Bids have been received and are being evaluated. Mr. Koehler discussed that the environmental assessment with AEA and US Fish and Wildlife Service is in progress. The Draft Environmental Assessment (EA) has been issued for public comment, and the final EA is anticipated to be released next month. Afterward, the Finding of No Significant Impact (FONSI), which is the approval from the federal agencies to construct the project, is expected.

Mr. Koehler discussed that the engineering is progressing to the final Issued for Construction (IFC) packages. Project 2 is expected to go to bid in May of 2026, then move to award the bid in August of 2026, and mobilize in September 2026. The outage is planned for the first quarter of 2027, with completed construction and demobilization by May of 2027.

Mr. Koehler explained that preliminary engineering is ongoing for Project 3. The field reviews,

staking, and geo-tech exploration is envisioned to be completed this fall. The construction schedule is essentially the same as Project 2, only one year later, with the outage for that work in the first quarter of 2028.

Mr. Koehler summarized the project costs listed in the presentation. The total expenditure to date is approximately \$15 million. The forecast is to complete another \$75 million, for a completed estimated at \$90 million. Mr. Koehler discussed the challenges with the projects, including the significant increase in steel prices for Project 2 and Project 3, and the increase in general labor and equipment prices. The preliminary forecasts with the additional costs are included in the presentation. Work is ongoing to provide better clarity of that cost estimate.

Mr. Thayer commented on a data point, noting that the original budget for the SQ Line and the SS Line was \$90 million, which then increased to \$92 million. The SS Line's budget increased from \$25 million to \$34 million. A pause occurred to reevaluate the project costs. Mr. Thayer indicated that the current project cost estimates for the two projects increased from \$92 million to \$142 million. Mr. Thayer highlighted that there is only \$92 million in funding. He suggested that discussions occur now regarding the shortfall, rather than proceeding with Phase 2 and Phase 3 and running out of money. Mr. Thayer commented that Mr. Mendenhall has been working on this aspect.

Mr. Mendenhall concurred that the budget increase numbers presented by Mr. Thayer are accurate. He noted that including AEA's administrative costs, the total is closer to \$145 million. The \$90 million for transmission funding came from the \$166 million in bond money. Mr. Mendenhall agreed that there should be a discussion on the budget and the funding.

Vice Chair Miller commented that over the last five years, the cost of electric infrastructure has dramatically increased across the industry. This is not unique to these two projects. He does not believe that costs will decrease and does not know how much the cost increases are due to the impact of the tariffs or increases during the Covid time period. He believes further discussion is warranted, while recognizing that the lines are 40 to 60 years old and need to be replaced. Reliability is essential, nevertheless, it is imperative to do everything possible to keep the costs down.

Mr. Zellers asked about the value engineering efforts completed for these projects.

Mr. Koehler noted that the exploration, field reviews, and staking was verified prior to construction. He commented that not many options were considered from a value engineering perspective, and he does not know if there are many value engineering options to offer for a design to 230 kV standards.

Mr. Mendenhall commented that the upgrade of the line to 230 kV does not include the cost of the transformers and some of the substation work that must be completed. Additional funding will need to be spent. He suggested that those cost estimates are also addressed and developed.

Mr. Thayer added that this was deemed required project work under the original bonding for the \$166 million. He indicated that he would have further discussions with the AEA team regarding possibilities of funding while communicating with potential financiers of the Bradley Lake Expansion Project. He noted, for example, that the DOE Loan Office has 4% money available. Mr. Thayer commented that the projects are treated separately, however, it is possible and might be in the best interest to combine the applications. The AEA team is paying close attention and consideration to other groups who are inclined to financing projects in Alaska. Any information ascertained will be brought before the Committee.

Vice Chair Miller expressed his support for keeping all options open, especially if a lower rate could be obtained with DOE. Mr. Thayer commented that there are many investors interested in transmission and hydroelectricity. AEA will review to determine if a viable option is available.

Mr. Hickey expressed appreciation for the detailed report and the detailed conversation.

Mr. Janorschke thanked the presenter.

Vice Chair Miller asked Mr. Koehler if the bypass around Cooper Landing Road construction has had much impact or is expected to have much impact on the timeline of the project.

Mr. Koehler responded that there has been no impact from that construction project, as it is north of the right-of-way.

Vice Chair Miller expressed appreciation to Mr. Koehler for his comprehensive update. There were no other comments or questions.

C. Railbelt Regional Coordination Update

Mr. Hickey referred to the Railbelt Regional Coordination Update that is included in the Committee packet and there was very little activity. There were no comments or questions.

9. OPERATORS REPORT

Martin Law, HEA, provided the Operators Report. Mr. Law advised that the Operator's Report is included in the Committee packet. He noted that during the week of September 1, 2025, Battle Creek received a large rain event which increased the flow and carried gravel down into the diversion forebay that eventually overwhelmed the sediment blocks and carried over to the Mif gate. Mr. Law discussed that the Mif gate became partially plugged with gravel, restricting the flow to Battle Creek. He explained that the Mif gate supplies fish water to Battle Creek. A minimum flow must be maintained. Consequently, the Mif gate was fully opened to flush gravel and normal flows were restored. However, during that process, it was discovered that part of the support bracket had been damaged and prevented the gate from closing more than 50%. Mr. Law indicated that high flows were experienced on September 5 and 6, 2025. Staff were able to return Battle Creek to normal service on September 16, 2025, after making the repairs to the Mif gate. Mr. Law reported that a representative from DOWL is currently developing

recommendations to formulate a better prevention effort to remove the gravel out of the Mif gate with the sediment blocks.

Mr. Law indicated that other than the Mif gate issues, the plant is running well. There were no comments or questions.

10. COMMITTEE REPORTS

A. Audit Update

Mark Ziesmer, AEA, presented the audit update. Mr. Ziesmer said the report included in the packet is shorter than usual. There have been no major updates since the draft of the FY25 Budget versus Actual report was presented at the July 25, 2025, meeting. The usual trickle of final year-end invoices have been received. There have been no surprises. The FY25 AEA Audit is occurring now and is on schedule. A primary portion of the work involves items related to Bradley Lake and the Intertie. The audit is progressing as expected and AEA Finance is on track to present the audited financials to the Board in October. Additionally, the finances are on track to meet all the bond submission requirements which are due at the end of October.

Mr. Ziesmer noted that he will begin the Bradley Lake special audit in early October. This is an audit of the operations and revenue fund, which is the surplus calculation. Regarding FY26 Budget versus Actuals, Mr. Ziesmer indicated that he only had a small number of invoices for this time of year. He expects to have a more complete update at the next meeting on December 5, 2025.

Vice Chair Miller asked about the projected surplus amounts.

Mr. Ziesmer responded that he is still working on and finalizing the Budget versus Actual calculations and does not yet have an estimate to put forward.

There were no other comments or questions.

B. O&D Report

Josh Crowell, MEA, reviewed the Operation and Dispatch (O&D) Committee Report included in the Committee packet. There was a meeting between the SS and SSQ Lines project teams regarding schedule. The current recommendation is to begin the SS project construction in 2029 after the SSQ project. There were no comments or questions.

MOTION: A motion was made by Mr. Thayer to enter into executive session to discuss confidential matters and financing matters, the immediate knowledge of which would have an adverse effect on the Authority or the project. Motion seconded by Mr. Zellers.

A roll call was taken, and the motion to go into executive session passed unanimously.

- 11. EXECUTIVE SESSION: 11:07 a.m.** - (Bylaws Section 5.11.4(d)) –To discuss (1) confidential financial matters the immediate knowledge of which may have an adverse effect on the Authority or Project, and (2) confidential personnel matter.

The Committee reconvened its regular meeting at 11:09 a.m. Vice Chair Miller stated that no formal action was taken on matters discussed while in executive session.

12. MEMBERS COMMENTS

Mr. Hickey expressed appreciation for the comprehensive reports provided today.

Mr. Janorschke echoed Mr. Hickey's comments and apologized for not attending in-person due to weather conditions.

Mr. Zellers echoed the comments of appreciation for the good reports and for the good discussions.

Mr. Bishop echoed the comments of appreciation. He congratulated staff on the accomplishments of the grants received to improve the Railbelt electrical system.

Mr. Thayer thanked everybody, especially the AEA team, for their efforts during this busy and good time.

Vice Chair Miller echoed the previous comments. He is excited about the progress and collaboration of the work, particularly on the DC Line and the Dixon Diversion Project. He looks forward to continuing that momentum.

13. NEXT MEETING DATE – December 5, 2025

14. ADJOURNMENT

There being no further business for the committee, the meeting adjourned at 11:12 a.m.

Arthur Miller, Vice Chair

Curtis Thayer, Secretary

Bradley Lake Project Management Committee Operating and Revenue Funds

FINANCIAL STATEMENTS WITH SUPPLEMENTAL INFORMATION

Years Ended June 30, 2025 and 2024 (with Independent Auditor's Report)



**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS**

Financial Statements with Supplemental Information

Years Ended June 30, 2025 and 2024

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INDEPENDENT AUDITOR'S REPORT

Bradley Lake Project Management Committee
Anchorage, Alaska

Opinion

We have audited the accompanying special-purpose financial statements of the Bradley Lake Project Management Committee (a project management committee) Operating and Revenue Funds, which comprise the special-purpose statements of assets and liabilities as of June 30, 2025 and 2024, the related special-purpose statements of revenues and expenses, the special-purpose statements of cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the assets and liabilities of the Bradley Lake Project Management Committee Operating and Revenue Funds, as of June 30, 2025 and 2024, its revenues and expenses, and its cash flows for the years then ended, on the basis of accounting described in Note 1.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Special-Purpose Financial Statements section of our report. We are required to be independent of the Bradley Lake Project Management Committee Operating and Revenue Funds and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 1 of the special-purpose financial statements, which describes the basis of accounting. The special-purpose financial statements are prepared on the basis of the accounting requirements of the Operating and Revenue Funds established under the Alaska Energy Authority Power Revenue Bond Resolution, as discussed in Note 1, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with accounting requirements of the bond resolution referred to above. As a result, the special-purpose financial statements may not be suitable for another purpose. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Special-Purpose Financial Statements

The Bradley Lake Project Management Committee is responsible for the preparation and fair presentation of these special-purpose financial statements in accordance with accounting requirements of the Operating and Revenue Funds established under the Alaska Energy Authority Power Revenue Bond Resolution as described in Note 1. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the special purpose financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the special-purpose financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate, that raise substantial doubt about the Bradley Lake Project Management Committee Operating and Revenue Funds to continue as a going concern within one year after the date that the special-purpose financial statements are available to be issued.

INDEPENDENT AUDITOR'S REPORT, CONTINUED

Auditor's Responsibilities for the Audit of the Special-Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the special-purpose financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the special-purpose financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the special-purpose financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the special-purpose financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bradley Lake Project Management Committee Operating and Revenue Funds' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the special-purpose financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Bradley Lake Project Management Committee Operating and Revenue Funds' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the special-purpose financial statements as a whole. The supplemental special-purpose Statements of Expenses is presented for purposes of additional analysis and is not a required part of the special-purpose financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the special-purpose financial statements. The supplemental information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the special-purpose financial statements or to the special-purpose financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplemental information is fairly stated in all material respects in relation to the special-purpose financial statements as a whole.

Restriction on Use

This report is intended solely for the information and use of the Bradley Lake Project Management Committee and is not intended to be and should not be used by anyone other than that specified party.

Aldrich CPAs + Advisors LLP

Salem, Oregon
November 24, 2025

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS

Statements of Assets and Liabilities

June 30, 2025 and 2024

ASSETS	<u>2025</u>	<u>2024</u>
Current Assets:		
Cash and cash equivalents (Note 2)	\$ 2,453,558	\$ 3,174,590
Due from R & C reserve fund (Note 5)	1,402,239	1,515,335
Interest receivable (Note 4)	78,749	18,789
IRS subsidies receivable	<u>488,360</u>	<u>1,019,859</u>
 Total Assets	 \$ <u>4,422,906</u>	 \$ <u>5,728,573</u>
 LIABILITIES		
Current Liabilities:		
Due to AEA (Note 4)	\$ 899,674	\$ 679,491
Accounts payable	1,187,923	1,309,217
Payable to utilities - O & M refund (Note 5)	566,821	2,150,599
Payable to utilities - R & C refund (Note 5)	1,402,239	1,515,335
Payable to R & C reserve fund (Note 4)	<u>366,249</u>	<u>73,931</u>
 Total Liabilities	 \$ <u>4,422,906</u>	 \$ <u>5,728,573</u>

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS

Statements of Revenues and Expenses

Years Ended June 30, 2025 and 2024

	2025		Variance	2024
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:				
Utility contributions, net of surplus refund	\$ 24,975,103	\$ 23,006,048	\$ (1,969,055)	\$ 23,318,573
Interest receipts	820,700	587,039	(233,661)	881,102
Other revenue	-	4,500	4,500	-
Total Revenues	25,795,803	23,597,587	(2,198,216)	24,199,675
Expenses, Capital Activity, Transfers, and Debt Service:				
Operations and maintenance (O&M)	11,220,945	9,056,421	2,164,524	9,376,907
Debt service, net of IRS subsidy	14,367,656	14,268,000	99,656	14,366,014
Capital reserve reimbursements	(58,285)	(79,520)	21,235	(58,284)
Capital activity	155,000	383,830	(228,830)	378,508
Interfund transfer	110,487	(31,144)	141,631	136,530
Total Expenses, Capital Activity, Transfers, and Debt Service	25,795,803	23,597,587	2,198,216	24,199,675
Excess of Revenues Over Expenses, Capital Activity, Transfers, and Debt Service	\$ -	\$ -	\$ -	\$ -

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS

Statements of Cash Flows

Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash Flows from Operating Activities:		
Excess of revenues over expenses, capital activity, transfers, and debt service	\$ -	\$ -
Adjustments to reconcile excess of revenues over expenses, capital activity, transfers, and debt service to net cash used by operating activities:		
Changes in assets and liabilities:		
Due from R & C reserve fund	113,096	(526,530)
IRS subsidies receivable	531,499	(1,019,859)
Due from operating reserve and R & C reserve funds for interest	(59,960)	175,769
Due from utilities - O & M shortage	-	242,098
Due to AEA	220,183	(455,999)
Accounts payable	(121,294)	(91,234)
Payable to utilities - O & M refund	(1,583,778)	1,142,697
Payable to utilities - R & C refund	(113,096)	526,530
Payable to R & C reserve fund	<u>292,318</u>	<u>(614,824)</u>
Net Cash Used by Operating Activities	<u>(721,032)</u>	<u>(621,352)</u>
Cash and Cash Equivalents, beginning of year	<u>3,174,590</u>	<u>3,795,942</u>
Cash and Cash Equivalents, end of year	\$ <u><u>2,453,558</u></u>	\$ <u><u>3,174,590</u></u>
Supplemental Disclosure of Cash Flows Information:		
Interest paid	\$ <u><u>16,037,933</u></u>	\$ <u><u>6,641,974</u></u>

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE OPERATING AND REVENUE FUNDS

Notes to Financial Statements

Years Ended June 30, 2025 and 2024

Note 1 - Significant Accounting Policies

Description of Business

The Bradley Lake Project Management Committee (the Committee or BPMC) was established pursuant to Section 13 of the Agreement for the Sale and Purchase of Electric Power (Power Sales Agreement) dated December 8, 1987. The purpose of the Committee is to arrange for the operation and maintenance of the Bradley Lake Hydroelectric Project (the Project), which became operational in September 1991, and the scheduling, production, and dispatch of power. The members of the Committee include the Alaska Energy Authority (AEA) and the five purchasers under the Power Sales Agreement: Chugach Electric Association, Inc. (CEA); Golden Valley Electric Association, Inc. (GVEA); the City of Seward (Seward Electric System); and the Alaska Electric Generation & Transmission Cooperative, Inc. (AEG&T). AEG&T assigned its rights pertaining to Homer Electric Association, Inc. (HEA) under the Power Sales Agreement to Alaska Electric and Energy Cooperative, Inc. (AE&EC) in 2003. HEA and the Matanuska Electric Association, Inc. (MEA) are additional parties to the Power Sales Agreement but are included as power purchasers for purposes of representation while AEG&T and AE&EC have no direct vote as a consequence of the individual representation of HEA and MEA.

Section 13 of the Power Sales Agreement delineates other Committee responsibilities, including: establishing procedures for each party's water allocation, budgeting for annual Project costs, and calculating each party's required contribution to fund annual Project costs. Committee approval of operations and maintenance arrangements for the Project, sufficiency of the annual budgets and wholesale power rates, and the undertaking of Optional Project Work requires a majority affirmative vote and the affirmative vote of AEA.

The Power Sales Agreement extends until the later of (1) 50 years after commencement of commercial operation or (2) the complete retirement of bonds outstanding under the AEA Power Revenue Bond Resolution, along with the satisfaction of all other payment obligations under the Power Sales Agreement. Renewal options for additional terms exist.

Establishment of Trust Funds

Article V, Section 502 of the Alaska Energy Authority's Power Revenue Bond Resolution established a Revenue Fund and an Operating Fund, including an Operating Reserve account, to be held by AEA. In actuality, these funds along with the Debt Service, Excess Investment Earnings (arbitrage), and various construction funds related to the Project are all held by the Corporate Trust Department of U.S. Bank in St. Paul, Minnesota.

In December 2017, AEA issued debt for the construction of the Battle Creek Diversion project. This debt is parity debt under the current Power Revenue Bond Resolution. A separate Revenue Fund, Operating Fund, Operating Reserve account, Construction Fund, Capital Reserve Fund, and Debt Service Fund were established related to the Battle Creek Diversion project.

In December 2020, AEA issued debt for the purchase of the Sterling Substation to Quartz Creek Substation Transmission Line (SSQ Line). The debt is parity debt under the current Power Revenue Bond Resolution. A separate Revenue Fund, Operating Fund, Operating Reserve account, Construction Fund, Capital Reserve Fund, and Debt Service Fund were established related to the SSQ Line purchase.

In November 2022, AEA issued debt for construction of Bradley Lake Required Project Work. The debt is parity debt under the current Power Revenue Bond Resolution. A separate Revenue Fund, Operating Fund, Operating Reserve account, Construction Fund, Capital Reserve Fund, and Debt Service Fund were established related to the Bradley Lake Required Project Work.

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE OPERATING AND REVENUE FUNDS

Notes to Financial Statements

Years Ended June 30, 2025 and 2024

Note 1 - Significant Accounting Policies, continued

Establishment of Trust Funds, continued

All deposits, including CEA, MEA, GVEA, HEA, and Seward Electric System (the Utilities) contributions and interest transferred from other funds, are made into the Revenue Funds. Monthly, transfers approximately equal to one-twelfth of the annual operating and maintenance budget are transferred from the Revenue Funds into the Operating Funds. Additional transfers are made from the Revenue Funds to the Debt Service Funds in order to satisfy semiannual interest payments, and annual and semiannual principal payments on the Project's outstanding bonds payable.

Interest earnings available for operations and maintenance are derived from the following funds: Debt Service Funds, Operating Reserve Funds, Operating Funds, Revenue Funds, Capital Reserve Funds, and the Renewal & Contingency Reserve Fund (R & C Fund) when the fund balance is \$5,000,000 or greater.

Revenue and Expense Recognition

Utility contributions are recognized as revenue when due to be received under the terms of the Power Sales Agreement. Transfers from other funds are recognized when the transfer is made, and interest earnings are recognized when received. Operating and maintenance expenses are recognized when incurred, while transfers to Debt Service Funds and Excess Earnings Funds are recognized when the transfer is made. Purchases of fixed asset replacements are expensed when purchased or received. The R & C Fund is reimbursed for capital costs over a four-year period. Transfers to the R & C Fund for repayment of funds withdrawn for capital costs occur monthly based on the budgeted R & C expenditures. At year end, the actual Operating Fund expenses and R & C Fund repayments are compared to the actual revenue and a refund is given to the Utilities when a surplus of revenues occurs, or invoices are issued to the Utilities if expenses exceed revenues.

Estimates

The preparation of the special-purpose financial statements of the Operating and Revenue Funds requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Committee is exempt from income taxation under Section 501(a) of the Internal Revenue Code. Therefore, the Committee had no deferred tax liabilities or assets or tax carryforwards as of June 30, 2025 and 2024, and no current or deferred tax expense for the years then ended.

Subsequent Events

The Committee has evaluated subsequent events through November 24, 2025, the date on which the special-purpose financial statements were available to be issued.

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS

Notes to Financial Statements

Years Ended June 30, 2025 and 2024

Note 2 - Cash and Cash Equivalents

At June 30, 2025, \$154,270 (\$200,902 in 2024) of the balance in the Operating Fund was invested in First American Treasury Obligations money market fund at U.S. Bank. At June 30, 2025, \$1,541,660 of the balance in the Operating Fund was invested in a First National Bank of Alaska checking account. At June 30, 2024, \$2,757,090 of the balance in the Operating Fund was invested in KeyBank Alaska Industrial Development Authority (AIDEA) AIM Treasury Portfolio money market fund.

At June 30, 2025, \$757,628 (\$216,598 in 2024) of the balance in the Revenue Fund was invested in First American Treasury Obligations money market fund at U.S. Bank.

Balances at June 30, 2025 and 2024 are as follows:

	2025	2024
Operating Fund	\$ 1,695,930	\$ 2,957,992
Revenue Fund	757,628	216,598
Total cash and cash equivalents	\$ 2,453,558	\$ 3,174,590

Investments are sold as needed to cover operating requisitions submitted to the trustee and are therefore considered to be short-term and available for sale. Investments are presented at aggregate cost, which is equal to fair value.

Management considers the full amount of the cash and cash equivalents balance to be cash available for operations.

Note 3 - Major Contracts and Agreements

During May 1994, AEA entered into the Master Maintenance and Operating Agreement with the Committee. The purpose of the agreement is to establish contract administration and budgeting procedures for maintenance and operation contracts of the Project and to provide for the lease or other use of facilities and equipment in a manner consistent with the requirements of the Power Sales Agreement. The term of the Master Agreement is indefinite, remaining in effect until termination of the Power Sales Agreement or until AEA no longer legally exists. This agreement authorizes AEA to enter into any contracts necessary to perform operating or maintenance-type services to the Project, subject to the approval of the Committee.

On behalf of the Committee, AEA entered into an agreement with CEA in August 1996 for the provision of all services necessary to dispatch the Project's electric power output. The dispatch agreement runs concurrently with the wheeling and related services contract entered into by and among the parties to the Power Sales Agreement in December 1987, and amended December 2, 2020, per Resolution 2020-06, and remains in effect for the term of the wheeling agreement unless CEA ceases to be the output dispatcher.

In January 2018, the AEA entered into the Soldotna Static VAR Compensation System Operation and Maintenance Agreement with AE&EC. This agreement continues from year to year, except upon written notice to terminate by either party. Notice of termination must be given two years in advance of date of termination.

In March 2019, AEA entered into an agreement with HEA for the operation and maintenance of the Project with an effective date of January 1, 2019. HEA is to be reimbursed for costs associated with the operation, maintenance, and repair of the Project as authorized by the annual project operations and maintenance budget. The term of this agreement is five and one-half years from the effective date and shall automatically be renewed for successive three-year terms thereafter until terminated. Notice of termination shall be given no less than two years in advance of the end of the term.

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE OPERATING AND REVENUE FUNDS

Notes to Financial Statements

Years Ended June 30, 2025 and 2024

Note 3 - Major Contracts and Agreements, continued

Prior to March 2019, HEA operated and maintained the Project under an operation and maintenance agreement dated February 11, 1994, between HEA and AEA. In August 1996, the agreement was amended to separate the maintenance of the transmission facilities from the hydroelectric project. The transmission agreement, as amended December 2, 2020, per resolution 2020-06, continues from year-to-year except upon written notice to terminate by either party. Notice of termination must be given six months in advance of termination dates.

Note 4 - Related Party Transactions

During the years ended June 30, 2025 and 2024, the costs incurred under the various contracts with related parties described in Note 3 were as follows:

	<u>2025</u>	<u>2024</u>
Homer Electric Association, Inc. - operation, maintenance, substation service maintenance, communications, and fixed asset replacements	\$ 5,913,034	\$ 5,007,700
Chugach Electric Association, Inc. - substation service maintenance and fixed asset replacements	\$ 132,360	\$ 149,915
Alaska Energy Authority - administrative fees	\$ 1,113,042	\$ 683,211

For the years ended June 30, 2025 and 2024, CEA provided dispatch services to the Committee at the agreed upon amount, which is zero.

Amounts payable to related parties at June 30, 2025 and 2024, were as follows:

	<u>2025</u>	<u>2024</u>
Included in accounts payable:		
Homer Electric Association, Inc.	\$ 705,870	\$ 877,536
Chugach Electric Association, Inc.	\$ 2,802	\$ 70,728
Matanuska Electric Association, Inc.	\$ 40,590	\$ 45,849
Due to others:		
Alaska Energy Authority - short-term borrowing for vendor payments	\$ 899,674	\$ 679,491

At June 30, 2025, the balance due to the R & C Fund from the Operating Fund for amounts collected but not transferred at year-end is \$366,249 (\$73,931 at June 30, 2024).

At June 30, 2025, the balance due from the Operating Reserve and R & C Funds for interest income is \$78,749 (\$18,789 at June 30, 2024).

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE OPERATING AND REVENUE FUNDS

Notes to Financial Statements

Years Ended June 30, 2025 and 2024

Note 5 - Surplus Refunds

The \$394,403 operation and maintenance and \$1,402,239 renewal and contingency surpluses related to Bradley Lake at June 30, 2025, will be refunded to member Utilities in fiscal year 2026 pursuant to the Power Sales Agreement and direction of the Committee. The \$17,230 operations and maintenance surpluses related to Battle Creek at June 30, 2025, will be refunded to member Utilities in fiscal year 2026 pursuant to the Power Sales Agreement, the Battle Creek Diversion Project Share Allocation, and direction of the Committee. The \$155,188 operation and maintenance surplus related to the SSQ Line at June 30, 2025, will be refunded to member Utilities in fiscal year 2026 pursuant to the Power Sales Agreement and direction of the Committee.

The \$1,430,568 operation and maintenance and \$1,346,233 renewal and contingency surpluses related to Bradley Lake at June 30, 2024, were refunded to member Utilities in fiscal year 2025 pursuant to the Power Sales Agreement and direction of the Committee. The \$400,229 operation and maintenance and \$169,102 renewal and contingency surpluses related to Battle Creek at June 30, 2024, were refunded to member Utilities in fiscal year 2025 pursuant to the Power Sale Agreement, the Battle Creek Diversion Project Share Allocation, and direction of the Committee. The \$319,802 operation and maintenance related to SSQ Line at June 30, 2024, was refunded to member Utilities in fiscal year 2025 pursuant to the Power Sales Agreement and direction of the Committee.

Note 6 - Shortage Receivable

The \$242,098 operation and maintenance shortage related to the SSQ Line at June 30, 2023, which was invoiced to member Utilities pursuant to the Power Sales Agreement and direction of the Committee, was received in fiscal year 2024.

SUPPLEMENTAL INFORMATION

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
OPERATING AND REVENUE FUNDS

Statements of Expenses

Years Ended June 30, 2025 and 2024

	2025		Variance	2024
	Budget	Actual	Favorable (Unfavorable)	Actual
Expenses:				
Generation expense:				
Operation supervision and engineering	\$ 280,649	\$ 250,565	\$ 30,084	\$ 269,491
Hydraulic operation	356,012	338,436	17,576	245,347
Electric plant operation	548,048	532,609	15,439	501,803
Hydraulic power generation operation	765,097	767,016	(1,919)	720,571
Structure maintenance	679,209	588,602	90,607	534,250
Reservoir, dam, and waterway maintenance	264,933	139,265	125,668	15,286
Electric plant maintenance	851,788	755,425	96,363	737,796
Hydraulic plant maintenance	281,254	268,811	12,443	441,966
System control and load dispatching	520,345	563,853	(43,508)	347,796
Substation operation and maintenance	203,812	204,447	(635)	257,319
Overhead line maintenance	346,500	180,143	166,357	55,205
Total Generation Expense	5,097,647	4,589,172	508,475	4,126,830
Administrative, General, and Regulatory Expense:				
Insurance	1,371,724	1,212,507	159,217	1,269,990
Administrative fees	595,085	1,113,041	(517,956)	683,211
Outside services	315,000	46,125	268,875	228,362
Committee costs	935,681	457,665	478,016	785,618
Rent	-	-	-	1,250
Regulatory commission:				
FERC administrative fees	180,000	225,484	(45,484)	164,094
FERC licensing and study	145,000	76,109	68,891	48,036
Total Administrative, General, and Regulatory Expense	3,542,490	3,130,931	411,559	3,180,561
Total Operations and Maintenance Expenses, Before Capital Project Reimbursement	8,640,137	7,720,103	920,034	7,307,391
R & C Reserve Fund Repayment	2,580,808	1,336,318	1,244,490	2,069,516
Total Operations and Maintenance Expenses	\$ 11,220,945	\$ 9,056,421	\$ 2,164,524	\$ 9,376,907

Bradley Lake Project Management Committee Operating and Revenue Funds

TO THE BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE

Year Ended June 30, 2025



To assist you in your responsibilities as a member of the Bradley Lake Project Management Committee, this section summarizes the most significant conclusions reached and issues addressed during our audit of the Bradley Lake Project Management Committee Operating and Revenue Funds for the year ended June 30, 2025.

SIGNIFICANT CONCLUSIONS AND ISSUES

We have completed our audit and issued our report dated November 24, 2025. Based on our work performed:

- We rendered an unmodified opinion on the special-purpose financial statements as of and for the year ended June 30, 2025.
- We have not identified any conditions that we consider to be material weaknesses in internal control, as defined by generally accepted auditing standards.
- We have not identified any instances that we consider to be material instances of noncompliance with certain provisions of laws, regulations, and contracts.
- We received the full cooperation of management and staff throughout the organization and were kept informed as to developments and plans affecting our audit scope.
- No restrictions were placed on the scope of our work.

The following report includes additional information and communications for the benefit of those charged with governance, as required by professional standards.

To the Bradley Lake Project Management Committee
Anchorage, Alaska

We have audited the special-purpose financial statements of the Bradley Lake Project Management Committee (the Committee) Operating and Revenue Funds for the year ended June 30, 2025, and have issued our report thereon dated November 24, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 24, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Committee Operating and Revenue Funds are described in Note 1 to the June 30, 2025, special-purpose financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during fiscal year 2025. We noted no transactions entered into by the Committee Operating and Revenue Funds during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the special-purpose financial statements in the proper period.

Accounting estimates are an integral part of the special-purpose financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events.

Certain financial statement disclosures and changes are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures are:

- The disclosures in Note 1 related to revenue and expense recognition
- The disclosure of major contracts and agreements
- The disclosure of surplus refunds and shortage receivables

The special-purpose financial statement disclosures are neutral, consistent, and clear.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter that could be significant to the special-purpose financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 24, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Committee Operating and Revenue Funds' special-purpose financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties dealing with management in performing and completing our audit.

Other Audit Findings or Issues

We will generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Committee Operating and Revenue Funds' auditors. However, these discussions occurred in the normal course of our professional relationship and our responses are not a condition to our retention.

Other Matters

With respect to the supplemental information accompanying the special-purpose financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting requirements of the Operating and Revenue Funds established under the Alaska Energy Authority Power Revenue Bond Resolution, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the special-purpose financial statements. We compared and reconciled the supplemental information to the underlying accounting records used to prepare the special-purpose financial statements or to the special-purpose financial statements themselves.

This information is intended solely for the use of the Committee and management of the Committee Operating and Revenue Funds and is not intended to be and should not be used by anyone other than these specified parties.

Aldrich CPAs + Advisors LLP

November 24, 2025

Bradley Lake Project Management Committee: Operating & Revenue Funds

Presentation to the Committee
December 5, 2025
Chris Lallish, CPA

- Required Audit Communication
- Review Financial Results: **BP**MC Operating & Revenue Funds
- Questions

- Two-way dialogue between auditors and those charged with governance
- Audit planning memo provided to Committee Treasurer
- Reporting Results of the Audit: Letter to the Committee
 - Significant Audit Findings
 - No new accounting policies
 - Adjustments
 - No audit adjustments required
 - Internal controls and compliance
 - No material weaknesses or noncompliance

- Opinion on special-purpose financial statements
 - Unmodified or Clean opinion – highest form of assurance
- Presented fairly in accordance with accounting requirements of the Operating and Revenue Funds established under the AEA Power Revenue Bond resolution (basis of accounting other than GAAP)
- Management is responsible for the financial statements
 - Design, implementation, and maintenance of internal control
- Auditor is responsible for obtaining reasonable assurance
- Required to communicate with those charged with governance

	2025	2024
Cash and cash equivalents	\$ 2,453,558	3,174,590
Due from R&C fund	1,402,239	1,515,335
Interest receivable	78,749	18,789
IRS Subsidies receivable	488,360	1,019,859
Total Assets	\$ 4,422,906	5,728,573

	2025	2024
Due to AEA	\$ 899,674	679,491
Accounts payable	1,187,923	1,309,217
Payable to utilities- O&M refund	566,821	2,150,599
Payable to utilities- R&C refund	1,402,239	1,515,335
Payable to R&C fund	366,249	73,931
Total Liabilities	\$ 4,422,906	5,728,573

STATEMENTS OF REVENUES AND EXPENSES

		Budget	Actual	Variance Favorable (Unfavorable)	2024
Revenues:					
Utility contributions, net of surplus refund	\$	24,975,103	23,006,048	(1,969,055)	23,318,573
Interest receipts		820,700	587,039	(233,661)	881,102
Other revenue		-	4,500	4,500	-
Total Revenues		25,795,803	23,597,587	(2,198,216)	24,199,675
Expenses, Capital Activity, Transfers, & Debt Service					
Operations and maintenance		11,220,945	9,056,421	2,164,524	9,376,907
Debt service, net of IRS subsidy		14,367,656	14,268,000	99,656	14,366,014
Capital reserve contributions (reimbursements)		(58,285)	(79,520)	21,235	(58,284)
Capital activity		155,000	383,830	(228,830)	378,508
Interfund transfer		110,487	(31,144)	141,631	136,530
Total Expenses, Capital Activity, Transfers, & Debt Svc.		25,795,803	23,597,587	2,198,216	24,199,675
Excess of Revenues Over Expenses, Capital Activity, Transfers, & Debt Svc.		-	-	-	-

	2025	2024
Net Cash Used by Operating Activities	\$ (721,032)	(621,352)
Cash & Cash Equivalents, beginning	3,174,590	3,795,942
Cash & Cash Equivalents, ending	\$ 2,453,558	3,714,590
Supplemental Disclosure of Flows:		
Interest Paid	\$ 16,037,933	6,641,974

- Note 1 – Summary of Significant Accounting Policies
- Note 2 – Cash and Cash Equivalents
 - Invested in First American Treasury Obligations money market funds & KeyBank Alaska Industrial Development Authority (AIDEA) AIM Treasury Portfolio money market fund.
- Note 3 – Major Contracts and Agreements
 - Details of contracts with:
 - AEA for the Master Maintenance and Operating Agreement
 - AEA on behalf of BPMC with CEA for dispatch and wheeling agreements
 - AEA on behalf of BPMC with CEA for O&M services for Daves Creek
 - AEA on behalf of BPMC with AE&EC for Soldotna Static VAR Compensation System O&M
 - AEA with HEA for Operation & Maintenance of the Project

- **Note 4 – Related Party Transactions**
 - Cost incurred under contracts with related parties in Note 3
 - Amounts included in Accounts Payable at year-end

- **Note 5 – Surplus Refunds**
 - Detail of the Operating & Maintenance and Renewal & Contingency surpluses related to Bradley Lake, Battle Creek, and SSQ Line to be refunded to Member Utilities in 2026 at the direction of the Committee

- **Note 6 – Shortage Receivable**
 - Detail of the Operating & Maintenance shortage related to the SSQ line at June 30, 2023 of \$242,098, received in fiscal year 2024.

SUPPLEMENTAL SCHEDULE: STATEMENTS OF EXPENSES

Expenses:		Budget	Actual	Variance Favorable (Unfavorable)	2024
Generation Expense:					
Operating supervision & engineering	\$	280,649	250,565	30,084	269,491
Hydraulic operation		356,012	338,436	17,576	245,347
Electric plant operation		548,048	532,609	15,439	501,803
Hydraulic power & generation operation		765,097	767,016	(1,919)	720,571
Structure maintenance		679,209	588,602	90,607	534,250
Reservoir, dam, & waterway maintenance		264,933	139,265	125,668	15,286
Electric plant maintenance		851,788	755,425	96,363	737,796
Hydraulic plant maintenance		281,254	268,811	12,443	441,966
System control & load dispatching		520,345	563,853	(43,508)	347,796
Substation operation & maintenance		203,812	204,447	(635)	257,319
Overhead line maintenance		346,500	180,143	166,357	55,205
Total Generation Expense	\$	5,097,647	4,589,172	508,475	4,126,030

SUPPLEMENTAL SCHEDULE: STATEMENTS OF EXPENSES

Expenses continued:	Budget	Actual	Variance Favorable (Unfavorable)	2024
Administrative, General, & Regulatory Expense:				
Insurance	\$ 1,371,724	1,212,507	159,217	1,269,990
Administrative fees	595,085	1,113,041	(517,956)	683,211
Outside services	315,000	46,125	268,875	228,362
Committee costs	935,681	457,665	478,016	785,618
Rent	-	-	-	1,250
Regulatory: FERC administrative fees	180,000	225,484	(45,484)	164,094
Regulatory: FERC licensing and study	145,000	76,109	68,891	48,036
Total Admin, General, & Regulatory Expense	3,542,490	3,130,931	411,559	3,180,561
Total O&M Exp before Capital Project Reimbursements	8,640,137	7,720,103	920,034	7,307,391
R&C Fund Repayment	2,580,808	1,336,318	1,244,490	2,069,516
Total Operations and Maintenance Expenses	\$ 11,220,945	9,056,421	2,164,524	9,376,907

Thank You!

Any Questions?

Bradley Lake Project Management Committee FY25 Refund of Surplus

Current Liabilities per BPMC FY25 Financial Statements

Payable to Utilities - O & M Refund	\$	394,403.02
Payable to Utilities - R & C Refund		1,402,238.51
Total Bradley Lake Refund		1,796,641.53
Payable to Utilities - O & M Refund		17,230.35
Payable to Utilities - R & C Refund		-
Total Battle Creek Refund		17,230.35
Payable to Utilities - O & M Refund		155,187.85
Total SSQ Line Refund	\$	155,187.85

Bradley Lake Refunds by Utility

Utility		Percent Shared	FY25 Refund	O&M Refund	R&C Refund	Total
Chugach Electric	24007	56.30%	1,011,509.18	222,048.90	789,460.28	\$ 1,011,509.18
Homer Electric	24011	12.00%	215,596.98	47,328.36	168,268.62	\$ 215,596.98
Matanuska Electric	24012	13.80%	247,936.53	54,427.62	193,508.91	\$ 247,936.53
Golden Valley Electric	24010	16.90%	303,632.42	66,654.11	236,978.31	\$ 303,632.42
City of Seward	24009	1.00%	17,966.42	3,944.03	14,022.39	\$ 17,966.42
		100.00%	\$ 1,796,641.53	\$ 394,403.02	\$ 1,402,238.51	\$ 1,796,641.53

Battle Creek Refunds by Utility

Utility		Percent Shared	FY25 Refund	O&M Refund	R&C Refund	Total
Chugach Electric	24007	30.40%	\$ 5,238.03	\$ 5,238.03	-	\$ 5,238.03
Homer Electric	24011	37.90%	6,530.30	6,530.30	-	6,530.30
Matanuska Electric	24012	13.80%	2,377.79	2,377.79	-	2,377.79
Golden Valley Electric	24010	16.90%	2,911.93	2,911.93	-	2,911.93
City of Seward	24009	1.00%	172.30	172.30	-	\$ 172.30
		100.00%	\$ 17,230.35	\$ 17,230.35	\$ -	\$ 17,230.35

SSQ Line Refunds by Utility

Utility		Percent Shared	FY25 Refund	O&M Refund	R&C Refund	Total
Chugach Electric	24007	56.30%	\$ 87,370.76	\$ 87,370.76	-	\$ 87,370.76
Homer Electric	24011	12.00%	18,622.54	18,622.54	-	18,622.54
Matanuska Electric	24012	13.80%	21,415.92	21,415.92	-	21,415.92
Golden Valley Electric	24010	16.90%	26,226.75	26,226.75	-	26,226.75
City of Seward	24009	1.00%	1,551.88	1,551.88	-	1,551.88
		100.00%	\$ 155,187.85	\$ 155,187.85	\$ -	\$ 155,187.85

Total Refund Due to Each Utility

Utility		FY25 Refund	
Chugach Electric	24007	1,104,117.97	
Homer Electric	24011	240,749.82	
Matanuska Electric	24012	271,730.24	
Golden Valley Electric	24010	332,771.10	
City of Seward	24009	19,690.60	
Total Payment		\$ 1,969,059.73	

Balance check	1,969,059.73
Off	-

\$ 1,969,059.73

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE OPERATING AND REVENUE FUNDS

Notes to Financial Statements

Years Ended June 30, 2025 and 2024

Note 5 - Surplus Refunds

The \$394,403 operation and maintenance and \$1,402,239 renewal and contingency surpluses related to Bradley Lake at June 30, 2025, will be refunded to member Utilities in fiscal year 2026 pursuant to the Power Sales Agreement and direction of the Committee. The \$17,230 operations and maintenance surpluses related to Battle Creek at June 30, 2025, will be refunded to member Utilities in fiscal year 2026 pursuant to the Power Sales Agreement, the Battle Creek Diversion Project Share Allocation, and direction of the Committee. The \$155,188 operation and maintenance surplus related to the SSQ Line at June 30, 2025, will be refunded to member Utilities in fiscal year 2026 pursuant to the Power Sales Agreement and direction of the Committee.

The \$1,430,568 operation and maintenance and \$1,346,233 renewal and contingency surpluses related to Bradley Lake at June 30, 2024, were refunded to member Utilities in fiscal year 2025 pursuant to the Power Sales Agreement and direction of the Committee. The \$400,229 operation and maintenance and \$169,102 renewal and contingency surpluses related to Battle Creek at June 30, 2024, were refunded to member Utilities in fiscal year 2025 pursuant to the Power Sale Agreement, the Battle Creek Diversion Project Share Allocation, and direction of the Committee. The \$319,802 operation and maintenance related to SSQ Line at June 30, 2024, was refunded to member Utilities in fiscal year 2025 pursuant to the Power Sales Agreement and direction of the Committee.

Note 6 - Shortage Receivable

The \$242,098 operation and maintenance shortage related to the SSQ Line at June 30, 2023, which was invoiced to member Utilities pursuant to the Power Sales Agreement and direction of the Committee, was received in fiscal year 2024.

2026 Proposed BPMC Meeting Dates:

January 16, 2026

March 20, 2026

May 1, 2026

June 19, 2026

July 24, 2026

September 25, 2026

December 4, 2026

MEMORANDUM

TO: BPMC
THROUGH: Curtis Thayer, Executive Director
FROM: Jim Mendenhall, P.E., Program Manager
DATE: December 1, 2025
SUBJECT: Cook Inlet Power Link (CIPLINK) Update

As DOE continues its internal review process for all active GRIP projects, AEA has now passed the end of Budget Period 1 (06/30/2025) and is awaiting DOE's decision on advancement to Budget Period 2 (07/01/2025-06/30/2027). DOE has not yet made public announcements regarding approval of projects following their process review. AEA understands that DOE intends to make no public announcements until all project reviews are finalized and individual grantees have been notified.

As required in the SOPO for continuation of work beyond Budget Period 1, AEA completed the formal Go/No-Go presentation with DOE on Wednesday, November 5. The presentation covered technical progress, permitting readiness, long-lead procurement planning, and the updated preliminary cost estimate. DOE indicated that the presentation was thorough and responsive to their review requirements. No corrective actions were requested, and DOE confirmed that CIPLink remains in good standing as Budget Period 2 negotiations proceed.

DOE has initiated preliminary negotiations with AEA on Budget Period 2 terms, including budget updates, the proposed period of performance, and contracting structure. AEA submitted requested revisions, including updates related to the elimination of Community Benefit Plan (CBP) requirements and their associated costs, and is awaiting DOE's next iteration of the award documents. AEA has developed a revised budget and estimated the CBP-related costs previously included in the budget. A formal request has been submitted to DOE seeking approval to reallocate those CBP funds to other project categories. Although negotiations are not yet complete, DOE has confirmed that Budget Period 2 contracting is progressing.

Despite the pending DOE Process Review determination and Budget Period 2 authorization, AEA decided that continuity of work is necessary to maintain schedule alignment, and issued two task orders:

1. Environmental Review and 2026 Fieldwork Preparation

Following submission of the Process Review package earlier this year, AEA provided DOE with the NEPA Environmental Questionnaire covering the Budget Period 2 scope of work. DOE issued a Categorical Exclusion determination within 10 days, enabling the 2026 environmental field work, marine surveys, and geotechnical assessments to proceed. AEA has issued a Notice to Proceed to HDR for environmental and permitting work required for Summer 2026 including:

- Marine mammal, avian, and habitat surveys

- Cultural resource and agency consultations
- Marine and terrestrial geotechnical
- Refinement of environmental constraints and routing considerations

2. Development of Major Equipment Procurement Documents

Long lead procurement remains a critical path item. Stantec will assist AEA in developing procurement and contracting documents for major equipment packages, specifically the HVDC converter stations and subsea cable system. These components have an estimated lead time of 36 to 48 months, and early engagement with suppliers is essential. Work currently underway includes:

- Contracting strategy development
- Solicitation of Interest/RFI issuance
- Collection of update vendor inputs (pricing, manufacturability, delivery schedules and technical specifications)
- Integration of inputs into the project schedule and cost model

AEA met with EPS and Stantec in November to finalize preliminary cost estimate assumptions and refine the scope of work. This technical coordination focused on several design decisions that will shape procurement activities in early 2026 including:

- Termination Point Analysis (Nikiski vs. Soldotna)
- Landfall Location (Point Possession vs. Nikiski)
- Final System Configuration Options, including 200 MW vs. 100 MW transfer capability and bipole vs. monopole design.

These discussions provided important clarity on the AC side integration requirements and cost drivers associated with different converter station locations. AEA extends appreciation to EPS for their assistance in evaluating the system and associated cost impacts, which improved the accuracy of the revised cost model.

Match Funding and Project Expenditures:

AEA has secured \$64.2 million in combined state appropriations and Bradley Lake bond proceeds for the CIPLink project. An additional \$142.3 million is being sought to fully meet the project's required cost share requirements. AEA continues to advance financing discussions with a number of entities, including the DOE Loan Programs Office, which has recently been reestablished as the Office of Energy Dominance Financing.

Through September 30, 2025, a total of \$1,251,737 on the project. We have billed \$1,150,570 for all work through 06/30/2025, marking the closeout of Budget Period 1. Once a Budget Period 2 contract is negotiated and executed with DOE, AEA will submit the invoice covering work performed beginning July 1, 2025.

MEMORANDUM

TO: Bradley Project Management Committee
THROUGH: Curtis Thayer, Executive Director
FROM: Ryan McLaughlin, PE, Senior Infrastructure Engineer
DATE: December 5, 2025
RE: Bradley Lake Expansion Project Update

Engineering

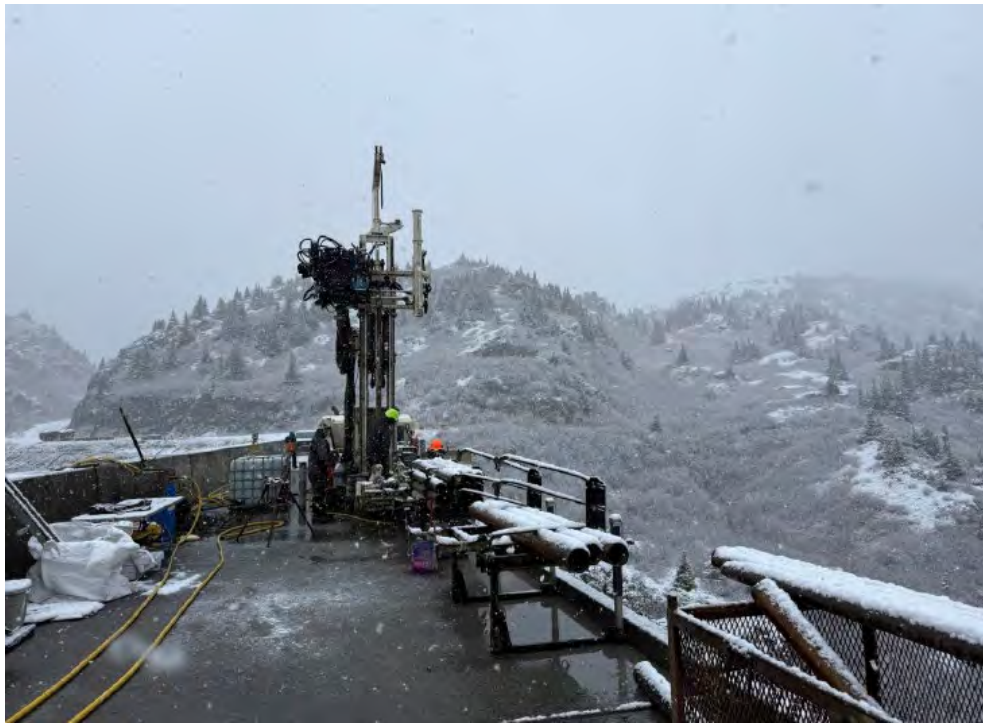
Design and licensing efforts are ongoing, with submittal of the Draft License Amendment Application on schedule for submission by late January 2026.

Subsurface Investigations

Drilling and geophysics crews completed a ~6 week subsurface investigation campaign in late October. Despite tough conditions and challenges encountered, 8 or 10 planned holes were drilled and at least one hole was completed in each target area on and around the dam. Some of the primary objectives of this effort were to: evaluate the seismic stability of the Bradley Dam, monitor the phreatic surface within the dam, perform packer testing to determine permeability, evaluate bedrock contact beneath spillway, evaluate efficacy of existing grout curtain, verify bedrock lithologies and embankment dam materials, and determine depth to bedrock at future diversion site.

In 2026, there will be additional subsurface investigations which will include 2 deep boreholes along the tunnel alignment and additional boreholes on the upstream end of the spillway.





Drilling through the dam Oct 19th.

BOC Meeting #2

AEA hosted the second Board of Consultants (BOC) meeting in support of the Bradley Lake Expansion Project on October 29th. This primary focus of this meeting was to discuss the methodologies and status of the Probable Maximum Precipitation (PMP) and Probable Maximum Flood (PMF) studies. Initial results indicate that the PMP storm is slightly lower than the original design, but due to updated understanding of the basin drainage from the 1982 studies the PMF is around 6000 cfs larger.

AEA also discussed results of a preliminary seismic hazard analysis on the Bradley Dam, a freeboard analysis to determine potential wave runup against the dam, shared design drawings of all project elements, and discussed initial results from the 2025 subsurface investigations.

On November 24th, a follow-up BOC meeting was held where the BOC presented initial comments and recommendations in response to the material discussed on October 29th. A formal report is to follow and AEA is currently working on responding to BOC comments.

Dixon Diversion Dam Hazard Classification

On October 16th AEA received communication from FERC accepting the recommendation that the future Dixon Diversion Dam be classified as low-hazard and that the 100-year flood be used as the Inflow Design Flood.

3-Phase Power

EPS is working on procurement documents for a 3-phase transformer. This item is around 2 years lead time and AEA wishes to purchase it as soon as possible. If any utilities would like to comment on the specs, AEA would be happy to share.

Remaining equipment for power upgrades is being designed and planned to be purchased in Fall 2026.

Pool Raise / Spillway Modifications

AEA will be submitting a design package in the Draft License Amendment Application that includes a 16-foot pool raise. On the spillway this will be accomplished by raising the existing ogee spillway by 8.5' and installing a 7.5' Obermeyer gate on top. The embankment dam will be raised by ~13'.

As the design has progressed at the dam and spillway, it was found that an additional 2' of storage (8000MWh) without substantially altering the design. Further discussions with the utilities will take place to determine if this additional storage is desired. In an average water year Bradley will need to produce an additional ~100,000MWh in the summer to avoid spill. AEA is putting forth the maximum anticipated area of impact in the Draft License Amendment Application as it is much simpler to reduce the area of impact vs increase it in the Final Amendment Application.

Environmental

AEA concluded the final year of environmental studies to support the Bradley Lake Expansion Project License Amendment. 2025 was a successful field season that included extensive juvenile and adult salmon surveys, raptor surveys, discharge measurements, wetland delineations, and cultural resources studies.

Exhibit E of the Draft License Amendment Application is the Environmental Report which will be submitted in the form of an Environmental Assessment in order to advance discussions with stakeholders and expedite FERC's NEPA review.

AEA has begun preliminary discussions with resource agencies to discuss potential Protection, Mitigation, and Enhancement measures related to the project and pre/post-diversion monitoring.



Martin River at 220cfs

Bradley Lake Project Management Committee Report on Railbelt Regional Coordination

December 5th, 2025

Overview:

The Bradley Lake Project Management Committee is focused on two main objectives: expanding the project's capacity from 90 MW to its full potential of 120 MW and ensuring the reliable and resilient delivery of energy and capacity to all stakeholders. Moreover, the committee is committed to addressing and eliminating large-scale, small-signal instability oscillations that arise when the Bradley Project interacts with the summer valley during periods of low lake levels. Consistent with Section 32 of the Power sales agreement, which commits the participants to seek a high-capacity intertie between the Kenai and Fairbanks, a comprehensive regional transmission plan, named the Grid Modernization and Resiliency Plan (GMRP), has been developed.

The implementation of GMRP is expected to yield several ancillary benefits, including a more resilient and robust grid capable of withstanding extreme weather events and other disruptions. The modernization efforts will enhance power transfer capabilities between regions, reduce the need for thermal reserves, decrease fuel consumption, and cut carbon emissions. Additionally, the upgraded grid will better accommodate variable clean energy sources.

This report outlines our activities related to these efforts over the months of August and September.

Contractors:

- None

Grant Efforts:

State Match efforts

The Legislature adjourned with minimal activity in this area.

Looking Forward:

No specific actions are on the horizon, unless DOE initiated GRP cycle three funding.

Other Activities:

- As noted previously, on April 3rd, I transitioned to a reduced (maximum 40%) role at EDRRC as I begin assisting the Seward Electric System with their utility management. However, I will continue to oversee the Federal Grant applications process and aid as required in state and utility match efforts.

This report reflects our continuous commitment to enhancing the Railbelt region's energy infrastructure and resilience, marking significant milestones in our journey towards a more sustainable and efficient energy future.

As General Manager of Seward Electric, I attended ACEP's Hawaiian energy policy tour in November.

Bradley Lake Operator Report

BPMC

December 5, 2025

Unit Statistics:

Generation	Unit 1 (MWhrs)	Unit 2 (MWhrs)	Total (MWhrs)
Sept. 2025	22,183	22,533	44,716
Oct. 2025	22,271	22,073	44,344
Nov. *2025	23,640	24,592	48,232

Hydraulics	Avg. Lake Level (ft.)	Bradley Fishwater (ac ft.)	Battle Creek MIF (ac ft.)
Sept. 2025	1,169	3,501	959
Oct. 2025	1,170	546	899
Nov. *2025	1,162	1,061	0

Battle Creek	Inflows to Bradley (ac ft.)
Sept. 2024	8,665
Oct. 2024	2,916
Nov. *2025	0

*Lake Level – 1,156.7' As of Nov. 29, 2025

Activities

- Forced Outages – None to report.
- Dam/Spillway – Completed the monthly safety inspection. On 10/30/25 we experienced a 5.4 earthquake centered eight miles from the project. We completed the required inspections of the dam and powerhouse. Upon initial inspection of the spillway gallery, we found an abnormal amount of water on the floor. We later determined that it was remnants from the core drilling operation.
- Battle Creek Diversion- Secured for winter. The remote monitoring cameras at the diversion have been installed and are working.
- Safety – There have been no lost time or reportable accidents for the months of September, October, and November. Conducted safety meetings on September 10, October 8, and November 12, 2025. Next safety meeting is December 10, 2025.
- Fire System- Yukon Fire personnel completed the fire system testing and inspection. The one deficiency noted was the fire hose connections on the outside of the employee housing are due to be hydrostatically tested. We will conduct the testing this spring during warmer weather. Yukon Fire is scheduled to complete the Control Room/ Generator Halon Fire System replacement work on Jan 5-16, 2026. Unit outages have been scheduled to coincide with the system islanding events.
- Personnel- We have filled the Operator position. Employee start date is Dec 17, 2025.

- Dam Field Investigation- Discovery Drilling/Schnabel have concluded their operations for the year. They were unable to complete all the holes on the schedule before the weather shut them down. They will be returning next spring to finish.
- Needle Valves- Completed the rebuild of the spare needle with the new parts. It passed all required tests. During the assembly it was discovered that the tolerances on the nozzle body to needle body bushing have been opened from original specs. Voith is investigating. Kosonen Consulting conducted a condition assessment of the needle valves. He concluded that the needle valves remain in good condition and should operate with no issues for the next two to five years. He recommended that we continue our annual inspections and daily monitoring on plant rounds.
- Earthquake Center- Tec's from the earthquake center replaced the communications switch in the power tunnel and upgraded the switch in the spillway drain gallery and microwave hut.
- We added the Starlink system to the Lower Bradley Gauging Station to improve signal reliability for control of fish water releases.
- We received a barge with a fuel delivery to top off the storage tanks for the winter.
- Equipment- Washington Crane completed the annual crane and hoist inspections. No significant issues were noted.
- Vibration Study- Turn Technologies completed the semi-annual vibration study. No significant issues were noted.

Contractors/ Visitors

- HEA – Larry Jorgensen & Rachel Olson, Safety Meeting.
- HEA- John McClain, Gable Aims network cutover.
- Schnabel- Paul Pribyl, AEA contractor for Dixon Diversion Project.
- DOWL- Willey Stoll, survey new drill holes at the dam.
- DOWL – Kari Nutter, supervise drillers.
- HEA- Andy Patrick, Facilities Hazard Assessment.
- Earthquake Center- Service Tech's replacing equipment.
- Turn Tech- Philip Cole, Semiannual vibration study.
- Yucon Fire – Annual Fire System inspection and testing.
- Washington Crane- Michael, annual crane, and hoist inspection.
- KPMS- Alex Reynolds, deep clean the crew's quarters.

Bradley Lake, Sept 6, 2025. Lake Elevation 1166.3



Battle Creek Diversion Nov. 2025.



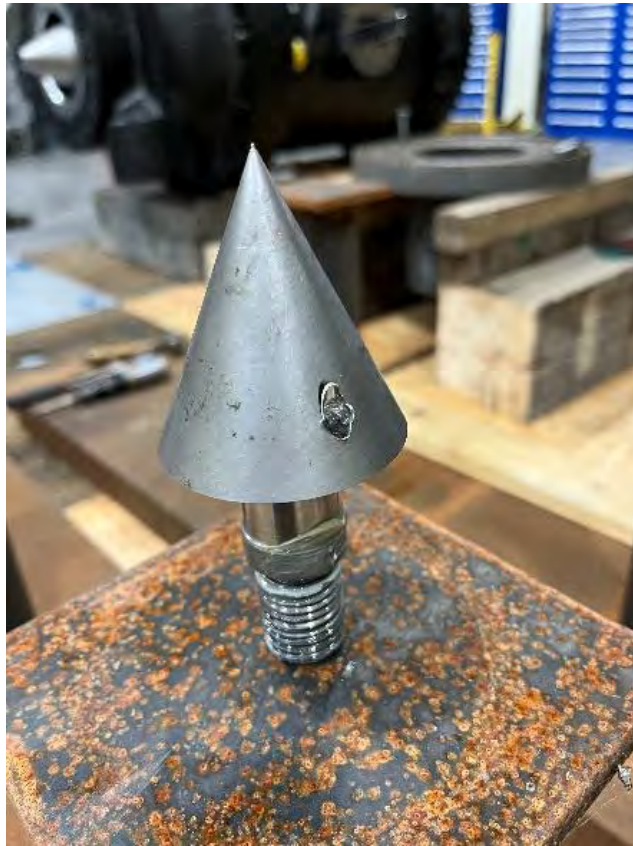
Lower Bradley River at the Gauging Station.



Spare Needle Ready for Disassembly



Needle Tip



Removed Head Cover



Removing the Needle Cone



Needle Cone



New Needle Bodies



Body Removed from Housing



Needle Body Lowered into Housing



Front Housing Cover Installed



Needle on Test Stand



Northern Lights at Bradley on 11 Nov. 2025



Alaska Energy Authority
Bradley Lake
Budget to Actual Expenses
07/01/2025 to 09/30/2025

ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
Schedule A
Expenses for the period 07/01/25 to 09/30/25

BRADLEY LAKE CAPITAL PURCHASES NOT FUNDED BY R&C FUND	FY24 BUDGET	FY24 ACTUALS	FY25 BUDGET	FY25 ACTUALS	FY26 BUDGET	FY26 ACTUALS
Install New Bradley Microwave System	518,000	45,215	-	-	-	-
Brush Hog for Front End Loader	150,000	-	-	111,087	-	-
JLG All Terrain Fork Lift- New Purchase	190,000	213,942	-	-	-	-
Replace BL#5 2009 F150 Crew Cab Pickup	45,000	-	-	48,995	-	-
Warehouse Heaters x2 (Replace)	5,000	-	-	-	-	-
ISO Shipping Containers x2 (Replace)	40,000	30,700	-	-	-	-
Polaris Side by Side (Replace)	-	-	65,000	62,645	-	-
Crew Quarters Remodel	-	-	85,000	84,873	-	-
New Circuit Breaker - Generator #2	-	-	-	60,988	-	-
Contex HD Ultra X 3690 Color Scanner	-	-	-	12,620	-	-
Replace DC Station Service Batteries	-	-	-	-	130,000	-
Replace Needle Valve Position Arm Bushings	-	-	-	-	95,000	-
Replace ION Meters	-	-	-	-	120,000	-
AC unit in powerhouse server room	-	-	-	-	38,000	-
Powerhouse Control Rm and Office Flooring	-	-	-	-	28,000	-
Approach Path Indicator Lights (Replace)	-	-	-	-	40,000	-
Limiterque Actuators on fish water valve (Replace)	-	-	-	-	35,000	-
Domestic water tank, controls, and filtration system (Replace)	-	-	-	-	35,000	-

Total Non R&C Capital Purchases	948,000	289,857	150,000	381,209	521,000	-
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ALASKA ENERGY AUTHORITY
BRADLEY LAKE OPERATIONS & MAINTENANCE
SCHEDULE B
BUDGET TO ACTUAL EXPENSES
FOR THE PERIOD 07/01/2025 THROUGH 09/30/2025

	FY26 Approved Budget	FY 26						FY 25	
		BUDGET % 07/01/2025 - 09/30/2025	HEA Actual	CEA Actual	AEA Actual	Total Actual	(Over) Under Budget to Date	FY25 Approved Budget	FY25 Actual
Summary by expense type									
Staff Professional Services (Direct)	360,000	90,000	-	-	66,775	66,775	23,225	312,585	501,917
Labor & Benefits	1,497,414	374,353	248,671	10,425	60,695	319,791	54,563	2,054,317	1,435,363
Travel	40,300	10,075	119	115	2,402	2,636	7,439	51,500	57,509
Training	55,000	13,750	106	-	-	106	13,644	55,000	7,211
Contractual	1,392,497	348,124	232,227	-	66,507	298,734	49,391	1,243,010	1,118,636
Consulting-Administrative	155,000	38,750	-	-	629	629	38,121	315,000	46,433
Supplies & Materials	342,000	85,500	24,818	432	-	25,250	60,250	378,500	296,310
Other Costs	77,518	19,380	10,206	7,241	-	17,448	1,932	112,718	95,087
Equipment, Furniture & Machinery	20,000	5,000	6,776	-	-	6,776	(1,776)	35,000	19,940
Administrative Costs	2,549,839	637,460	17,478	-	408,169	425,647	211,813	1,978,224	2,088,063
Indirect Costs	1,543,116	385,779	313,180	-	-	313,180	72,599	1,480,105	1,340,986
O&M 4% Allocation to Battle Creek	(321,307)	(80,327)	-	-	-	-	(80,327)	(320,638)	-
Total Bradley Lake Budget	7,711,376	1,927,844	853,579	18,213	605,177	1,476,970	450,874	7,695,321	7,007,455
FERC 535 - Operation Supervision & Engineering									
Operations Sup/Eng									
Bradley Lake Operating									
Labor & Benefits	109,196	27,299	28,631	-	-	28,631	(1,332)	105,451	99,743
Travel	5,000	1,250	-	-	-	-	1,250	5,000	668
Training	5,000	1,250	-	-	-	-	1,250	5,000	-
Contractual	3,000	750	-	-	-	-	750	3,000	407
Supplies & Materials	25,000	6,250	33	-	-	33	6,217	4,000	-
Indirect Costs	157,071	39,268	39,734	-	-	39,734	(467)	155,698	139,723
Bradley Lake Operating Total	304,267	76,067	68,398	-	-	68,398	7,669	278,149	240,542
FERC 535 - Operation Supervision & Engineering Total	304,267	76,067	68,398	-	-	68,398	7,669	278,149	240,542
FERC 537 - Hydraulic Expenses									
Hydraulic Expenses									
Bradley Lake Operating									
Labor & Benefits	81,895	20,474	17,314	-	-	17,314	3,160	95,262	79,042
Contractual	15,000	3,750	-	-	-	-	3,750	-	-
Supplies & Materials	10,000	2,500	1,243	-	-	1,243	1,257	4,000	1,729
Indirect Costs	113,127	28,282	23,921	-	-	23,921	4,360	109,250	108,693
Bradley Lake Operating Total	220,022	55,006	42,478	-	-	42,478	12,527	208,512	189,464
FERC 537 - Hydraulic Expenses Total	220,022	55,006	42,478	-	-	42,478	12,527	208,512	189,464
FERC 538 - Electric Expenses									
Electric Expenses									
Bradley Lake Operating									
Labor & Benefits	235,187	58,797	53,487	-	-	53,487	5,310	218,044	227,478
Travel	7,000	1,750	12	-	-	12	1,738	7,000	293
Training	30,000	7,500	106	-	-	106	7,394	30,000	3,990
Contractual	18,000	4,500	-	-	-	-	4,500	10,000	5,255
Supplies & Materials	23,500	5,875	1,244	-	-	1,244	4,631	18,500	5,970
Indirect Costs	280,431	70,108	62,462	-	-	62,462	7,646	262,004	268,318
Bradley Lake Operating Total	594,118	148,530	117,310	-	-	117,310	31,219	545,548	511,305
FERC 538 - Electric Expenses Total	594,118	148,530	117,310	-	-	117,310	31,219	545,548	511,305
FERC 539 - Misc. Hydraulic Power Generation Expenses									
Misc Hydro Power Exp									
Bradley Lake Operating									
Labor & Benefits	130,567	32,642	16,343	-	-	16,343	16,298	107,742	78,868
Training	20,000	5,000	-	-	-	-	5,000	20,000	-
Contractual	606,317	151,579	180,079	-	-	180,079	(28,500)	385,067	410,619
Supplies & Materials	30,000	7,500	4,255	-	-	4,255	3,245	25,000	45,819
Equipment, Furniture & Machinery	-	-	-	-	-	-	-	-	2,563
Indirect Costs	122,323	30,581	23,122	-	-	23,122	7,459	114,320	111,127
Bradley Lake Operating Total	909,207	227,302	223,799	-	-	223,799	3,503	652,129	648,997
BRADLEY CIRCUITS/RADIO TO BERNICE LK									
Other Costs	35,695	8,924	8,567	-	-	8,567	357	35,695	34,268
BRADLEY CIRCUITS/RADIO TO BERNICE LK Total	35,695	8,924	8,567	-	-	8,567	357	35,695	34,268
BRADLEY CIRCUITS BERNICE LK TO ANCH									
Other Costs	29,773	7,443	-	7,241	-	7,241	202	29,773	28,985
BRADLEY CIRCUITS BERNICE LK TO ANCH Total	29,773	7,443	-	7,241	-	7,241	202	29,773	28,985
LOWER BRADLEY CIRCUITS/RADIO TO BARGE DOCK									
Other Costs	10,000	2,500	1,639	-	-	1,639	861	45,000	24,085
LOWER BRADLEY CIRCUITS/RADIO TO BARGE DOCK Total	10,000	2,500	1,639	-	-	1,639	861	45,000	24,085
FERC 539 - Misc. Hydraulic Power Generation Expenses Total	984,675	246,169	234,005	7,241	-	241,247	4,922	762,597	736,335
FERC 541 - Maintenance Supervision & Engineering									
Maint Supervision/Eng									
Bradley Lake Operating									
Labor & Benefits	117,056	29,264	28,631	-	-	28,631	633	110,451	104,197
Indirect Costs	157,071	39,268	39,734	-	-	39,734	(467)	155,698	139,723
Bradley Lake Operating Total	274,127	68,532	68,366	-	-	68,366	166	266,149	243,920
FERC 541 - Maintenance Supervision & Engineering Total	274,127	68,532	68,366	-	-	68,366	166	266,149	243,920
FERC 542 - Maintenance of Structures									
Maintenance of Structures									
Bradley Lake Operating									
Labor & Benefits	84,789	21,197	14,565	-	-	14,565	6,633	89,710	67,928
Contractual	35,000	8,750	2,249	-	-	2,249	6,501	126,000	103,435
Supplies & Materials	44,000	11,000	5,328	-	-	5,328	5,672	70,000	40,551
Equipment, Furniture & Machinery	20,000	5,000	6,776	-	-	6,776	(1,776)	20,000	14,623
Indirect Costs	115,838	28,960	20,603	-	-	20,603	8,356	102,350	94,601
Bradley Lake Operating Total	299,627	74,907	49,521	-	-	49,521	25,386	408,060	321,138
FERC 542 - Maintenance of Structures Total	299,627	74,907	49,521	-	-	49,521	25,386	408,060	321,138
FERC 543 - Maintenance of Reservoirs, Dams & Waterways									
Maint Res, Dams, WWays									
Bradley Lake Operating									
Labor & Benefits	17,992	4,498	460	-	-	460	4,038	51,783	13,050
Contractual	6,500	1,625	-	-	-	-	1,625	39,500	41,306

ALASKA ENERGY AUTHORITY
BRADLEY LAKE OPERATIONS & MAINTENANCE
SCHEDULE B
BUDGET TO ACTUAL EXPENSES
FOR THE PERIOD 07/01/2025 THROUGH 09/30/2025

	FY26 Approved Budget	FY 26						FY 25	
		BUDGET % 07/01/2025 - 09/30/2025	HEA Actual	CEA Actual	AEA Actual	Total Actual	(Over) Under Budget to Date	FY25 Approved Budget	FY25 Actual
Supplies & Materials	20,000	5,000	283	-	-	283	4,717	85,000	63,338
Equipment, Furniture & Machinery	-	-	-	-	-	-	-	15,000	-
Indirect Costs	22,556	5,639	713	-	-	713	4,926	58,650	16,000
Bradley Lake Operating Total	67,048	16,762	1,456	-	-	1,456	15,306	249,933	133,694
BRADLEY POWER TUNNEL MAINT (Dam)									
Contractual	15,000	3,750	-	-	-	-	3,750	15,000	-
BRADLEY POWER TUNNEL MAINT (Dam) Total	15,000	3,750	-	-	-	-	3,750	15,000	-
FERC 543 - Maintenance of Reservoirs, Dams & Waterways Total	82,048	20,512	1,456	-	-	1,456	19,056	264,933	133,694
FERC 544 - Maintenance of Electric Plant									
Maintenance of Elec Plant									
Bradley Lake Operating									
Labor & Benefits	336,995	84,249	57,663	-	-	57,663	26,585	309,110	261,477
Travel	4,500	1,125	108	-	-	108	1,017	4,500	530
Contractual	24,000	6,000	21,602	-	-	21,602	(15,602)	75,000	60,276
Supplies & Materials	40,000	10,000	3,323	-	-	3,323	6,677	40,000	35,276
Indirect Costs	461,361	115,340	81,615	-	-	81,615	33,725	423,178	367,649
Bradley Lake Operating Total	866,856	216,714	164,311	-	-	164,311	52,403	851,788	725,208
FERC 544 - Maintenance of Electric Plant Total	866,856	216,714	164,311	-	-	164,311	52,403	851,788	725,208
FERC 545 - Maintenance of Misc. Hydraulic Plant									
Maint of Misc Hydr Plant									
Bradley Lake Operating									
Labor & Benefits	82,339	20,585	15,377	-	-	15,377	5,208	69,297	68,096
Contractual	45,000	11,250	17,684	-	-	17,684	(6,434)	45,000	38,420
Supplies & Materials	68,000	17,000	8,986	-	-	8,986	8,014	68,000	56,391
Indirect Costs	113,337	28,334	21,275	-	-	21,275	7,060	98,957	95,152
Bradley Lake Operating Total	308,677	77,169	63,321	-	-	63,321	13,848	281,254	258,059
FERC 545 - Maintenance of Misc. Hydraulic Plant Total	308,677	77,169	63,321	-	-	63,321	13,848	281,254	258,059
FERC 556 - System Control & Load Dispatching									
System Cntl & Load Disp									
Bradley Lake Operating									
Labor & Benefits	20,174	5,044	12,382	-	-	12,382	(7,339)	20,174	25,978
Contractual	143,500	35,875	510	-	-	510	35,365	103,500	49,188
Supplies & Materials	12,000	3,000	-	-	-	-	3,000	12,000	854
Bradley Lake Operating Total	175,674	43,919	12,892	-	-	12,892	31,026	135,674	76,020
Snow Measurement									
Bradley Lake Operating									
Contractual	10,000	2,500	-	-	-	-	2,500	10,000	9,600
Bradley Lake Operating Total	10,000	2,500	-	-	-	-	2,500	10,000	9,600
Seismic Service									
Bradley Lake Operating									
Contractual	66,498	16,625	-	-	11,863	11,863	4,761	64,868	62,273
Bradley Lake Operating Total	66,498	16,625	-	-	11,863	11,863	4,761	64,868	62,273
Streamgauging Serv									
Bradley Lake Operating									
Contractual	221,682	55,421	-	-	54,644	54,644	777	216,275	269,784
Bradley Lake Operating Total	221,682	55,421	-	-	54,644	54,644	777	216,275	269,784
Permits									
Bradley Lake Operating									
Other Costs	350	88	-	-	-	-	88	350	240
Bradley Lake Operating Total	350	88	-	-	-	-	88	350	240
FERC 556 - System Control & Load Dispatching Total	474,204	118,551	12,892	-	66,507	79,399	39,152	427,167	417,917
FERC 562 - Station Expenses									
Station Expenses									
Bradley Lake Operating									
Labor & Benefits	99,812	24,953	3,817	10,425	-	14,241	10,712	96,612	135,584
Travel	1,800	450	-	115	-	115	335	2,500	773
Contractual	103,000	25,750	10,103	-	-	10,103	15,647	79,800	32,843
Supplies & Materials	45,000	11,250	123	432	-	555	10,695	23,000	25,534
Other Costs	1,700	425	-	-	-	-	425	1,900	1,536
Bradley Lake Operating Total	251,312	62,828	14,042	10,972	-	25,014	37,814	203,812	196,269
FERC 562 - Station Expenses Total	251,312	62,828	14,042	10,972	-	25,014	37,814	203,812	196,269
FERC 570 - Maintenance of Station Equipment									
Maintenance of Station Equip									
Bradley Lake Operating									
Bradley Lake Operating Total	-	-	-	-	-	-	-	-	-
FERC 570 - Maintenance of Station Equipment Total	-	-	-	-	-	-	-	-	-
FERC 571 - Maintenance of Overhead Lines									
Maint of OH Lines									
Bradley Lake Operating									
Labor & Benefits	32,574	8,144	-	-	-	-	8,144	36,500	23,486
Contractual	80,000	20,000	-	-	-	-	20,000	70,000	35,229
Supplies & Materials	20,000	5,000	-	-	-	-	5,000	20,000	11,965
Bradley Lake Operating Total	132,574	33,144	-	-	-	-	33,144	126,500	70,681
FERC 571 - Maintenance of Overhead Lines Total	132,574	33,144	-	-	-	-	33,144	126,500	70,681
FERC 920 & 930 - Administrative Expense									
AEA Bradley Fixed Admin Fees									
Bradley Lake Operating									
Staff Professional Services (Direct)	360,000	90,000	-	-	66,775	66,775	23,225	312,585	501,917
Travel	-	-	-	-	2,402	2,402	(2,402)	-	53,177
Training	-	-	-	-	-	-	-	-	3,221
Consulting-Administrative	-	-	-	-	629	629	(629)	-	2,153
Supplies & Materials	-	-	-	-	-	-	-	-	8,882
Other Costs	-	-	-	-	-	-	-	-	5,972
Equipment, Furniture & Machinery	-	-	-	-	-	-	-	-	2,754
Administrative Costs	240,000	60,000	-	-	-	-	60,000	172,500	455,441
Bradley Lake Operating Total	600,000	150,000	-	-	69,806	69,806	80,194	485,085	1,033,515
Operating Committee Exp-Audit									

ALASKA ENERGY AUTHORITY
BRADLEY LAKE OPERATIONS & MAINTENANCE
SCHEDULE B
BUDGET TO ACTUAL EXPENSES
FOR THE PERIOD 07/01/2025 THROUGH 09/30/2025

		FY 26						FY 25	
	FY26 Approved Budget	BUDGET % 07/01/2025 - 09/30/2025	HEA Actual	CEA Actual	AEA Actual	Total Actual	(Over) Under Budget to Date	FY25 Approved Budget	FY25 Actual
Bradley Lake Operating									
Administrative Costs	45,000	11,250	-	-	-	-	11,250	41,000	38,534
Bradley Lake Operating Total	45,000	11,250	-	-	-	-	11,250	41,000	38,534
Operating Committee Exp-Legal									
Bradley Lake Operating									
Administrative Costs	80,000	20,000	-	-	39,443	39,443	(19,443)	80,000	125,918
Bradley Lake Operating Total	80,000	20,000	-	-	39,443	39,443	(19,443)	80,000	125,918
Misc Admin									
Bradley Lake Operating									
Administrative Costs	13,000	3,250	-	-	248	248	3,002	13,000	14,634
Bradley Lake Operating Total	13,000	3,250	-	-	248	248	3,002	13,000	14,634
Professional Consultants									
Bradley Lake Operating									
Labor & Benefits	148,836	37,209	-	-	60,695	60,695	(23,486)	744,181	250,437
Travel	22,000	5,500	-	-	-	-	5,500	32,500	2,068
Supplies & Materials	4,500	1,125	-	-	-	-	1,125	9,000	-
Bradley Lake Operating Total	175,336	43,834	-	-	60,695	60,695	(16,861)	785,681	252,505
FERC 920 & 930 - Administrative Expense Total	913,336	228,334	-	-	170,192	170,192	58,142	1,404,766	1,465,107
FERC 924 & 925 - Insurance Premiums									
Insurance Premiums									
Bradley Lake Operating									
Administrative Costs	1,581,839	395,460	17,478	-	368,478	385,956	9,504	1,371,724	1,164,007
Bradley Lake Operating Total	1,581,839	395,460	17,478	-	368,478	385,956	9,504	1,371,724	1,164,007
FERC 924 & 925 - Insurance Premiums Total	1,581,839	395,460	17,478	-	368,478	385,956	9,504	1,371,724	1,164,007
FERC 923 - Outside Services Employed									
Outside Services Employed									
Bradley Lake Operating									
Consulting-Administrative	155,000	38,750	-	-	-	-	38,750	315,000	44,280
Bradley Lake Operating Total	155,000	38,750	-	-	-	-	38,750	315,000	44,280
FERC 923 - Outside Services Employed Total	155,000	38,750	-	-	-	-	38,750	315,000	44,280
FERC 928 - Regulatory Commission Expenses									
FERC Admin Fees									
Bradley Lake Operating									
Administrative Costs	170,000	42,500	-	-	-	-	42,500	180,000	213,420
Bradley Lake Operating Total	170,000	42,500	-	-	-	-	42,500	180,000	213,420
FERC Related Prof Services									
BRADLEY FERC PART 12 INSPECTION									
Administrative Costs	300,000	75,000	-	-	-	-	75,000	-	-
BRADLEY FERC PART 12 INSPECTION Total	300,000	75,000	-	-	-	-	75,000	-	-
BRADLEY CONTRACTUAL ENGINEER-FERC LICENSE ISSUES									
Administrative Costs	120,000	30,000	-	-	-	-	30,000	120,000	76,109
BRADLEY CONTRACTUAL ENGINEER-FERC LICENSE ISSUES Total	120,000	30,000	-	-	-	-	30,000	120,000	76,109
FERC 928 - Regulatory Commission Expenses Total	590,000	147,500	-	-	-	-	147,500	300,000	289,529
⬇									
O&M 4% Allocation to Battle Creek	(321,307)	(80,327)	-	-	-	-	(80,327)	(320,638)	-
Total Bradley Lake Budget	7,711,376	1,927,844	853,579	18,213	605,177	1,476,970	450,874	7,695,321	7,007,455

Expenses for the period 07/01/25 to 09/30/25

Description	Actual @ 6/30/24 Expense	Projected TO REPAY @6/30/24	Budget FY24	Actual @ 6/30/25 Expense	Projected TO REPAY @6/30/25	Budget FY25	Actual @ 6/30/26 Expense	Projected TO REPAY @6/30/26	Budget FY26
R&C FUND PROJECTS									
Governor	-	4,052,070	-	-	4,052,070	-	-	4,052,070	-
Replace RFLS	-	251,093	-	-	251,093	-	-	251,093	-
Replace Runners	-	1,946,733	-	-	1,946,733	-	-	1,946,733	-
Replace cable from dam to power house	-	2,321,923	-	-	2,321,923	-	-	2,321,923	-
Replace power system stabilizer	-	619,205	-	-	619,205	-	-	619,205	-
Replace two RTUs	-	86,905	-	-	86,905	-	-	86,905	-
Culvert Repairs	-	675,967	-	-	675,967	-	-	675,967	-
Tower Repair for Jack Frost Heaves	-	887,597	-	-	887,597	-	-	887,597	-
Replace Plant and SCADA Controls	-	1,344,683	-	-	1,344,683	-	-	1,344,683	-
Vibration Monitoring System	-	490	-	-	490	-	-	490	-
Fire Alarm System Replacement	33,942	171,339	1,338,000	-	171,339	1,307,299	120,000	291,339	1,471,407
Battle Creek Diversion	-	1,170,000	-	-	1,170,000	-	-	1,170,000	-
Bradley Replace Electro-Mechanical Relays	-	1,277,197	-	-	1,277,197	-	-	1,277,197	-
Fishwater Screen Debris Removal	-	312,236	-	-	312,236	-	-	312,236	-
Turbine Nozzle Repair	-	1,428,861	-	-	1,428,861	-	-	1,428,861	-
SVC replacement Daves Creek Soldotna	-	8,517,991	-	-	8,517,991	-	-	8,517,991	-
Equipment Storage Shed	-	510,550	-	-	510,550	-	-	510,550	-
Emerson Operating System Upgrade	-	622,665	-	-	622,665	-	-	622,665	-
Generator #2 Replacement	-	953,213	-	-	953,213	-	-	953,213	-
Road Grader	-	342,330	-	-	342,330	-	-	342,330	-
Battle Creek Construction	-	3,739,591	-	-	3,739,591	-	-	3,739,591	-
Battle Creek Cash Call-Expended	-	750,000	-	-	750,000	-	-	750,000	-
Battle Creek Cash Call-Paid by Utilities	-	(750,000)	-	-	(750,000)	-	-	(750,000)	-
Needle Repairs	-	1,482,791	-	-	1,482,791	-	-	1,482,791	-
Construct Additional Residence	805,515	1,000,284	910,000	75,156	1,075,440	-	-	1,075,440	-
Bradley Lake Expansion Project**	176,092	1,384,822	252,000	774,357	2,159,179	839,270	34,317	2,193,496	-
Needle Valve Rebuild	198,086	198,086	1,579,535	1,504,127	1,702,213	1,719,535	-	1,702,213	-
Barge Dock Rehabilitation	-	-	-	401	401	600,000	-	401	600,000
Critical Spare (2) Nozzle Assemblies	-	-	-	-	-	-	-	-	400,000
Change out turbine nozzles units #1 and #2	-	-	-	-	-	-	-	-	1,021,000
	1,213,635	35,298,622	4,079,535	2,354,041	37,652,663	4,466,103	154,317	37,806,979	3,492,407
Current Year R&C Repayment		(3,338,646)			(2,580,808)			(2,580,808)	
Adjust balance to \$5 million		-			-			-	
Interest in Fund Applied to Repayment		(246,205)			(157,748)			(23,556)	
Net Transfer from Revenue Fund		(3,584,851)			(2,738,556)			(2,604,364)	
Cumulative Prior Years R&C Repayments		(31,677,137)			(33,746,653)			(35,082,970)	
Due to (from) Utilities		1,515,335			1,402,238			2,604,364	
Adjust Due to R&C Actual		-			-			-	
		(30,161,802)			(32,344,414)			(32,478,606)	
NET DUE TO R&C FUND		1,551,969			2,569,693			2,724,009	
R&C FUND CASH FLOW PROJECTION									
Beginning Investment Balance		4,370,333			6,177,000			6,186,586	
Disbursements-current year -Accrual		-			-			-	
Disbursements-prior year accrued		(789,379)			(1,213,635)			(2,354,041)	
Utilities' R&C Refund		(988,805)			(1,515,335)			(1,402,238)	
Net other cash inflow(outflow)		-			-			-	
Current year interest earnings		246,205			157,748			23,556	
Participants Contributions to R&C Fund		3,338,646			2,580,808			2,580,808	
Ending Investment Balance		6,177,000			6,186,586			5,034,672	
Accrued Due to (from) Utilities		(1,515,335)			(1,402,238)			(2,604,364)	
R&C payable back to the revenue fund		-			-			-	
Accrued R&C vendor Payable at Year End		(1,213,635)			(2,354,041)			(154,317)	
PROJECTED NET DUE + ENDING INVESTMENT BALANCE		5,000,000			5,000,000			5,000,000	

ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
Battle Creek Capital Purchases
Schedule E
Expenses for the period 07/01/25 to 09/30/25

BATTLE CREEK CAPITAL PURCHASES NOT FUNDED BY R&C FUND	FY24 BUDGET	FY24 ACTUALS	FY25 BUDGET	FY25 ACTUALS	FY26 BUDGET	FY26 ACTUALS
Battle Creek Associated Costs	15,000	-	-	-	-	-
Survey and Monument DNR Lease	150,000	88,651	5,000	2,621	5,000	-
Total Non R&C Capital Purchases	165,000	88,651	5,000	2,621	5,000	-

ALASKA ENERGY AUTHORITY
BATTLE CREEK OPERATIONS & MAINTENANCE
SCHEDULE F
BUDGET TO ACTUAL EXPENSES
FOR THE PERIOD 07/01/2025 THROUGH 09/30/2025

	FY26 Approved Budget	FY 26						FY 25	
		BUDGET % 07/01/2025 - 09/30/2025	HEA Actual	CEA Actual	AEA Actual	Total Actual	(Over) Under Budget to Date	FY25 Approved Budget	FY25 Actual
Summary by expense type									
Staff Professional Services (Direct)	50,000	12,500	-	-	5,237	5,237	7,263	50,000	46,192
Labor & Benefits	10,000	2,500	10,361	434	2,529	13,325	(10,825)	10,000	59,807
Travel	-	-	5	5	100	110	(110)	-	3,322
Training	-	-	4	-	-	4	(4)	-	300
Contractual	333,477	83,369	9,676	-	68,869	78,546	4,824	201,300	243,987
Consulting-Administrative	-	-	-	-	26	26	(26)	-	1,935
Supplies & Materials	5,000	1,250	1,034	18	-	1,052	198	5,000	12,346
Other Costs	-	-	425	302	-	727	(727)	-	3,962
Equipment, Furniture & Machinery	-	-	282	-	-	282	(282)	-	831
Administrative Costs	14,000	3,500	728	-	17,007	17,735	(14,235)	14,000	93,093
Indirect Costs	-	-	13,049	-	-	13,049	(13,049)	-	55,874
O&M 4% Allocation to Battle Creek	321,307	80,327	-	-	-	-	80,327	320,638	-
Total Battle Creek Budget	733,784	183,446	35,566	759	93,769	130,094	53,352	600,938	521,650
FERC 535 - Operation Supervision & Engineering									
Operations Sup/Eng									
Battle Creek Operating									
Labor & Benefits	1,500	375	1,193	-	-	1,193	(818)	1,500	4,156
Travel	-	-	-	-	-	-	-	-	28
Contractual	-	-	-	-	-	-	-	-	17
Supplies & Materials	1,000	250	1	-	-	1	249	1,000	-
Indirect Costs	-	-	1,656	-	-	1,656	(1,656)	-	5,822
Battle Creek Operating Total	2,500	625	2,850	-	-	2,850	(2,225)	2,500	10,023
FERC 535 - Operation Supervision & Engineering Total	2,500	625	2,850	-	-	2,850	(2,225)	2,500	10,023
FERC 537 - Hydraulic Expenses									
Hydraulic Expenses									
Battle Creek Operating									
Labor & Benefits	1,500	375	721	-	-	721	(346)	1,500	3,293
Contractual	277,177	69,294	-	-	66,098	66,098	3,196	145,000	141,077
Supplies & Materials	1,000	250	52	-	-	52	198	1,000	72
Indirect Costs	-	-	997	-	-	997	(997)	-	4,529
Battle Creek Operating Total	279,677	69,919	1,770	-	66,098	67,868	2,051	147,500	148,972
FERC 537 - Hydraulic Expenses Total	279,677	69,919	1,770	-	66,098	67,868	2,051	147,500	148,972
FERC 538 - Electric Expenses									
Electric Expenses									
Battle Creek Operating									
Labor & Benefits	1,500	375	2,229	-	-	2,229	(1,854)	1,500	9,478
Travel	-	-	0	-	-	0	(0)	-	12
Training	-	-	4	-	-	4	(4)	-	166
Contractual	-	-	-	-	-	-	-	-	219
Supplies & Materials	1,000	250	52	-	-	52	198	1,000	249
Indirect Costs	-	-	2,603	-	-	2,603	(2,603)	-	11,180
Battle Creek Operating Total	2,500	625	4,888	-	-	4,888	(4,263)	2,500	21,304
FERC 538 - Electric Expenses Total	2,500	625	4,888	-	-	4,888	(4,263)	2,500	21,304
FERC 539 - Misc. Hydraulic Power Generation Expenses									
Misc Hydro Power Exp									
Battle Creek Operating									
Labor & Benefits	1,500	375	681	-	-	681	(306)	1,500	3,286
Contractual	-	-	7,503	-	-	7,503	(7,503)	-	17,109
Supplies & Materials	1,000	250	177	-	-	177	73	1,000	1,909
Other Costs	-	-	425	302	-	727	(727)	-	3,639
Equipment, Furniture & Machinery	-	-	-	-	-	-	-	-	107
Indirect Costs	-	-	963	-	-	963	(963)	-	4,630
Battle Creek Operating Total	2,500	625	9,750	302	-	10,052	(9,427)	2,500	30,681
FERC 539 - Misc. Hydraulic Power Generation Expenses Total	2,500	625	9,750	302	-	10,052	(9,427)	2,500	30,681
FERC 541 - Maintenance Supervision & Engineering									
Maint Supervision/Eng									
Battle Creek Operating									
Labor & Benefits	2,500	625	1,193	-	-	1,193	(568)	2,500	4,342
Indirect Costs	-	-	1,656	-	-	1,656	(1,656)	-	5,822
Battle Creek Operating Total	2,500	625	2,849	-	-	2,849	(2,224)	2,500	10,163
FERC 541 - Maintenance Supervision & Engineering Total	2,500	625	2,849	-	-	2,849	(2,224)	2,500	10,163
FERC 542 - Maintenance of Structures									
Maintenance of Structures									
Battle Creek Operating									
Labor & Benefits	1,500	375	607	-	-	607	(232)	1,500	2,830
Contractual	-	-	94	-	-	94	(94)	-	4,310
Supplies & Materials	1,000	250	222	-	-	222	28	1,000	1,690
Equipment, Furniture & Machinery	-	-	282	-	-	282	(282)	-	609
Indirect Costs	-	-	858	-	-	858	(858)	-	3,942
Battle Creek Operating Total	2,500	625	2,063	-	-	2,063	(1,438)	2,500	13,381
FERC 542 - Maintenance of Structures Total	2,500	625	2,063	-	-	2,063	(1,438)	2,500	13,381
FERC 543 - Maintenance of Reservoirs, Dams & Waterways									
Maint Res, Dams, W/Ways									
Battle Creek Operating									
Labor & Benefits	-	-	19	-	-	19	(19)	-	544
Contractual	-	-	-	-	-	-	-	-	1,721
Supplies & Materials	-	-	12	-	-	12	(12)	-	2,639
Indirect Costs	-	-	30	-	-	30	(30)	-	667
Battle Creek Operating Total	-	-	61	-	-	61	(61)	-	5,571
FERC 543 - Maintenance of Reservoirs, Dams & Waterways Total	-	-	61	-	-	61	(61)	-	5,571
FERC 544 - Maintenance of Electric Plant									
Maintenance of Elec Plant									
Battle Creek Operating									
Labor & Benefits	-	-	2,403	-	-	2,403	(2,403)	-	10,895
Travel	-	-	4	-	-	4	(4)	-	22
Contractual	-	-	900	-	-	900	(900)	-	2,511

ALASKA ENERGY AUTHORITY
BATTLE CREEK OPERATIONS & MAINTENANCE
SCHEDULE F
BUDGET TO ACTUAL EXPENSES
FOR THE PERIOD 07/01/2025 THROUGH 09/30/2025

	FY26 Approved Budget	FY 26						FY 25	
		BUDGET % 07/01/2025 - 09/30/2025	HEA Actual	CEA Actual	AEA Actual	Total Actual	(Over) Under Budget to Date	FY25 Approved Budget	FY25 Actual
Supplies & Materials	-	-	138	-	-	138	(138)	-	1,470
Indirect Costs	-	-	3,401	-	-	3,401	(3,401)	-	15,319
Battle Creek Operating Total	-	-	6,846	-	-	6,846	(6,846)	-	30,217
FERC 544 - Maintenance of Electric Plant Total	-	-	6,846	-	-	6,846	(6,846)	-	30,217
FERC 545 - Maintenance of Misc. Hydraulic Plant									
Maint of Misc Hydr Plant									
Battle Creek Operating									
Labor & Benefits	-	-	641	-	-	641	(641)	-	2,837
Contractual	-	-	737	-	-	737	(737)	-	1,601
Supplies & Materials	-	-	374	-	-	374	(374)	-	2,350
Indirect Costs	-	-	886	-	-	886	(886)	-	3,965
Battle Creek Operating Total	-	-	2,638	-	-	2,638	(2,638)	-	10,752
FERC 545 - Maintenance of Misc. Hydraulic Plant Total	-	-	2,638	-	-	2,638	(2,638)	-	10,752
FERC 556 - System Control & Load Dispatching									
System Cntl & Load Disp									
Bradley Lake Operating									
Bradley Lake Operating Total	-	-	-	-	-	-	-	-	-
Battle Creek Operating									
Labor & Benefits	-	-	516	-	-	516	(516)	-	1,082
Contractual	-	-	21	-	-	21	(21)	-	2,049
Supplies & Materials	-	-	-	-	-	-	-	-	36
Battle Creek Operating Total	-	-	537	-	-	537	(537)	-	3,167
Snow Measurement									
Contractual	-	-	-	-	-	-	-	-	400
Battle Creek Operating Total	-	-	-	-	-	-	-	-	400
Seismic Service									
Battle Creek Operating									
Contractual	-	-	-	-	494	494	(494)	-	2,595
Battle Creek Operating Total	-	-	-	-	494	494	(494)	-	2,595
Streamgauging Serv									
Battle Creek Operating									
Contractual	56,300	14,075	-	-	2,277	2,277	11,798	56,300	67,541
Battle Creek Operating Total	56,300	14,075	-	-	2,277	2,277	11,798	56,300	67,541
Permits									
Battle Creek Operating									
Other Costs	-	-	-	-	-	-	-	-	10
Battle Creek Operating Total	-	-	-	-	-	-	-	-	10
FERC 556 - System Control & Load Dispatching Total	56,300	14,075	537	-	2,771	3,308	10,767	56,300	73,713
FERC 562 - Station Expenses									
Station Expenses									
Battle Creek Operating									
Labor & Benefits	-	-	159	434	-	593	(593)	-	5,649
Travel	-	-	-	5	-	5	(5)	-	32
Contractual	-	-	421	-	-	421	(421)	-	1,368
Supplies & Materials	-	-	5	18	-	23	(23)	-	1,064
Other Costs	-	-	-	-	-	-	-	-	64
Battle Creek Operating Total	-	-	585	457	-	1,042	(1,042)	-	8,178
FERC 562 - Station Expenses Total	-	-	585	457	-	1,042	(1,042)	-	8,178
FERC 571 - Maintenance of Overhead Lines									
Maint of OH Lines									
Battle Creek Operating									
Labor & Benefits	-	-	-	-	-	-	-	-	979
Contractual	-	-	-	-	-	-	-	-	1,468
Supplies & Materials	-	-	-	-	-	-	-	-	499
Battle Creek Operating Total	-	-	-	-	-	-	-	-	2,945
FERC 571 - Maintenance of Overhead Lines Total	-	-	-	-	-	-	-	-	2,945
FERC 920 & 930 - Administrative Expense									
AEA Bradley Fixed Admin Fees									
Battle Creek Operating									
Staff Professional Services (Direct)	50,000	12,500	-	-	5,237	5,237	7,263	50,000	46,192
Travel	-	-	-	-	100	100	(100)	-	3,142
Training	-	-	-	-	-	-	-	-	134
Consulting-Administrative	-	-	-	-	26	26	(26)	-	90
Supplies & Materials	-	-	-	-	-	-	-	-	370
Other Costs	-	-	-	-	-	-	-	-	249
Equipment, Furniture & Machinery	-	-	-	-	-	-	-	-	115
Administrative Costs	-	-	-	-	-	-	-	-	18,977
Battle Creek Operating Total	50,000	12,500	-	-	5,364	5,364	7,136	50,000	69,268
Operating Committee Exp-Audit									
Battle Creek Operating									
Administrative Costs	-	-	-	-	-	-	-	-	1,606
Battle Creek Operating Total	-	-	-	-	-	-	-	-	1,606
Operating Committee Exp-Legal									
Battle Creek Operating									
Administrative Costs	5,000	1,250	-	-	1,643	1,643	(393)	5,000	5,247
Battle Creek Operating Total	5,000	1,250	-	-	1,643	1,643	(393)	5,000	5,247
Operat Committee Exp-Arbitrage									
Battle Creek Operating									
Administrative Costs	2,500	625	-	-	-	-	625	2,500	1,690
Battle Creek Operating Total	2,500	625	-	-	-	-	625	2,500	1,690
Trust & Account Fees									
Battle Creek Operating									
Administrative Costs	5,500	1,375	-	-	-	-	1,375	5,500	4,400
Battle Creek Operating Total	5,500	1,375	-	-	-	-	1,375	5,500	4,400
Misc Admin									
Battle Creek Operating									

ALASKA ENERGY AUTHORITY
BATTLE CREEK OPERATIONS & MAINTENANCE
SCHEDULE F
BUDGET TO ACTUAL EXPENSES
FOR THE PERIOD 07/01/2025 THROUGH 09/30/2025

	FY26 Approved Budget	FY 26						FY 25	
		BUDGET % 07/01/2025 - 09/30/2025	HEA Actual	CEA Actual	AEA Actual	Total Actual	(Over) Under Budget to Date	FY25 Approved Budget	FY25 Actual
Administrative Costs	1,000	250	-	-	10	10	240	1,000	610
Battle Creek Operating Total	1,000	250	-	-	10	10	240	1,000	610
Professional Consultants									
Battle Creek Operating									
Labor & Benefits	-	-	-	-	2,529	2,529	(2,529)	-	10,435
Travel	-	-	-	-	-	-	-	-	86
Battle Creek Operating Total	-	-	-	-	2,529	2,529	(2,529)	-	10,521
FERC 920 & 930 - Administrative Expense Total	64,000	16,000	-	-	9,546	9,546	6,454	64,000	93,341
FERC 924 & 925 - Insurance Premiums									
Insurance Premiums									
Battle Creek Operating									
Administrative Costs	-	-	728	-	15,353	16,081	(16,081)	-	48,500
Battle Creek Operating Total	-	-	728	-	15,353	16,081	(16,081)	-	48,500
FERC 924 & 925 - Insurance Premiums Total	-	-	728	-	15,353	16,081	(16,081)	-	48,500
FERC 923 - Outside Services Employed									
Outside Services Employed									
Battle Creek Operating									
Consulting-Administrative	-	-	-	-	-	-	-	-	1,845
Battle Creek Operating Total	-	-	-	-	-	-	-	-	1,845
FERC 923 - Outside Services Employed Total	-	-	-	-	-	-	-	-	1,845
FERC 928 - Regulatory Commission Expenses									
FERC Admin Fees									
Battle Creek Operating									
Administrative Costs	-	-	-	-	-	-	-	-	8,893
Battle Creek Operating Total	-	-	-	-	-	-	-	-	8,893
FERC Related Prof Services									
Battle Creek Operating									
Administrative Costs	-	-	-	-	-	-	-	-	3,171
Battle Creek Operating Total	-	-	-	-	-	-	-	-	3,171
FERC 928 - Regulatory Commission Expenses Total	-	-	-	-	-	-	-	-	12,064
O&M Allocation to Battle Creek	321,307	80,327	-	-	-	-	80,327	320,638	-
Total Battle Creek Budget	733,784	183,446	35,566	759	93,769	130,094	53,352	600,938	521,650
	-	-	-	-	-	-	-	-	-

ALASKA ENERGY AUTHORITY
 BRADLEY LAKE HYDROELECTRIC PROJECT
 SSQ Line Capital Purchases
 Schedule H
 Expenses for the period 07/01/25 to 09/30/25

SSQ LINE CAPITAL PURCHASES NOT FUNDED BY R&C FUND	FY24 <u>BUDGET</u>	FY24 <u>ACTUALS</u>	FY25 <u>BUDGET</u>	FY25 <u>ACTUALS</u>	FY26 <u>BUDGET</u>	FY26 <u>ACTUALS</u>
SSQ Soldotna-Qtz Ck 230kV Construction	-	-	-	-	-	-

Total Non R&C Capital Purchases	-	-	-	-	-	-
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ALASKA ENERGY AUTHORITY
SSQ LINE OPERATIONS & MAINTENANCE
SCHEDULE I
BUDGET TO ACTUAL EXPENSES
FOR THE PERIOD 07/01/2025 THROUGH 09/30/2025

	FY26 Approved Budget	FY 26						FY 25	
		BUDGET % 07/01/2025 - 09/30/2025	HEA Actual	CEA Actual	AEA Actual	Total Actual	(Over) Under Budget to Date	FY25 Approved Budget	FY25 Actual
Summary by expense type									
Staff Professional Services (Direct)	10,000	2,500	-	-	829	829	1,671	40,000	7,086
Labor & Benefits	50,000	12,500	-	-	-	-	12,500	50,000	47,722
Travel	-	-	-	-	-	-	-	-	63
Contractual	150,000	37,500	4,269	-	-	4,269	33,231	150,000	58,795
Permitting	36,878	9,220	-	-	-	-	9,220	36,878	72,223
Supplies & Materials	20,000	5,000	-	-	-	-	5,000	20,000	52
Administrative Costs	7,000	1,750	-	-	-	-	1,750	47,000	5,059
Total SSQ Line Budget	273,878	68,470	4,269	-	829	5,098	63,372	343,878	190,998
FERC 556 - System Control & Load Dispatching Permits									
SSQ Line Operating									
Permitting	36,878	9,220	-	-	-	-	9,220	36,878	72,223
SSQ Line Operating Total	36,878	9,220	-	-	-	-	9,220	36,878	72,223
FERC 556 - System Control & Load Dispatching Total	36,878	9,220	-	-	-	-	9,220	36,878	72,223
FERC 570 - Maintenance of Station Equipment									
Maintenance of Station Equip									
SSQ Line Operating									
SSQ Line Operating Total	-	-	-	-	-	-	-	-	-
FERC 570 - Maintenance of Station Equipment Total	-	-	-	-	-	-	-	-	-
FERC 571 - Maintenance of Overhead Lines									
Maint of OH Lines									
SSQ Line Operating									
Labor & Benefits	50,000	12,500	-	-	-	-	12,500	50,000	47,722
Contractual	150,000	37,500	4,269	-	-	4,269	33,231	150,000	58,795
Supplies & Materials	20,000	5,000	-	-	-	-	5,000	20,000	-
SSQ Line Operating Total	220,000	55,000	4,269	-	-	4,269	50,731	220,000	106,517
FERC 571 - Maintenance of Overhead Lines Total	220,000	55,000	4,269	-	-	4,269	50,731	220,000	106,517
FERC 920 & 930 - Administrative Expense									
AEA Bradley Fixed Admin Fees									
SSQ Line Operating									
Staff Professional Services (Direct)	10,000	2,500	-	-	829	829	1,671	40,000	7,086
Travel	-	-	-	-	-	-	-	-	63
Supplies & Materials	-	-	-	-	-	-	-	-	52
Administrative Costs	-	-	-	-	-	-	-	20,000	3,059
SSQ Line Operating Total	10,000	2,500	-	-	829	829	1,671	60,000	10,259
Trust & Account Fees									
SSQ Line Operating									
Administrative Costs	2,000	500	-	-	-	-	500	2,000	2,000
SSQ Line Operating Total	2,000	500	-	-	-	-	500	2,000	2,000
FERC 920 & 930 - Administrative Expense Total	12,000	3,000	-	-	829	829	2,171	62,000	12,259
FERC 928 - Regulatory Commission Expenses									
FERC Related Prof Services									
BRADLEY CONTRACTUAL ENGINEER-FERC LICENSE ISSUES									
Administrative Costs	5,000	1,250	-	-	-	-	1,250	25,000	-
BRADLEY CONTRACTUAL ENGINEER-FERC LICENSE ISSUES Total	5,000	1,250	-	-	-	-	1,250	25,000	-
FERC 928 - Regulatory Commission Expenses Total	5,000	1,250	-	-	-	-	1,250	25,000	-
Total SSQ Line Budget	273,878	68,470	4,269	-	829	5,098	63,372	343,878	190,998

ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
Capital Projects Funded by Bond Proceeds
Appendix A
09/30/25

Source	Construction Funds at 11/30/22	Investment Expenses	Calculated Capital Reserve at 11/30/22	Released from Capital Reserve	Total Available Funding		
Required Project Work Bond Series 11 Funding	166,013,134	(157,250)	(12,454,346)	1,151,865	154,553,403		
BESS Required Project Work Bond Series 11 Funded Capital Projects	Total Funding	Project Budget	Committed	Encumbered	Total Actual Costs	(Over) / Under Project Budget	(Over) / Under Total Funding
BRADLEY HEA BESS Preliminary Study	24,093,691	75,000	-	22,473	958	51,569	22,790,750
Oscillation Dampening Service - CEA		16,072,398	-	-	1,031,167	15,041,231	
Oscillation Dampening Service - MEA		3,870,839	-	-	248,343	3,622,496	
Total BESS Capital Projects	24,093,691	20,018,236	-	22,473	1,280,468	18,715,295	22,790,750
Transmission Required Project Work Bond Series 11 Funded Capital Projects	Total Funding	Project Budget	Committed	Encumbered	Total Actual Costs	(Over) / Under Project Budget	(Over) / Under Total Funding
SSQ Line Sterling-Qtz Ck 230kV Construction	80,459,712	-	-	37,746	13,697,670	(13,735,416)	65,521,799
Soldotna-Sterling 230kV Construction		-	-	-	985,684	(985,684)	
BRADLEY Required Project Work Support		-	-	-	169,490	(169,490)	
Bradley RPW - Bond Series 11		-	-	-	47,323	(47,323)	
Total Transmission Capital Projects	80,459,712	-	-	37,746	14,900,167	(14,937,913)	65,521,799
GRIP 3 Round 1 Required Project Work Bond Series 11 Funded Projects - HVDC Line	Total Funding	Project Budget	Committed	Encumbered	Total Actual Costs	(Over) / Under Project Budget	(Over) / Under Total Funding
Allocate from BESS AEA Resolution 24-12	50,000,000	30,000,000	-	-	-	30,000,000	50,000,000
Allocate from Transmission AEA Resolution 24-02		20,000,000	-	-	-	20,000,000	
Total Grip 3 Round 1 Capital Projects	50,000,000	50,000,000	-	-	-	50,000,000	50,000,000
Total Required Project Work	154,553,403	70,018,236	-	60,219	16,180,636	53,777,381	138,312,548

Bradley Operation and Dispatch Committee Report

December 5th, 2025

Meeting Dates:

October 17th, 2025, and November 21, 2025

Notable Discussions and Items:

- Discussion on several transmission topic
 - UFLS, Soldotna SVC
- Nozzle replacement postponed based on current condition

Water Tracking & Lake Level:

- As of November 1st, Bradley Lake contained approximately 238,929 MWh of energy.

Committee Assignments:

- CEA continues work to address SCADA challenges to allow HEA wheeling capacity as defined in the existing Bradley agreement.
- BPMC approved - CEA & HEA investigating appropriate relay settings - \$15k spend limit.
 - *HEA and CEA are working on the development of work scope for best practice analysis.*

Next Meeting:

December 19th, 2025 @ 10am