BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE (BPMC)
REGULAR MEETING MINUTES
June 26, 2026

1. CALL TO ORDER

Chair Travis Million called the meeting of the Bradley Lake Hydroelectric Project Management Committee to order at 10:10 a.m. A quorum was established.

2. ROLL CALL (for Committee members)

Travis Million (Golden Valley Electric Association [GVEA]); Tony Izzo (Matanuska Electric Association [MEA]); Brad Janorschke (Homer Electric Association [HEA]); Taylor Crocker (City of Seward); Arthur Miller (Chugach Electric Association [CEA]); and Curtis Thayer (Alaska Energy Authority [AEA]).

3. PUBLIC ROLL CALL (for all others present)

Jennifer Bertolini, Mark Billingsley, Pamela Ellis, Josi Hartley, Ryan McLaughlin, Jim Mendenhall, William Price, Vienna Vaden, Robert Varga, Mark Ziesmer (AEA); Matt Clarkson, Josh Crowell, Sherri Highers, Andrew Laughlin, Mike Miller, Paul Millwood (CEA); Dan Bishop, Sarah Villalon (GVEA); Andrew Jensen (Governor's Office); Larry Jorgensen, Sarah Lambe, Martin Law, Andrew Patrick, Jessica Spuhler (HEA); David Pease, Matt Reisterer, Jon Sinclair, Tony Zellers (MEA); Thomas Toepfer (PFM); Julian Jensen (R.T. Casey); and Jonathan Simon (Van Ness Feldman).

4. AGENDA APPROVAL

MOTION: A motion was made by Mr. Miller to approve the agenda, as presented. Motion seconded by Mr. Thayer.

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

5. PUBLIC COMMENTS

There were no members of the public in-person or online who wished to make a public comment.

6. APPROVAL OF MEETING MINUTES – May 15, 2026, and May 26, 2026

MOTION: A motion was made by Mr. Thayer to approve the Minutes of May 15, 2026, and May 26, 2026. Motion seconded by Mr. Miller.

A roll call was taken, and the motion to approve the Minutes of May 15, 2026, and May 26, 2026 passed unanimously.

7. **NEW BUSINESS** – None.

8. **OLD BUSINESS**

A. **Bradley Lake Expansion Project Update**

Chair Million requested Ryan McLaughlin, AEA, to give the Bradley Lake Expansion Project update. Mr. McLaughlin announced that the final amendment application was filed with Federal Energy Regulatory Commission (FERC) this morning. It will be searchable on FERC's e-library and will be posted to AEA's website. Mr. McLaughlin encouraged everyone to review the license documents. He discussed the updated project boundary shown in the presentation. The boundary includes the Dixon Diversion site. The tunnel alignment is a 1,210-foot contour around the lake. Mr. McLaughlin noted that the variable Minimum Instream Flow schedule proposed was changed from the draft amendment and was developed in coordination with the agencies and additional fish passage modeling that was conducted. The schedule releases more water down the Martin River during the upstream migration periods for Coho and Sockeye and releases less water during the middle of summer when there is no stream migration. This balances benefits for fish and energy use, while diverting about the same amount of water.

Mr. McLaughlin discussed that the 16-foot pool raise will be accomplished through raising the existing concrete spillway crest, adding spillway crest gates, and raising the existing dam embankment crest. The pool raise will add 62,000 acre-feet of storage and will increase the generating capacity by 0.9MW. Also included in the application is the installation of a 0.3MW microhydro turbine at the fishwater release valves at the base of Bradley Dam.

Mr. McLaughlin explained that the tunnel will be a 16-foot drilled diameter with a one-foot-thick concrete cast segmental liner. The tunnel will be 4.6 miles long, with an elevation drop of 77 feet from inlet to outlet. The capacity will be 1,650 cfs. The diversion dam will be at the base of the Dixon Glacier and will include two 30-foot wide by 20-foot-tall overshot crest gates that can be fully dropped during high flows to sluice coarse sediment that has deposited in the diversion pool. High sediment load is expected to come off the Dixon Glacier before the diversion pool and prior to going down the tunnel. The diversion pool is designed for this. Periodic sediment flushing will still be required. Mr. McLaughlin discussed that since the Martin River is a very dynamic system, extensive pre-diversion and post-diversion monitoring will occur.

The third Board of Consultants meeting was held in Homer, Alaska earlier this week. Items of discussion included the update on the Probable Maximum Flood (PMF) and the Probable Maximum Precipitation (PMP) studies, review of the tunnel design, geotechnical investigations, dam design, and spillway design. A visit occurred on Wednesday to the diversion site and to see in-progress drilling. Mr. McLaughlin noted that the geotechnical campaign is underway. The drillers have been onsite for about a month and have drilled and tested two holes in front of the spillway, two holes at the toe of the dam, one hole at a potential quarry location, and one hole at the Dixon Diversion dam location. Work began this week on the deep tunnel boring alignment holes. Mr. McLaughlin showed a picture of one of the pads built for the tunnel boring alignment.

Mr. McLaughlin discussed the plan to procure cable for the three-phase power upgrade in July. A tree clearing contract was issued for the fall to comply with the bird avoidance windows, so that construction can occur in 2027. Mr. McLaughlin showed a picture of the frontside of the spillway drilling that happened in the spring, which was timed with the low water levels. Mr. McLaughlin discussed the table of the proposed flow release schedule at the Dixon Diversion. It varies throughout the season and is approximately 75 cfs throughout the bulk of the summer.

Mr. McLaughlin explained the birds-eye view schematic of the proposed diversion dam location. The sediment guide wall will divert water and sediment to the diversion dam. The forebay pool is to slow water down. Sediment is expected to drop out in the forebay pool and coarse sediment is expected to drop out in the diversion pool before it goes down the Dixon tunnel. The last picture is the plan and section view of the tunnel alignment based on geological mapping and investigations that occurred over the past two summers. More information is currently being collected. The drilling will begin from right to left in the picture. Notably, about four miles in, the Bradley River Fault Zone will be crossed.

Chair Million commented on the great news on the filing of the application with FERC. He is glad to see that the drilling is progressing to provide a better understanding of the area.

Mr. Thayer noted that the BPMC relayed that they wanted to see the Bradley Lake Expansion Project ramped up and moved along as fast as possible so as not to depend on 1.5 BCF of natural gas. In doing this project, Mr. Thayer stated that the team has worked with FERC, who have said they are going to reduce the process time by a year. The hope is to have a FERC license next summer. This is one of the reasons why the team is moving at an increased speed. Mr. Thayer emphasized the importance of the milestone of the FERC filing this morning. The draft environmental is complete. The monitoring plans are complete. The detailed engineering, hydrology, and geotechnical work has been included in the application. Mr. Thayer indicated that hard copies will be printed next week and would be made available.

Mr. Thayer requested that if any utilities have questions, to please discuss the questions with AEA before contemplating sending a letter to FERC. He explained why the dam is 16 feet. A national engineering firm was hired to help make that determination, in conjunction with international experts. In order to potentially qualify for tax credits, the dam must be 16 feet to create the head pressure to provide additional power to hopefully qualify for the alternative measurement standards. The tax credits could be up to $200 million.

Chair Million asked for the current timeline for the project, including the accelerated FERC license. Mr. Thayer commented that discussion will occur later during the financing section to ensure the financing package aligns with the time of construction. There are many options, with over 50 scenarios included in the Member packets. The financing options are being narrowed down by the utilities' Chief Finance Officers (CFOs) and AEA's team. AEA has been very thorough to ensure the CFOs have all the information necessary for the process. AEA's goal is to have funding in line to move forward as quickly as possible next summer with the FERC license. There were no other comments or questions.

B. Bradley Lake Expansion Capital Project Financing

Mr. Thayer requested Mark Billingsley, AEA, to discuss the public portion overview of the Bradley Lake Expansion Capital Project Financing. Mr. Billingsley noted that a quantitative analysis will be discussed in executive session. It is better suited for executive session because it is comparing finance options from different potential lenders. AEA has ramped up their work with the CFOs of the utilities and have conducted a few Teams meetings. Also, at the meetings was AEA's financial advisor Thomas Toepfer of PFM. The second meeting included AEA's bond counsel Orrick.

Mr. Billingsley informed that a second letter was received yesterday from the CFOs asking for additional information from AEA. Items of request included tax credits and different financing tools. AEA has narrowed the options. The discussion now is to determine the best option, given the uncertainties and the different features of the programs. Mr. Billingsley added that hydrofield tax credit experts are being consulted. That law firm is located in Washington, D.C. There were no comments or questions.

MOTION: A motion was made by Mr. Miller to enter into executive session to discuss confidential financial matters, the immediate knowledge of which may have an adverse effect on the Authority or the Project. Motion seconded by Mr. Thayer.

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

i. **EXECUTIVE SESSION: 10:30 a.m. – (Bylaws Section 5.11.4) - To discuss confidential financial matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the Authority of the Project.**

The Committee reconvened its regular meeting at 11:53 a.m. Chair Million advised that no action was taken during executive session.

C. CIPLink Update

Chair Million requested Jim Mendenhall, AEA, to report on the CIPLink memorandum update. Mr. Mendenhall noted that before he gives the CIPLink update, he wanted to inform members that AEA is working on the renewal insurance for both Bradley Lake and the Intertie. The cost range is approximately $1.5 million per year. This is a savings for Bradley Lake of about $150,000, and an increase to the Intertie of about $400. Mr. Mendenhall will keep the Committee updated on the insurance status.

Mr. Mendenhall reviewed that staff continue to work with the engineers at Stantec and HDR on the environmental permitting and survey planning for the marine work that is planned for this fall.

High-level geophysical work will occur, including LiDAR mapping and floor depths. Work continues with Stantec regarding the procurement documents for requests for qualifications and information for the cable. The selection will follow a phased approach. Before the final design is completed for the cable, the location and application have to be delineated. There may be future grab samples of the floor. Mr. Mendenhall noted that additional work is ongoing with Stantec on the converters and the phased approach on the request for proposals.

Mr. Mendenhall discussed that AEA worked with the Department of Energy (DOE) on the continuation agreement that goes through June 30, 2027. The slight cost change was based on the Community Benefits Program that was excluded. Some of the funds were reallocated, and some of the funds were clawed back. AEA is authorized to expend up to $65 million. The spending amount to-date is approximately $2.125 million on the project. Invoicing with the DOE continues.

Mr. Mendenhall noted that staff are working diligently on the funding for the CIPLink project. Because of the DOE grant, this project is not eligible for any DOE funding. Staff are looking for funding for the remaining $142 million of the project. Mr. Mendenhall advised that there have not been any staffing changes.

Chair Million expressed appreciation to Mr. Mendenhall for his thorough and understandable report. There were no comments or questions.

D. SQ Upgrade Update

Mike Miller, CEA, provided the update on the SQ Upgrade. Mr. Mike Miller discussed the progress since the BPMC meeting in May. The Project 2 bid package was released and responses to bidder questions were provided. The construction bids are due back on July 2, 2026. At that time, there will be more information regarding the potential outage window to the Intertie for construction and how to advance the project. A Notice to Proceed (NTP) on Project 2 construction is anticipated in late July or early August.

Mr. Mike Miller discussed that the Project 3 bids for steel structures are still out. Responses to bidder questions were issued on June 12, 2026. The bids are due back on July 9, 2026. There were no comments or questions.

E. SS Line Update

Mr. Janorschke noted that Mikel Salezetti, HEA, is out of the office. Mr. Janorschke indicated that his only update is that AEA staff were out looking at the line last week. There were no comments or questions.

MOTION: A motion was made by Mr. Thayer that the BPMC desires to resolve the capacity rights issue relating to AEA funded upgrades to transmission and substation facilities in relation to the SSQ Line that are owned by HEA and CEA. Therefore, Mr. Thayer moved that

the BPMC counsel evaluate the issues and report back at the next regularly scheduled BPMC meeting with recommended approaches. Motion seconded by Mr. Miller.

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

9. OPERATORS REPORT

Chair Million requested Martin Law, HEA, to provide the Operator's Report. Mr. Law noted that the Operator's Report is included in the packet. Bradley Lake is running well. There are no outstanding issues.

Chair Million commented that the lake level seemed to be pretty flat over the last few months, and there was not much snowpack. He asked for projections of the lake levels this summer. Mr. Law indicated that the water projection reports were provided. There is not much snow at the lake. There is still some snow up at Battle Creek. The overall forecast was a little under normal. There were no other comments or questions.

10. COMMITTEE REPORTS

A. Budget vs. Actuals

Chair Million requested Mark Ziesmer, AEA, to provide a high-level overview of the Budget to Actuals as of March 31, 2026. Mr. Ziesmer reviewed Schedule A actuals at $81,680, which leaves a budget of $439,320. The total expenses for Schedule B are currently $4.9 million, which is approximately $901,000 under budget. Key items are under budget in both FERC 539 and FERC 541, which is primarily due to annual maintenance being deferred until May. Overages can be seen on FERC 920 and FERC 930. These are mostly related to higher than anticipated payroll. Mr. Ziesmer explained that indirect legal costs are also overbudget, and that is mostly related to the RCA work. He noted that indirect cost allocation is based on payroll. When the payroll increases, the indirect costs will increase.

Mr. Ziesmer discussed that FERC 928 is approximately $430,000 under budget. This is primarily related to timing. Some costs will come in before the end of the fiscal year and are anticipated to make up the difference. Mr. Ziesmer reviewed that Schedule D totaled $413,924. The project costs for the Bradley Expansion since the beginning of the project are at $11.7 million.

Mr. Ziesmer reviewed that the Schedule F total expenses were $520,000, which is $30,000 under budget. The total expenses for Schedule I were $22,000, which is $183,000 under budget. Appendix A summarizes Bond Series 11. The total spending for all projects to-date is $19.6 million. The Oscillation Dampening Service (ODS) totals $2.25 million. There were no comments or questions.

Jennifer Bertolini, AEA, stated for the record that participants recently joined the meeting telephonically. She noted that the BPMC meeting is still in session, and that the Railbelt

Transmission Organization (RTO) meeting has not yet started. Chair Million thanked her for the information.

B. O&D Report

Chair Million requested Josh Crowell, CEA, to provide the O&D Report. Mr. Crowell noted that the written report is include in the Committee packet. The O&D will be meeting at the project for the July 17, 2026 O&D meeting.

Chair Million commented that the investigation of the relay settings has been on the report for some time. He asked Mr. Crowell if there is a scheduled meeting on progressing that issue forward. Mr. Crowell discussed that the item is planned to be completed in the next budget year. There were no other comments or questions.

11. EXECUTIVE SESSION - None.

12. MEMBER COMMENTS

Mr. Izzo commended and congratulated AEA and Mr. McLaughlin on the application filing. He expressed appreciation to the AEA staff and to the various committee members for the work that they do.

Mr. Miller echoed Mr. Izzo's comments.

Mr. Thayer thanked the AEA staff and the utilities' CFOs for engaging in important dialog moving forward in determining the next steps. He noted that there was an issue last week with the SQ Line going down for 12 hours. Mr. Thayer thanked Mr. Janorschke for calling him and making him aware of the plan. Mr. Thayer believes that a better policy and procedure should be created within the O&D Committee to inform and notify the BPMC members if an asset goes down or could be affected negatively by a natural disaster. Mr. Thayer indicated that he has to inform the AEA Board, and more importantly, he has to inform the Governor that a line is down. Mr. Thayer commented that the fire on Grandview confirms the reason that CIPLink is needed.

Mr. Mendenhall noted that he attended the Intertie Management Committee (IMC) meeting. The O&D did discuss notification options, and they will follow up to see if there are currently any procedures. The O&D will either update current procedures, or they will create new procedures for notifications.

Sarah Lambe, HEA, echoed the comments of appreciation to the Committee, AEA staff, and PFM for furthering the financing efforts.

Chair Million echoed the previous comments of appreciation and congratulations for completing the FERC filing.

13. NEXT MEETING DATE – July 24, 2026

Chair Million noted that the next meeting date is July 24, 2026.

14. ADJOURNMENT

There being no further business for the committee, the meeting adjourned at 12:10 p.m.

Travis Million, Chair

Curtis Thayer, Secretary