

**BRADLEY LAKE PROJECT
MANAGEMENT COMMITTEE MEETING
AGENDA**

July 24, 2026, 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 – [June 26, 2026](#)
7. NEW BUSINESS
 - A. Annual Meeting and Election of Officers
 - B. Capacity Rights issue for SSQ Line Upgrades Van Ness Feldman
8. OLD BUSINESS
 - A. [Bradley Lake Expansion Project Update](#) Ryan McLaughlin
 - B. [Bradley Lake Expansion Capital Project Financing](#) Mark Billingsley/Curtis Thayer
 - i. EXECUTIVE SESSION– (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.
 - C. [CIPLink Update](#) Jim Mendenhall
 - D. SQ Upgrade Update CEA
 - E. [SS Line Update](#) HEA
9. [OPERATORS REPORT](#) Martin Law
10. COMMITTEE REPORTS
 - A. [Budget vs. Actuals](#) Mark Ziesmer
 - B. [O&D Report](#) Josh Crowell
11. MEMBER COMMENTS
12. NEXT MEETING DATE – September 25, 2026
13. ADJOURNMENT

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

MEMORANDUM

TO: Bradley Lake Project Management Committee (BPMC)
Through: Curtis Thayer, Executive Director
FROM: Ryan McLaughlin, PE, Bradley Lake Manager & Chief Dam Safety Engineer
DATE: July 9, 2026
RE: Bradley Lake Expansion Project Update

AEA submitted a Final Amendment Application (FAA) for the Bradley Lake Expansion Project in June 2026. The application was e-filed with FERC and will be posted to the AEA project website. This project on average will increase the amount of energy generated from the Bradley Lake Hydroelectric Project by 167,000MWh/year representing an increase of ~38% from existing conditions. Notable items included in the project scope and changes from the Draft Amendment Application include:

- Proposed variable Minimum Instream Flow schedule that releases more water into the Martin River during adult Coho and Sockeye upstream migration periods, and less water when no upstream migration is expected. This was developed in close coordination with ADF&G and USFWS and does not materially change the annual diverted volumes.
- 16' pool raise accomplished through raising the existing concrete spillway crest, adding spillway crest gates, and raising the dam embankment crest. This increase in head is expected to increase the generating capacity by 0.9MW and add 62,000 acre-ft of storage.
- Installation of a 0.3MW microhydro turbine at the fishwater release valves at the base of Bradley Dam.
- 16' drilled diameter tunnel with 1' thick concrete cast segmental liner. Tunnel will be 4.6 miles long, with an elevation drop of 77' and capacity of 1650 cfs.
- Diversion dam at the base of the Dixon Glacier that will include two 30-foot-wide by 20-foot tall overshot crest gates that can be dropped during high flows to sluice coarse sediment that has deposited in the diversion pool.
- Extensive pre and post diversion monitoring program to document fish use, riparian habitat, geomorphological changes in a highly dynamic system.

The third Board of Consultants meeting was held in Homer, Alaska June 23-25. Topics discussed included the Probable Maximum Precipitation (PMP) and Probable Maximum Flood (PMF) studies, tunnel design, geotechnical investigations, CFRD design, spillway design, and tunnel alignment drilling. The meeting also included a site visit to Bradley, the tunnel boring locations, and the Dixon Diversion site. Representatives from FERC, BOC, AEA, and the design team were in attendance.

The 2026 geotechnical campaign is underway. This is year 3 of geotechnical investigations for the project. Crews have drilled holes in front of the spillway, at the toe of the dam, at the Dixon Diversion site, and potential quarry sites. The crews are currently working on 2 deep boreholes along the tunnel alignment, and as of last update are at a depth of 404' below ground surface.



Tunnel Boring Alignment Drilling Platform



Frontside of Spillway Drilling

AEA plans to procure cable for the three-phase power upgrade in the next month and issue a contract to clear the power alignment in the fall to prepare for a summer 2027 installation of the 3-phase power.

Additional field work this summer includes stream gaging on the Martin River and operation of the Autonomous Video Counting Tower at Red Lake to refine run timing and magnitude for Sockeye and Coho salmon.

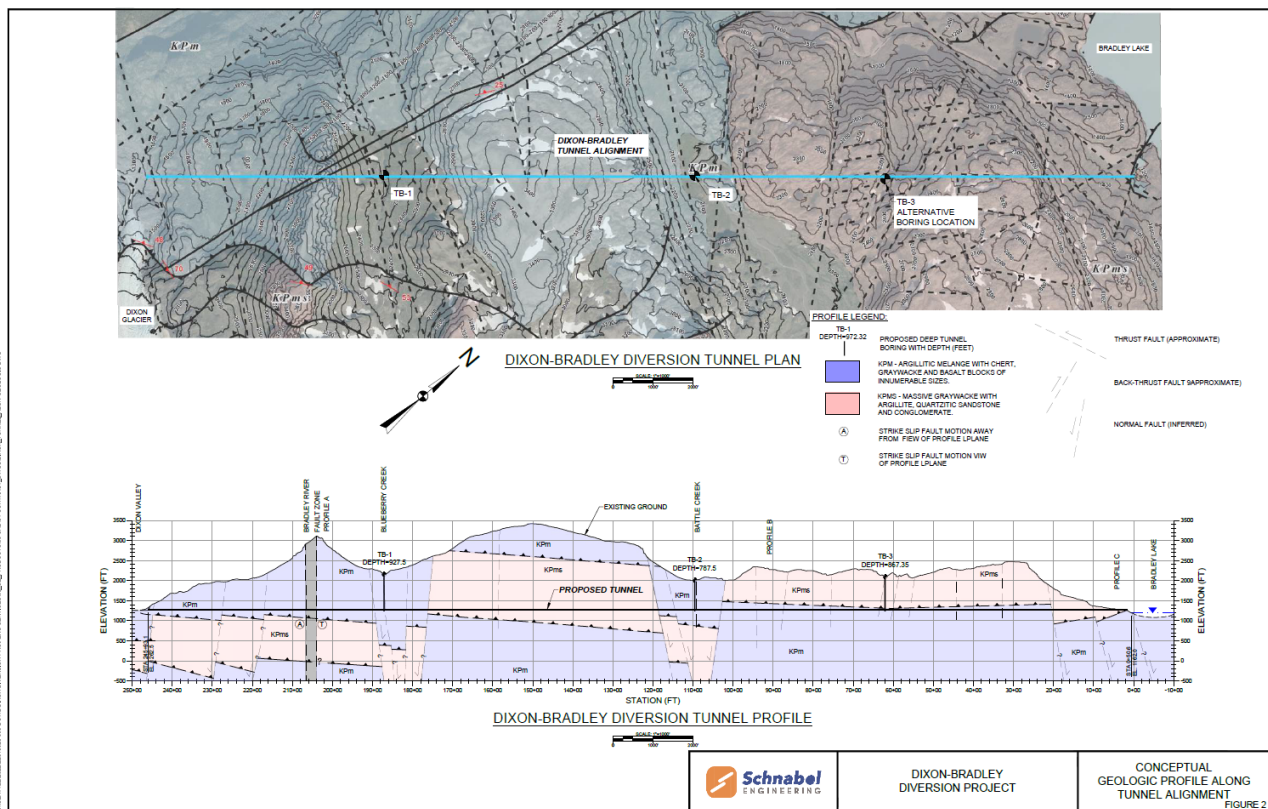
Engineering and Design is progressing rapidly and a 60% package and updated cost estimate is anticipated in November 2026.

EXHIBIT C
Construction History

Bradley Lake Hydroelectric Project
FERC No. 8221

Table 3.3-1 Preliminary Project Schedule.

Project Milestone	Timeframe
Submit Application to FERC	June 2026
Respond to FERC Additional Information Requests and Agency Terms and Conditions	Summer 2026
Project License Amendment Approved	June 2027
Bidding Documents Completed for Issuance	March 2027
Advertise for Bids	April–June 2027
Pre-Bid Site Visit and Pre-Bid Conference	July 2027
Bid Opening	August 2027
Award Bid	October 2027
Notice to Proceed	October 2027
Begin Construction, Including Camp Mobilization	April 2028
Construction Period	April 2028–July 2031
Project Completion, Including Demobilization	July 2031



Dixon-Bradley Tunnel Plan

Date	Daily Average Minimum Flow (DAMF)^{a,b,c}	Acceptable Short-term Deviations (rounded to whole numbers)
May 1 – May 15	50 cfs	DAMF less 5% (48 cfs)
May 16 – May 31	Increase flow 5 cfs per day to 130 cfs	DAMF less 5%
June 1 – June 25	150 cfs	DAMF less 5% (143 cfs)
June 26 ^d – September 25	75 cfs	DAMF less 5% (71 cfs)
September 26 – October 15	150 cfs	DAMF less 5% (143 cfs)
October 16 – October 22	100 cfs	DAMF less 5% (95 cfs)
October 23 ^e – April 30	50 cfs	DAMF less 5% (48 cfs)

Proposed MIF Schedule

ALASKA ENERGY AUTHORITY

BRADLEY LAKE EXPANSION PROJECT FINANCE PACKAGE APPROVAL

Mark Billingsley
General Counsel

BPMC
July 24, 2026



Presentation Roadmap

- **Project Costs**
- **Proposed financing mechanism**
- **Interim financing terms**
- **BPMC resolution**
- **Financial analysis**

PROJECT COSTS

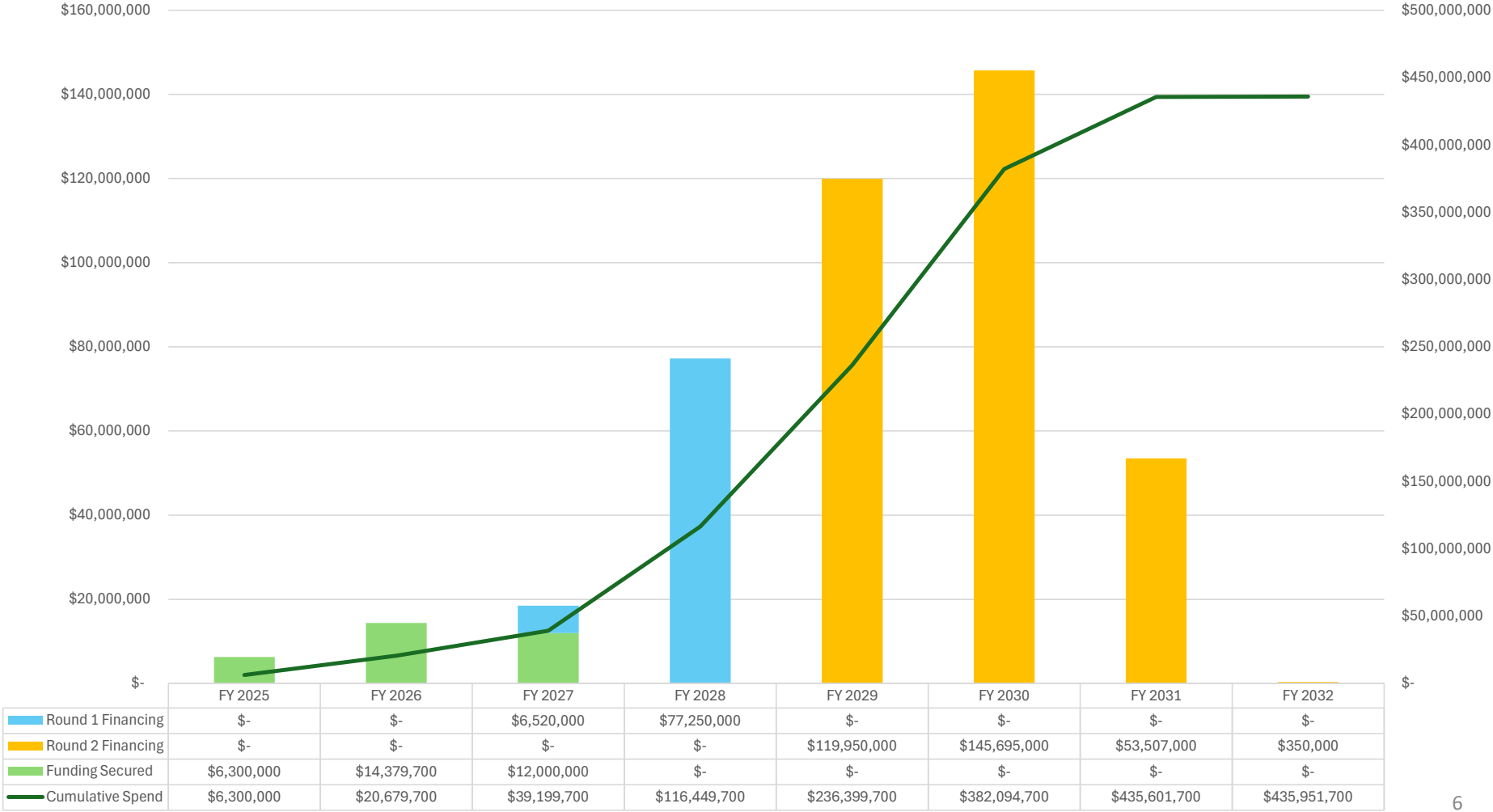
Project Costs by Category and Fiscal Year

Category	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	Total
Project Development Costs Through FY26	\$6.30M	\$13.78M		-	-	-	-	-	\$20.08M
Owner's Costs			\$4.52M	\$2.25M	\$1.95M	\$3.80M	\$1.40M	\$0.35M	\$14.27M
AEA Administration & Legal			\$0.26M	\$0.28M	\$0.28M	\$0.28M	\$0.28M	\$0.07M	\$1.45M
Final Design / CA / BOC			\$4.00M	\$1.75M	\$1.00M	\$1.00M	\$1.00M	\$0.25M	\$9.00M
Environmental & Licensing Support			\$0.26M	\$0.22M	\$0.17M	\$0.12M	\$0.12M	\$0.03M	\$0.92M
TBM Power		-	-	-	\$0.50M	\$2.40M	-	-	\$2.90M
Construction Estimate*		\$0.60M	\$14.00M	\$75.00M	\$118.00M	\$141.90M	\$52.11M	-	\$401.60M
Three-Phase Power Upgrades		\$0.60M	\$14.00M	\$8.00M	-	-	-	-	\$22.60M
Bradley Dam Crest Raise		-	-	\$14.00M	\$38.00M	\$21.90M	-	-	\$73.90M
Tunnel & Diversion		-	-	\$53.00M	\$80.00M	\$120.00M	\$52.11M	-	\$305.11M
Total	\$6.30M	\$14.38M	\$18.52M	\$77.25M	\$119.95M	\$145.70M	\$53.51M	\$0.35M	\$435.95M
<i>*Estimate as of February 2026</i>									

Sources of Secured Funding

Funding Source	Budget	Remaining	Use of Funds
Bradley Renewal & Contingency Fund	\$2.30M	-	Engineering, Permitting, Licensing, Geotechnical, Legal, AEA Admin
Bond Series 11	\$6.00M	-	
REF Grant: Dixon Diversion Feasibility	\$2.00M	-	
FY24 State of Alaska Appropriation	\$5.00M	-	
FY25 State of Alaska Reappropriation	\$1.38M	-	
FY25 State of Alaska Appropriation	\$4.00M	-	FY27 Engineering: \$6.00M 3-Phase Power Materials: \$5.00M Admin/Environmental/Legal: \$1.00M
2026 AEA Bond Series 11 Interest	\$12.00M	\$12.00M	
Total	\$32.68M	\$12.00M	

Bradley Lake Expansion Project
Spend by State Fiscal Year



PROPOSED FINANCE MECHANISM

Interim financing

- While long term financing is pursued, interim financing is appropriate due to
 - Cost uncertainty
 - Tax credit eligibility uncertainty
 - Interest rates and negative carry

- Additional benefits
 - Allows time for USDA to process AEA's loan application
 - If BLXP is eligible for tax credits, interim financing may be needed to bridge time until tax credits are received

Interim Financing

- Type of interim financing: Commercial paper program
- June 30, 2028
 - Maturity date of the interim debt
 - Deadline by which the interim debt must be refinanced
 - Will require approval by BPMC
 - Deadline to secure second round of financing in order to continue construction
 - Will require approval by BPMC

Long term solutions being pursued: tax exempt bonds, USDA RUS, DOE EDF

INTERIM FINANCING TERMS

Interim Finance Terms

- Amount: \$100,000,000
 - $\$100,000,000 = \text{FY27} + \text{FY28} - \text{funds already secured} + \text{buffer}$
- Term: June 30, 2028
 - June 30, 2028 = end of FY28
 - Before then: Refined cost estimates
 - Before then: Additional information regarding availability of tax credits

Interim Finance Terms

- Commercial paper program
- Taxable or tax-exempt – select at time of draw based on development of tax credit eligibility
- Close date: November 30, 2026
- Interest rate: market
- Capitalize interest ???

Interim Finance Terms

- Stage gates – multiple BPMC decision points
 1. 60% design and Class 3 cost estimate - anticipated in November 2026
 2. 95% design and Class 2 cost estimate - anticipated in March 2027
 3. Results of the License Amendment Application currently under review by FERC - anticipated in Summer 2027
 4. Summary of the financial structure and total costs of the final proposals received in response to the RFP for construction of the BLXP - anticipated in Fall 2027
 5. Updates regarding eligibility for IRC § 48E tax credits

BPMC RESOLUTION

**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
RESOLUTION NO. 26-01**

**APPROVAL OF INITIAL ROUND OF FINANCING FOR
THE BRADLEY LAKE EXPANSION PROJECT**

PURPOSE OF RESOLUTION

This Resolution provides the formal support of the Bradley Lake Project Management Committee ("BPMC") for a finance package, described in the attached term sheet, to advance the Bradley Lake Expansion Project ("BLXP").

The BPMC is responsible for the management, operation, maintenance, and improvement of the Bradley Lake Hydroelectric Project ("Project"), subject to the non-delegable duties of the Alaska Energy Authority (the "Authority"). The BPMC receives its authority under the Bradley Lake Hydroelectric Project Agreement for the Sale and Purchase of Electric Power ("Power Sales Agreement"). Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Power Sales Agreement.

BACKGROUND

The BLXP consists of two integrated improvements to the existing Project: (1) construction of the new Dixon Diversion dam, headworks, and conveyance system to capture flow from the Dixon Glacier area and divert that water into Bradley Lake; and (2) raising Bradley Lake's normal maximum operating elevation by 16 feet through modifications to the existing spillway and dam embankment. Together, these improvements are intended to increase the amount of renewable, dispatchable energy produced by the Project by approximately 38 percent, from about 436,000 megawatt-hours to about 601,000 megawatt-hours annually, while making use of the existing Project's infrastructure and continuing to serve the Railbelt electric system.

The BLXP is currently advancing through licensing, engineering, procurement planning, and financing development. The Authority submitted its Final Amendment Application to FERC in June 2026 and anticipates a FERC license amendment approximately 12 months after filing. The current Class 4 estimate includes approximately \$401.6 million in direct construction costs. Including development and owner costs, the current total project budget is approximately \$435.9 million. The Authority has secured approximately \$32.7 million for development and early construction activities, including \$12 million in Bond Series 11 interest earnings allocated to FY27 engineering, three-phase power upgrades, and related owner costs. Based on the current budget, approximately \$403.2 million in additional financing will be required to complete the BLXP. Projected expenditures for FY27 and FY28 total approximately \$95.8 million. After applying currently secured funding, approximately \$83.8 million in additional financing would be required, not including inflation as well as legal and finance costs, to support work through FY28. The Authority expects to complete 60 percent design and obtain an updated Class 3 estimate in fall

2026, followed by 95 percent design and a Class 2 estimate in spring 2027. Construction procurement may begin as early as summer 2027, with first water currently targeted for 2031. Because financing will be required before the BLXP proceeds beyond the currently funded work, the Authority anticipates issuing debt under the Master Resolution, for which BPMC concurrence is required.

The BPMC has previously taken several actions supporting advancement of the BLXP, including: In May 2022, the BPMC adopted Resolution No. 22-04, which included Dixon Diversion on its list of required projects. In March 2023, with BPMC support, Chugach Electric Association accepted a Renewable Energy Fund grant for the BLXP from the State of Alaska. In February 2025, the BPMC adopted Resolution No. 25-01, acknowledging the use of interest earnings on the proceeds of the Authority's Series 11 Bonds to support the BLXP. In September 2025, BPMC adopted Resolution No. 25-03, under which the Purchaser's agreed to share costs and output of the BLXP in accordance with their existing Percentage Shares.

In May 2026, the Authority's internal finance working group and the BPMC Finance Subcommittee began working together to identify the best finance option for BLXP. They were assisted by PFM Financial Advisors, LLC, the Authority's municipal advisor, and the Authority's bond counsel, Orrick, Herrington & Sutcliffe LLP. The Authority and the BPMC Finance Subcommittee now recommend the finance package described in Exhibit 1 of this Resolution.

Given uncertainty regarding tax credits and total construction cost, and based on current interest rates, the selected finance mechanism consists of an interim financing in the form of a commercial paper program that would provide access to enough funds to advance the BLXP through FY27 and FY28. The Authority expects to begin working in the summer of 2027 to secure additional funding for expenses in FY29 and beyond.

In October 2025, the State of Alaska Department of Law (the "Department of Law") issued its opinion that the BLXP meets the definition of Required Project Work under the Power Sales Agreement. To qualify as Required Project Work under the Project's Power Sales Agreement, an independent economic and engineering analysis must be conducted showing that a project is consistent with national standards and sound economics. The Authority hired an independent consultant to perform the economic and engineering analysis. In March 2026, GDS Associates, Inc. found BLXP to be consistent with national standards and sound economics.

In Resolution No. 25-03, the BPMC stated that the Purchasers would accept and pay for the increased energy output from the BLXP in accordance with their respective Percentage Shares under the Power Sales Agreement, subject to three conditions: (1) the Dixon Diversion being determined to constitute Required Project Work under the Power Sales Agreement; (2) that determination being supported by any necessary engineering and economic opinions; and (3) each Purchaser's governing board authorizing the financing. All three conditions have been satisfied.

RESOLUTION NO. 26-01

WHEREAS, the BLXP has been reviewed by the Department of Law at the request of the Authority, and the Department of Law has determined that BLXP constitutes Required Project Work consistent with the Power Sales Agreement.

WHEREAS, the Authority retained an independent economic and engineering consultant to review the BLXP, and the consultant has issued its opinion determining that BLXP constitutes Required Project Work pursuant to the Power Sales Agreement.

WHEREAS, the BPMC has determined that the BLXP is Required Project Work in that it constitutes repairs, maintenance, renewals, replacements, improvements or betterments necessary to keep the Project in good and efficient operating condition, consistent with sound economics for the Project and the Purchasers, and national standards for the industry.

WHEREAS, the BPMC desires for the BLXP to be operational as soon as reasonably possible.

WHEREAS, the Authority requires financing to fund continued development, procurement, and construction of the BLXP.

WHEREAS, an initial round of interim financing is the best option at this stage, and additional financing to complete the BLXP will require another separate BPMC resolution to be considered in the future.

WHEREAS, any IRC § 48E tax credits received by the Authority in association with the BLXP should be used to pay down construction costs for the BLXP.

WHEREAS, the BPMC Finance Subcommittee has reviewed the term sheet, attached and incorporated herein by this reference as Exhibit 1, and recommends its approval.

WHEREAS, the BPMC supports the finance package and understands that the final terms will not exceed the terms listed in the term sheet attached as Exhibit 1.

WHEREAS, BPMC concurrence is required for the Authority to sell bonds under the Master Resolution.

WHEREAS, the BPMC wishes to formally recognize its right in the future to revoke this approval of the finance package up until the time of closing, and spending of finance proceeds, especially at milestones when new information becomes available.

THEREFORE, BE IT RESOLVED THAT the BPMC incorporates the above recitals into this resolution as if fully set forth herein.

BE IT ALSO RESOLVED THAT, consistent with the opinions and determinations of the Department of Law and the independent economic and engineering consultant retained by the

Authority, the BLXP constitutes Required Project Work as that term is used in the Power Sales Agreement.

BE IT ALSO RESOLVED THAT, the BPMC approves the terms and conditions of the term sheet for the Proposed Transaction.

BE IT ALSO RESOLVED THAT, any IRC § 48E tax credits received by the Authority in association with the BLXP shall be used to pay down construction and finance costs for the BLXP.

BE IT ALSO RESOLVED THAT this Resolution in no way impairs the BPMC's right through future action to withdraw its approval of the financing package prior to closing and for the Authority to draw funds made available through that financing package. Further, the Authority shall submit for review to the BPMC, in a timely manner, the following:

- 60% design and Class 3 cost estimate - anticipated in November 2026
- 95% design and Class 2 cost estimate - anticipated in March 2027
- Results of the License Amendment Application currently under review by FERC - anticipated in Summer 2027
- Summary of the financial structure and total costs of the final proposals received in response to the RFP for construction of the BLXP - anticipated in Fall 2027
- Updates regarding eligibility for IRC § 48E tax credits

DATED at Anchorage Alaska, this ____ day of July, 2026.

**BRADLEY LAKE PROJECT
MANAGEMENT COMMITTEE**

Chair, Tony Izzo

Attest: _____
Secretary, Curtis Thayer

EXHIBIT 1 TERM SHEET

Alaska Energy Authority

Up to \$100,000,000 in Interim Financing Program

SUMMARY OF TERMS AND CONDITIONS

Issuer	Alaska Energy Authority ("AEA")
Bradley Lake Project Power Purchasers	Chugach Electric Association, Inc. Golden Valley Electric Association, Inc. Matanuska Electric Association, Inc. Alaska Electric and Energy Cooperative, Inc., (acting on behalf of Homer Electric Association, Inc.) City of Seward
Purpose	Note proceeds shall be used to finance the Bradley Lake Expansion Project determined by the State of Alaska Department of Law as qualified Required Project Work under the Power Sales Agreement which is the main agreement governing the Bradley Lake Project. The Bradley Lake Expansion Project will be competitively bid.
Finance Mechanism	Commercial paper program (the "Interim Financing Program") structured to permit draws to be issued on either a taxable or tax-exempt basis, as determined at the time of each draw
Amount	Not to exceed \$100,000,000.00 ¹
Closing	No later than November 30, 2026 ("Closing Date").
Term	Term of the Interim Financing program: June 30, 2028
Security	Secured under AEA's Power and Revenue Bond Resolution adopted September 7, 1989 (as supplemented, the "Bond Resolution") on a parity with all other outstanding bonds related to the Bradley Lake Hydroelectric Project by a pledge of (i) the revenues from the Bradley Lake Hydroelectric Project, including all payments made under the Agreement for the Sale and Purchase of Electric Power, dated as of December 8, 1987, by and among AEA, Chugach Electric Association, Inc., Golden Valley Electric Association, Inc., Matanuska Electric Association, Inc., Alaska Electric and Energy Cooperative, Inc., (acting on behalf of Homer Electric Association, Inc.), and the City of Seward; (ii) the assignment of the Power Contract to the trustee; and (iii) the Capital Reserve Fund (a debt service reserve fund, which the State Legislature is authorized to replenish in the event of draw on the

¹ Funding for FY27 and FY28 BLXP costs.

	Capital Reserve Fund to pay debt service). AEA will obtain a direct-pay letter of credit to provide credit and liquidity support to the Commercial Paper program.
Interest Rate and Payment Dates	Each draw will bear interest at a fixed rate based on market rates at the time. Interest shall be capitalized.
Refinancing	AEA shall refinance all funds drawn under the Interim Financing Program before the maturity date of said funds and under terms approved by the BPMC.
Closing Costs	Closing cost of the financing will be financed with the first draw on the Interim Financing program. AEA will pay all expenses associated with setting up the Interim Financing program, if any, regardless of closing.

BPMC Approval of Finance Package



- AEA may not obtain financing secured by the PSA without the prior concurrence of BPMC

FINANCIAL ANALYSIS

Financial Modeling of Bradley Expansion



Public Finance Advisory
& Capital Planning

MEMORANDUM

TO: Bradley Lake Project Management Committee

THROUGH: Curtis Thayer, Executive Director

FROM: Jim Mendenhall, P.E., Director of Owned Assets

DATE: July 7, 2026

SUBJECT: Cook Inlet PowerLink (CIPLINK) Update

1. Environmental Permitting and 2026 Marine Survey Planning

AEA continues to advance environmental permitting, procurement, and planning for the CIPLink marine survey program. AEA and Stantec have agreed upon the scope and cost of Stantec's marine survey task order. AEA has provided Stantec with notice to proceed with acquisition of a marine survey contractor through a request for quotation process.

- **Intent:** The marine survey program is intended to reduce uncertainty regarding the Cook Inlet marine environment for cable suppliers. The resulting data will be provided to suppliers during the upcoming cable RFQ/RFI process to inform industry response.
- **Environmental:** HDR is supporting AEA with permitting and agency coordination for the marine survey program. USACE initiated Section 106 consultation with SHPO on June 5, 2026; no additional requests have been received. HDR also submitted the Biological Evaluation to NMFS that day for ESA Section 7 consultation, including measures to minimize potential impacts to Cook Inlet beluga whales. NMFS issued an information request on June 16 and is continuing its review. Formal consultation has not yet begun, but AEA is seeking expedited informal consultation.
- **Survey scope:** The survey results will be used to identify existing infrastructure and potential hazards, refine the cable route, and inform cable design. The proposed survey will cover an approximately 35-mile marine corridor and is expected to include:
 - Multibeam bathymetry to map water depths and general seafloor topography;
 - Single-beam bathymetry in shallow nearshore and intertidal areas where multibeam equipment may not be practical;
 - Side-scan sonar to image the seafloor and identify features and hazards;
 - Shallow sub-bottom profiling to characterize near-surface stratigraphy;
 - Magnetometer surveying to locate existing subsea utilities and ferrous objects;
 - Acoustic Doppler current profiling to measure water speed and direction;

- Limited, targeted grab sampling of surficial sediments to assist with interpretation of the geophysical data; and
- Terrestrial and nearshore LiDAR surveying at potential landfall locations.
- **Terrestrial and nearshore LiDAR:** Terrestrial and nearshore LiDAR was recently added to the program scope to collect topographic information at potential landfall and onshore routing locations.
- **Schedule:** Stantec's proposed schedule anticipates completing the survey contractor solicitation and subcontracting process during summer and early fall 2026, followed by approximately three to four weeks of marine fieldwork. Data processing, mapping, and final survey deliverables are expected to continue into early 2027. The field schedule will be finalized following contractor selection and will be dependent on weather and marine conditions.
- **Geotechnical investigations:** Geotechnical drilling is not included in the current marine survey campaign. Future offshore or onshore geotechnical investigations will be developed separately based on the results of the initial survey work and design requirements.

2. HVDC Equipment Procurement Documents

AEA and Stantec are continuing to develop the procurement strategy and solicitation documents for the project's long-lead equipment. The submarine cable and HVDC converter stations are expected to have multiyear manufacturing lead times and will be critical to the overall project schedule. Near-term procurement activities will focus on the submarine cable and converter stations. Procurement of the associated AC transmission upgrades, substations, landfall facilities, and other supporting infrastructure will follow as the project design advances. Current work includes development of the following documents:

- a. **HVDC Submarine Cable Request for Qualifications and Information (RFQ/RFI):**
 Stantec provided AEA with a draft Submarine Cable RFQ/RFI, which AEA has reviewed and returned with comments. Marine survey data will be provided to respondents to support responses.
 - **Prequalification (RFQ):**
 - Relevant project, delivery and installation experience; and
 - Manufacturing capacity and availability, including domestic product compliance.
 - **Technical and Budgetary Information Request (RFI):**
 - Cable technologies and design considerations;
 - Technical capabilities;
 - Budgetary pricing and assumptions;

- Manufacturing availability and lead times; and
- Cable installation methods.

b. HVDC Converter Request for Proposals (RFP): Stantec has provided AEA with a draft RFP for the HVDC converter stations.

- **Procurement Approach:** The RFP is intended to identify a qualified HVDC manufacturer to complete the FEED phase of work. Subject to successful completion of FEED, AEA may negotiate a subsequent agreement for final design and construction.
- **FEED Scope:** The FEED phase will further develop design, delivery, cost and schedule.
- **Proposal Content:** Respondents will be asked to provide information regarding their qualifications, delivery approach, schedule, pricing and domestic content considerations.

3. Preliminary Design Report

Stantec has provided the final Preliminary Design Report reflecting the current CIPLink configuration, including relocation of the southern converter station from the previously considered Bernice Lake location to Soldotna. The Soldotna location is expected to improve integration with the existing Railbelt transmission system, provide operational and economic benefits, and better support potential future expansion from 100 MW to 200 MW of transfer capacity. AEA is completing its internal review of the report, after which it will be distributed to the CIPLink Technical Working Group for review and comment. AEA and Stantec will then schedule a workshop to discuss the updated design and address feedback.

4. DOE Award Administration

DOE recently issued a continuation amendment extending the project period of performance through June 30, 2027. The amendment authorizes costs associated with the marine survey program, initial procurement activities, and other approved project-development work. Under the current budget period, AEA is authorized to expend up to \$65,339,639 on the project.

AEA is preparing the supporting documentation and invoice packages needed to bring project reimbursement requests current. This effort will be a primary focus for the project team over the next several weeks.

- Project expenditures through June 30, 2025, totaled \$1,150,569, all of which have been reimbursed by DOE.
- Total project expenditures through June 2026, were \$2,125,882.

Costs incurred since July 1, 2025, will be included in upcoming invoice submissions in accordance with the continuation amendment.

5. Project Funding and Capital Stack Development

AEA continues to evaluate options for completing the capital stack for CIPLink and other major Railbelt infrastructure projects. To date, AEA has secured \$64.2 million in combined State appropriations and Bradley Lake bond proceeds to support project development. An additional \$142.3 million in funding is being pursued to fully meet project cost share obligations. AEA has been consulting with the Railbelt Utility CFO's regarding project financing for our three major projects: Bradley Lake Expansion, CIPLink and the SSQ Transmission upgrades. The initial focus has been for the BLXP. AEA will continue the engagement process and determine the best path forward for all three projects.

6. Staffing Update

Owned Assets has not added any new staff since the previous update. Recruitment is underway for an Assistant Project Manager to support CIPLink. The team is currently evaluating recruitment needs and priorities for approved positions to provide further technical and administrative support as the project advances.



PROJECT CHARTER

Project Name: Capacity Upgrade of the Soldotna to Sterling Transmission Line

Revision Date: July 20, 2026

Version: 3

Sponsor/Program Manager: Brad Janorschke / Brad Zubeck

Project Manager: Mikel Salzetti

Project Objective Statement: What must the project do? By When? Keep this statement to 25 words or less. Make it SMART (Specific, Measurable, Achievable, Relevant, and Time-based).

Design an upgrade to the existing 115 kV transmission line to a double circuit 230 kV transmission line (operated at 115 kV) from Soldotna to Sterling substations. Order materials and coordinate execution of a construction contractor to receive, store, and construct the Soldotna to Sterling transmission line upgrade. Complete this work by the end of winter 2029.

Triple Constraint Trade-off: Think carefully about the flexibility of each constraint (resources, schedule or scope).

Resources	S	Select a different flexibility letter for each constraint. N= Not Flexible S= Somewhat Flexible M= Most Flexible
Schedule	M	
Scope	N	

Estimated Start: October 2024

Estimated End Date: Winter 2029

Project Deliverables: What benefits does this project provide? Relate these to: increase revenue, avoid costs, reliability, and/or comply with a mandate? Create a short list of benefits.

1. Land interest study and recommendation on best corridor to utilize for this project.
2. Required land rights to construct the project.
3. Construction-ready design and specifications for the upgrade project.
4. Procurement packages for all materials, equipment, and construction.
5. Purchase of all necessary construction materials.
6. Delivery/receipt and storage of all necessary construction materials.
7. Required project permits.
8. Construction of the project.

Project Benefit: What benefits does this project provide? Relate these to: increase revenue, avoid costs, reliability, and/or comply with a mandate? Create a short list of benefits.

The project is a step toward increasing the capacity of the tie-line north to the other Bradley Participants and complements efforts underway by AEA and CEA to upgrade other segments of the tie-line to Anchorage.

Project Background: What triggered this project? Include a brief high-level description of the business area, the current situation, the desired situation, and the gaps that exist.

The Alaska Energy Authority (“AEA”) is planning to upgrade the transmission system capacity between Quartz Creek Substation (“QCS”) and the Bradley Lake Power Plant (“BLPP”). BPMC Resolution No. 22-04 dated May 20, 2022, identifies the authorized Required Work Projects that the BPMC intends to finance and complete, including a 230 kV double-circuit transmission line between Soldotna and Sterling Substations, and pursuant to the Purchase and Sale Agreement of the Sterling to Quartz 115 kV transmission line (“SSQ Line”) between AEEC/HEA and AEA effective Dec 17, 2020, AEA directed HEA to upgrade the transmission line capacity from the Soldotna Substation to the Sterling Substation (“SS Line”). AEA desires

the SS Line upgrade to be completed as soon as possible because of the increased cost of labor and materials caused by higher rates of inflation and interest rate erosion of available budget.

The “Opinion on Upgrade to Transmission Line between Bradley Lake and Sterling Substation” by GDS Associates, Inc., dated 9/6/2022 (“Opinion Letter”) estimated that the total cost to upgrade the SS Line to a 230 kV double circuit transmission line would be \$24.4M not including any work within the substations. The cost to upgrade the SS Line will be paid by the BPMC and the BPMC authorized HEA to perform the design and procurement services in BPMC Resolution No. 23-01 dated July 6, 2023.

Bids were received on Project materials in the Spring of 2025. Based on the bids received, the Project Cost Estimate was updated. The original 2022 project cost estimate from GDS Associates of \$24.4M increased to \$34.5M. In 2026 the material costs were revised downward by \$3.5M based upon pole bids that CEA received in the fall of 2025. Additional cost adjustments were made to remove fiber optic communications costs from the estimate since HEA will be paying for the construction of communications system. The revised numbers were then adjusted for construction project management and engineering oversight and inflated by 4% per year to 2028 to account for future inflation. With these adjustments, the estimate came in at \$34.5M and with adding a 10% contingency, the net (after HEA reimbursement for the fiber optic line material and install) 2028 estimate currently sits at \$38.0M.

The proposed SS Line will be a 230 kV double circuit with one circuit operating at 115 kV connecting between the Soldotna and Sterling substations and second circuit operating at 230 kV connecting to a future new AEA-owned ring bus substation near the Soldotna AEA SVC facility and will bypass the Sterling substation connecting directly to the rebuilt/upgraded SSQ Line. The new transmission line will be designed to also include one new fiber communication cable and a future three-phase underbuilt distribution circuit.

HEA will be responsible for procurement, handling, storage, and installation costs of a new fiber communication cable and distribution circuit as underbuilt in the supply space on the new SS Line. HEA will own the fiber communications cable.

This Project will develop an RFP, publicly solicit, and hire a consulting firm to provide engineering design and Right-Of-Way (“ROW”) support services. These costs will be paid by the BPMC.

This Project includes procurement of all project materials as well as the handling and storing of materials (excluding the distribution facilities). This Project includes hiring and managing a contractor to construct the Project. All costs will be paid up front by the BPMC. HEA will reimburse AEA for the cost of the fiber optic materials and fiber optic line construction once the work is complete.

Project Scope: Specifying in scope and out of scope sets boundaries for your project.

In Scope: List areas and functionality included in the project.	Out of Scope: List areas and functionality not included in the project.
Environmental assessment/land interest/permitting services from a consultant for the SS Line ROW that includes KPB, Native Corporation, and private property owners to recommend most cost-effective corridor for design and construction.	Environmental assessment/permitting services for other planned projects.
Engineering design services by a consultant to develop a construction ready package for SS Line construction.	Any design and upgrade work not associated with the SS Line.
Develop new construction drawings/specifications	Upgrade of substations to 230 kV operating voltage.
	Procurement for a new three-phase underbuild distribution circuit.
	Any ongoing Project maintenance costs.

(including new HEA UPN construction units). A procurement schedule developed by the consultant listing all the new SS Line materials. Procurement, handling, storage, and staging of the new SS Line materials. New construction package that includes updated relay protection & control settings for the Soldotna and Sterling substations, if required. Design of a new fiber communication network, including two new communication facilities/huts, the first between the SSQ Line fiber and the Sterling substation and the second between the Soldotna substation and HEA's existing communication system. Material procurement, storage & construction of the fiber communications system from Soldotna to Sterling (Project will be reimbursed by HEA when construction is complete). ROW re-clearing, including plans to create and/or restore access trails. Construction of the new SS Line.	Any new equipment required to operate and maintain the new Project infrastructure. Fiber optic lease costs. Any Buy American or Build America, Buy America (BABA) premiums. Matting costs. If summer or soft-ground construction were to be required, matting costs would need to be added to the above estimate. Any construction carrying costs (IDC).
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Risks: What characteristics or situations could cause this project to fail? Identify those items which are outside the jurisdiction of project and could result in a "show-stopper" to the project success. Create a short list.

Additional permitting and ROW needed that cannot be obtained. A change in the BPMC upgrade plan. Lack of funds available from the Quartz to BLPP upgrades budget.
--

Major Milestone Targets: What events measure progress? E.g. Charter Approved, Permits Obtained, Drawings Approved.

	Revision 1	Current
Publicly Solicit for Consultant	10/2023	Completed
Hire Consultant and Project Kick-Off	11/2023	Completed
Begin Material Procurement	Summer 2024	Spring 2027
Finalize ROW and Permit Process	Spring 2025	Fall 2026
Complete Design (Construction Ready)	Spring 2025	Fall/Winter 2027
Project Materials Delivery Completed (*)	Fall 2025	Fall 2028
Publicly Solicit for a Construction Contractor		Winter 2027-28
Hire a Construction Contractor		Spring 2028
Construct the Project		Winter 2028-29
Develop a Project Maintenance Agreement		Summer 2028

(*) Delivery date subject to change. Material procurement and delivery lead times from the SSQ Line project currently report over 1 year for delivery.

Project Core Team Members: Who will be part of the team from the beginning of the project to the end of the project. You may specify job classifications or titles if you do not have specific staff assigned.

Project Charter: Capacity Upgrade of the Soldotna to Sterling Transmission Line (Version 1)

Team Member	Phone/E-Mail	Role
Mikel Salzetti	(907) 283-2375 MSalzetti@HomerElectric.com	Project Manager, Contracts and Administrative
Brad Zubeck	((907) 335-6204 BZubeck@HomerElectric.com	Engineering, QA/QC
Brandon Wilson	(907) 235-3342 BrandonW@HomerElectric.com	Systems Engineering, Substation Design
Rob Montgomery	(907) 283-2340 RMontgomery@HomerElectric.com	Operations & Maintenance
John Jungling	(907) 283-2391 JJungling@HomerElectric.com	Fiber/Communications
Sarah Lambe	(907) 235-3381 SLambe@HomerElectric.com	Accounting
Karin Holbrook	(907) 235-3344 KHolbrook@HomerElectric.com	Warehousing & Materials Procurement
Larry Jorgensen	(907) 335-6160 LJorgensen@HomerElectric.com	Generation and Transmission Outage Scheduling

High level Stakeholder Requirements: List of the most important stakeholders and their most important outcomes or jobs that the solution should perform.

Stakeholder	Phone/E-Mail	Job or Outcome
Bradley Janorschke	(907) 283-2334 BJanorschke@HomerElectric.com	AEEC, BPMC
Patrick Domitrovich	(907) 771-3045 pfdomitrovich@akenergyauthority.org	AEA, BPMC
Tony Izzo	(907) 751-9212 Tony.Izzo@MEA.coop	BPMC Chair

Funding Information: Include as much information as possible. Estimate budget amount if needed. When initially creating the charter there may be only an “hours to be worked” estimate and not a specific dollar amount.

Project Budget: \$38.0M based upon incurred design costs, EPS construction estimates, material bids, an inflation adjustment, and a 10% contingency.

Approval: The HEA Sponsor/Program Manager and HEA Project Manager signatures are required below to approve the Project Charter at the date and version shown on the top of page 1. Include other approval signatures as required.

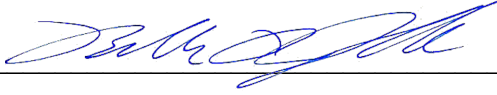
HEA Project Manager:



Mikel Salzetti, Engineer IV

Date: 07/20/2026

HEA Sponsor/Program Manager:



Bradley Janorschke, AEEC CEO

Date: 07/20/2026

Brad Zubeck, HEA Manager of Engineering

Date: 07/20/2026

Alaska Energy Authority / Bradley Lake Project Management Committee:

Patrick Domitrovich, AEA

Date: _____

Tony IzzoBPMC Chair

Date: _____

**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
RESOLUTION NO. 26-02**

**AUTHORIZING HOMER ELECTRIC ASSOCIATION TO CONDUCT ADDITIONAL COMPETITIVE
PROCUREMENT ON BEHALF OF THE PROJECT**

INTRODUCTION

The Bradley Lake Project Management Committee ("BPMC") is responsible for the management, operation, maintenance, and improvement of the Bradley Lake Hydroelectric Project (the "Project"), subject to the non-delegable duties of the Alaska Energy Authority (the "Authority").

On December 10, 2021, the BPMC adopted Resolution 21-02 setting forth its intent to improve the transmission grid from Homer to Fairbanks and help foster the deliverability of sustainable low-cost clean energy produced by the Project. An essential element of the grid improvement project is completing upgrades between the Soldotna Substation and the Sterling Substation portion ("SS Line").

The improvements of the SS Line also include other rights relating to transmission capacity and upgrades as part of the SSQ Line (Soldotna to Sterling to Quartz Creek Transmission Line) of which, the SQ Line (Sterling to Quartz Creek Transmission Line) is an asset of the Project through its purchase by AEA. Resolution No. 23-01 authorized Homer Electric Association ("HEA") to utilize its procurement services to competitively procure all necessary materials and services to complete the design of the SS Line. The SS Line project is now entering its construction phase, necessitating material procurement, construction, and construction-related services to proceed with the SS Line upgrades.

PURPOSE OF BPMC RESOLUTION 26-02

BPMC Resolution 26-02 continues the process of implementing improvements to the transmission grid from Homer to Fairbanks by specifically authorizing HEA to competitively procure the construction, materials, and services necessary for the planned upgrades to the SS Line.

BPMC RESOLUTION NO. 26-02

WHEREAS, the Bradley Lake Project Management Committee ("BPMC") receives its authority under the Bradley Lake Hydroelectric Project Agreement for the Sale and Purchase of Electric Power ("Power Sales Agreement").

WHEREAS, the BPMC is responsible for the management, operation, maintenance, and improvement of the Project, subject to the non-delegable duties of the Authority.

WHEREAS, in Resolution No. 21-02 the BPMC determined that time is of the essence to upgrade the entire SSQ Line including the Soldotna to Sterling Line, and further authorized the use of in-house procurement services from the BPMC Participants to provide a competitive procurement process for materials and services and to maximize efficiency for the Project.

WHEREAS, Resolution 23-01 authorized HEA to provide competitive procurement services for design and material procurement for the Soldotna to Sterling Line upgrades.

WHEREAS, the SS Line project has progressed to a point where additional procurement is necessary to secure construction services and related materials. Based upon HEA's management of procurement for the project to date and its broader project management experience, it is in the best position to oversee procurement and construction of the SS Line upgrades.

NOW THEREFORE, BE IT RESOLVED THAT, the aforementioned comments and Recitals are incorporated and made part of this Resolution No. 26-02.

BE IT ALSO RESOLVED THAT, on behalf of the BPMC, HEA will provide its competitive procurement services to advertise for any services necessary for the Soldotna to Sterling Line and similarly provide competitive procurement services to procure construction services and all necessary materials for the Soldotna to Sterling Line.

DATED at Anchorage Alaska, this 24 day of July, 2026.

Chair

Attest: _____
Secretary, Curtis Thayer

Bradley Lake Operator Report

BPMC

July 24, 2026

Unit Statistics:

Generation	Unit 1 (MWhrs)	Unit 2 (MWhrs)	Total (MWhrs)
May 2026	10,111	7,833	17,944
June 2026	11,296	12,745	24,041
July *2026	8,111	7,488	15,599

Hydraulics	Avg. Lake Level (ft.)	Bradley Fishwater (ac ft.)	Battle Creek MIF (ac ft.)
May 2026	1,094	1,546	0
June 2026	1,101	694	378
July *2026	1,119	1,977	686

Battle Creek	Inflows to Bradley (ac ft.)
May 2026	0
June 2026	6,672.2
July *2026	6,229.5

*Lake Level – 1,130.7' As of July 20, 2026

Activities

- Forced Outages- None to report.
- Dam/Spillway – Completed the monthly dam safety inspection.
- Battle Creek Diversion- There is an unusual amount of wood debris coming down Battle Creek causing the lower air vents in the diversion pipe to plug up. Operators have been able to clear the valves and restore normal operations. During the 19-20 July storm event Battle Creek diversion pipe was flowing 380cfs on the 19th and in 12hrs gained one foot of water in the lake. On the 20th it was flowing at its maximum flow rate of 600csf and spilling 94cfs over the spillway. In 36hrs. the lake has gained 4.7ft.
- Safety – There have been no lost time or reportable accidents for the month of June and as of to date in July. Conducted a safety meeting on June 17 and July 8, 2026. Next safety meeting is August 12,2026.
- Fire System- We are continuing to seek bids for the fire alarm panel system upgrade.
- Domestic Water- We have received the parts for the permanent repair of the pipe from the well to the filter system. We have completed installing the earthquake anchor system for the domestic water tank. We completed installing and programming the new level control system on the domestic water tank.
- Needle Valves- The two needle bodies ordered as critical spares are due to arrive in Oct. 2026. We continue to check needles on a weekly schedule. We have found no indication of oil leakage.
- Projects: On-Point has completed the install of the AC unit in the server room. Amso's Floring has completed the installation of the new flooring in the powerhouse conference room, control room, and the office. We have EPS scheduled to come out at the end of

July to repair the buss work in US1 station service transformer. Homer Weed Control completed their visit to survey the project for invasive plants. They will return in August to treat the areas identified. They will also be treating the top gravel cover of the Battle Creek diversion pipe.

Contractors/ Visitors

- HEA – Larry Jorgensen, Brad Janorschke Safety Meeting.
- Schnabel- Roberto Piemontese, BJ Siljenberg, Caroline Bedwell, Kelly Lazor- Dam raise/ Dixon project.
- DOWL- Andrew Verhasselt, Matt Blakeslee, Hanna Gaston- Dam raise/ Dixon project.
- Geophysics- Ester, Garrett, Amara, Elliot- Dam raise/ Dixon project.
- On-Point- Two techs to install server room A/C.
- Amso's- Three techs to install control room flooring.
- HEA Line Crew- Jeff Leete, Jeremy Mann- Draw oil samples from main transformers.
- AEA- Ryan McLaughlin, Thomas Fitzgerald, Justin Nettle, Battle Creek/Dixon tour.
- Homer Weed Control- Three tech's invasive weed inspection.
- AEA – Bradley Tour- Curtis Thayer, Ryan Mclaughlin, Garret Boyle, Joe Byrnes, Clare Knudsen-Latta, Casey Reeves, Robert Varga, Matthew Farina, Malakai Erskine

Bradley Lake, July 19, 2026. Lake Elevation 1126.4'



West Battle Creek Diversion



Battle Creek Diversion Pipe Inlet Pipe



Bradley Lake Tour/ Battle Creek Camera

Curtis Thayer, Ryan McLaughlin, Garret Boyle, Joe Byrnes, Clare Knudsen-Latta, Casey Reeves,
Robert Varga, Matthew Farina, Malakai Erskine.



East Battle Creek Diversion



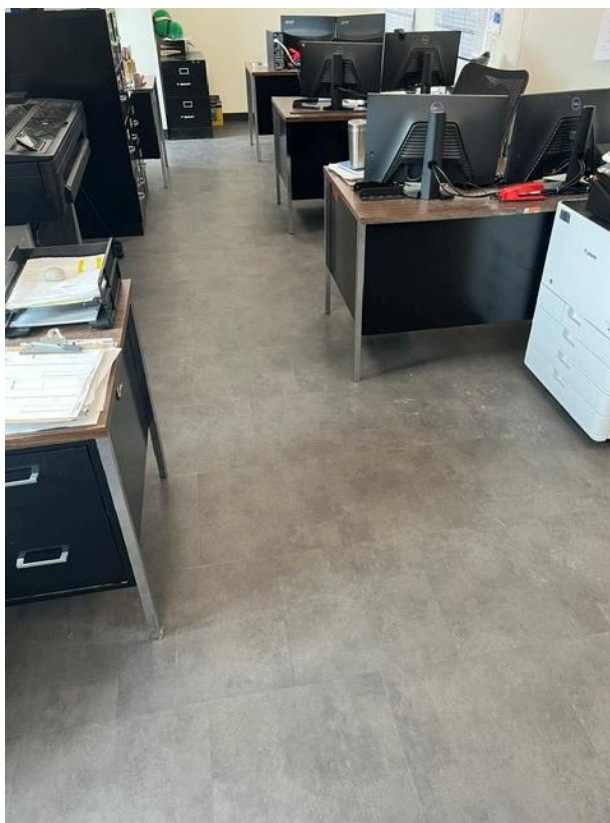
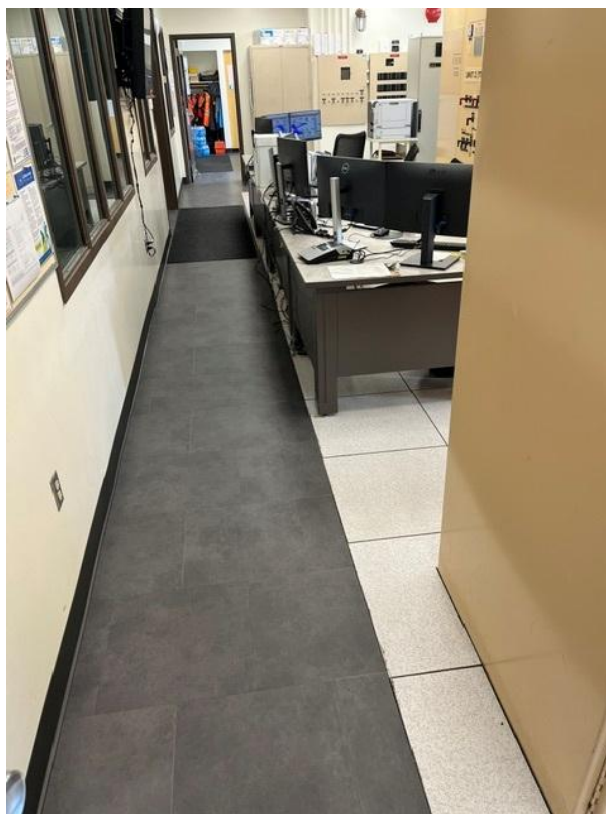
Battle Creek Diversion Pipe Outlet



Dixon Project Helicopter Transferring Materials from the Barge Dock to the Drilling Site



New flooring in the Conference Room, Control Room & Office



**Domestic Water Tank
Earthquake Anchors**



Level Controller



Moose at Mile 3



Paper Wasp Nest at Diversion



Alaska Energy Authority
Bradley Lake
Budget to Actual Expenses
07/01/2025 to 05/31/2026

**ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
BRADLEY LAKE NON-R&C CAPITAL PURCHASES
SCHEDULE A
FOR THE PERIOD 07/01/2025 TO 05/31/2026**

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	134,589
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	32,919
Limitorque Actuators on fish water valve (Replace)	-	-	-	-	35,000	-
Domestic water tank, controls, and filtration system (Replace)	-	-	-	-	35,000	12,229
Replace Equipment Soldotna SVC Substation	-	-	-	-	-	68,973

Total Non R&C Capital Purchases	948,000	289,857	150,000	381,209	521,000	248,710
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**ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
BRADLEY LAKE OPERATIONS & MAINTENANCE
BUDGET TO ACTUAL EXPENSES
SCHEDULE B
FOR THE PERIOD 07/01/2025 TO 05/31/2026**

	FY26 Approved Budget	FY 26						FY 25	
		BUDGET % 07/01/2025 - 05/31/2026	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	330,000	-	-	467,206	467,206	(137,206)	312,585	501,917
Labor & Benefits	1,497,414	1,372,629	1,039,092	27,504	119,952	1,186,548	186,081	2,054,317	1,435,363
Travel	40,300	36,942	716	-	4,792	5,508	31,433	51,500	57,509
Training	55,000	50,417	14,724	-	1,214	15,938	34,479	55,000	7,211
Contractual	1,392,497	1,276,456	824,584	-	215,278	1,039,862	236,594	1,243,010	1,118,636
Consulting-Administrative	155,000	142,083	-	-	21,355	21,355	120,728	315,000	46,433
Supplies & Materials	342,000	313,500	155,138	677	-	155,815	157,685	378,500	296,310
Other Costs	77,518	71,058	36,532	26,552	288	63,372	7,686	112,718	95,087
Equipment, Furniture & Machinery	20,000	18,333	22,380	-	583	22,963	(4,630)	35,000	19,940
Administrative Costs	2,549,839	2,337,352	64,316	-	1,951,638	2,015,954	321,398	1,978,224	2,088,063
Indirect Costs	1,543,116	1,414,523	1,239,361	-	-	1,239,361	175,162	1,480,105	1,340,986
O&M 4% Allocation to Battle Creek	(321,307)	(294,532)	-	-	-	-	(294,532)	(320,638)	-
Total Bradley Lake Budget	7,711,376	7,068,761	3,396,844	54,733	2,782,307	6,233,883	834,879	7,695,321	7,007,455
FERC 535 - Operation Supervision & Engineering									
Operations Sup/Eng									
Bradley Lake Operating									
Labor & Benefits	109,196	100,096	94,557	-	-	94,557	5,539	105,451	99,743
Travel	5,000	4,583	271	-	-	271	4,313	5,000	668
Training	5,000	4,583	-	-	-	-	4,583	5,000	-
Contractual	3,000	2,750	-	-	-	-	2,750	3,000	407
Supplies & Materials	25,000	22,917	1,191	-	-	1,191	21,726	4,000	-
Indirect Costs	157,071	143,982	131,000	-	-	131,000	12,982	155,698	139,723
Bradley Lake Operating Total	304,267	278,911	227,018	-	-	227,018	51,894	278,149	240,542
FERC 535 - Operation Supervision & Engineering Total	304,267	278,911	227,018	-	-	227,018	51,894	278,149	240,542
FERC 537 - Hydraulic Expenses									
Hydraulic Expenses									
Bradley Lake Operating									
Labor & Benefits	81,895	75,070	79,625	-	-	79,625	(4,554)	95,262	79,042
Contractual	15,000	13,750	-	-	-	-	13,750	-	-
Supplies & Materials	10,000	9,167	1,722	-	-	1,722	7,444	4,000	1,729
Indirect Costs	113,127	103,700	103,534	-	-	103,534	166	109,250	108,693
Bradley Lake Operating Total	220,022	201,687	184,881	-	-	184,881	16,806	208,512	189,464
FERC 537 - Hydraulic Expenses Total	220,022	201,687	184,881	-	-	184,881	16,806	208,512	189,464
FERC 538 - Electric Expenses									
Electric Expenses									
Bradley Lake Operating									
Labor & Benefits	235,187	215,588	221,439	-	-	221,439	(5,850)	218,044	227,478
Travel	7,000	6,417	303	-	-	303	6,114	7,000	293
Training	30,000	27,500	14,724	-	-	14,724	12,776	30,000	3,990
Contractual	18,000	16,500	14,932	-	-	14,932	1,568	10,000	5,255
Supplies & Materials	23,500	21,542	2,435	-	-	2,435	19,107	18,500	5,970
Indirect Costs	280,431	257,062	259,152	-	-	259,152	(2,090)	262,004	268,318
Bradley Lake Operating Total	594,118	544,608	512,984	-	-	512,984	31,624	545,548	511,305
FERC 538 - Electric Expenses Total	594,118	544,608	512,984	-	-	512,984	31,624	545,548	511,305
FERC 539 - Misc. Hydraulic Power Generation Expenses									
Misc Hydro Power Exp									
Bradley Lake Operating									
Labor & Benefits	130,567	119,686	70,710	-	-	70,710	48,976	107,742	78,868
Training	20,000	18,333	-	-	-	-	18,333	20,000	-
Contractual	606,317	555,791	464,101	-	-	464,101	91,690	385,067	410,619
Supplies & Materials	30,000	27,500	28,383	-	-	28,383	(883)	25,000	45,819
Equipment, Furniture & Machinery	-	-	-	-	-	-	-	-	2,563
Indirect Costs	122,323	112,130	97,330	-	-	97,330	14,799	114,320	111,127
Bradley Lake Operating Total	909,207	833,440	660,525	-	-	660,525	172,915	652,129	648,997
BRADLEY CIRCUITS/RADIO TO BERNICE LK									
Other Costs	35,695	32,720	31,412	-	-	31,412	1,308	35,695	34,268
BRADLEY CIRCUITS/RADIO TO BERNICE LK Total	35,695	32,720	31,412	-	-	31,412	1,308	35,695	34,268
BRADLEY CIRCUITS BERNICE LK TO ANCH									
Other Costs	29,773	27,292	-	26,552	-	26,552	740	29,773	28,985
BRADLEY CIRCUITS BERNICE LK TO ANCH Total	29,773	27,292	-	26,552	-	26,552	740	29,773	28,985
LOWER BRADLEY CIRCUITS/RADIO TO BARGE DOCK									
Other Costs	10,000	9,167	5,120	-	-	5,120	4,047	45,000	24,085
LOWER BRADLEY CIRCUITS/RADIO TO BARGE DOCK Total	10,000	9,167	5,120	-	-	5,120	4,047	45,000	24,085
FERC 539 - Misc. Hydraulic Power Generation Expenses Total	984,675	902,619	697,057	26,552	-	723,609	179,010	762,597	736,335
FERC 541 - Maintenance Supervision & Engineering									
Maint Supervision/Eng									
Bradley Lake Operating									
Labor & Benefits	117,056	107,301	101,277	-	-	101,277	6,024	110,451	104,197
Indirect Costs	157,071	143,982	131,000	-	-	131,000	12,982	155,698	139,723
Bradley Lake Operating Total	274,127	251,283	232,277	-	-	232,277	19,006	266,149	243,920
FERC 541 - Maintenance Supervision & Engineering Total	274,127	251,283	232,277	-	-	232,277	19,006	266,149	243,920
FERC 542 - Maintenance of Structures									
Maintenance of Structures									
Bradley Lake Operating									
Labor & Benefits	84,789	77,723	62,076	-	-	62,076	15,647	89,710	67,928
Contractual	35,000	32,083	38,602	-	-	38,602	(6,518)	126,000	103,435
Supplies & Materials	44,000	40,333	23,414	-	-	23,414	16,919	70,000	40,551

ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
BRADLEY LAKE OPERATIONS & MAINTENANCE
BUDGET TO ACTUAL EXPENSES
SCHEDULE B
FOR THE PERIOD 07/01/2025 TO 05/31/2026

	FY26 Approved Budget	FY 26						FY 25	
		BUDGET % 07/01/2025 - 05/31/2026	HEA Actual	CEA Actual	AEA Actual	Total Actual	(Over) Under Budget to Date	FY25 Approved Budget	FY25 Actual
Equipment, Furniture & Machinery	20,000	18,333	22,380	-	-	22,380	(4,047)	20,000	14,623
Indirect Costs	115,838	106,185	85,350	-	-	85,350	20,835	102,350	94,601
Bradley Lake Operating Total	299,627	274,658	231,822	-	-	231,822	42,836	408,060	321,138
FERC 542 - Maintenance of Structures Total	299,627	274,658	231,822	-	-	231,822	42,836	408,060	321,138
FERC 543 - Maintenance of Reservoirs, Dams & Waterways									
Maint Res, Dams, WWays									
Bradley Lake Operating									
Labor & Benefits	17,992	16,493	2,734	-	-	2,734	13,759	51,783	13,050
Contractual	6,500	5,958	23,503	-	-	23,503	(17,545)	39,500	41,306
Supplies & Materials	20,000	18,333	-	-	-	-	18,333	85,000	63,338
Equipment, Furniture & Machinery	-	-	-	-	-	-	-	15,000	-
Indirect Costs	22,556	20,676	4,238	-	-	4,238	16,438	58,650	16,000
Bradley Lake Operating Total	67,048	61,461	30,476	-	-	30,476	30,986	249,933	133,694
BRADLEY POWER TUNNEL MAINT (Dam)									
Contractual	15,000	13,750	6,337	-	-	6,337	7,413	15,000	-
BRADLEY POWER TUNNEL MAINT (Dam) Total	15,000	13,750	6,337	-	-	6,337	7,413	15,000	-
FERC 543 - Maintenance of Reservoirs, Dams & Waterways Total	82,048	75,211	36,813	-	-	36,813	38,398	264,933	133,694
FERC 544 - Maintenance of Electric Plant									
Maintenance of Elec Plant									
Bradley Lake Operating									
Labor & Benefits	336,995	308,912	247,655	-	-	247,655	61,258	309,110	261,477
Travel	4,500	4,125	143	-	-	143	3,982	4,500	530
Contractual	24,000	22,000	38,328	-	-	38,328	(16,328)	75,000	60,276
Supplies & Materials	40,000	36,667	12,136	-	-	12,136	24,531	40,000	35,276
Indirect Costs	461,361	422,914	340,602	-	-	340,602	82,312	423,178	367,649
Bradley Lake Operating Total	866,856	794,618	638,864	-	-	638,864	155,754	851,788	725,208
FERC 544 - Maintenance of Electric Plant Total	866,856	794,618	638,864	-	-	638,864	155,754	851,788	725,208
FERC 545 - Maintenance of Misc. Hydraulic Plant									
Maint of Misc Hydr Plant									
Bradley Lake Operating									
Labor & Benefits	82,339	75,478	63,403	-	-	63,403	12,075	69,297	68,096
Contractual	45,000	41,250	46,260	-	-	46,260	(5,010)	45,000	38,420
Supplies & Materials	68,000	62,333	69,901	-	-	69,901	(7,568)	68,000	56,391
Indirect Costs	113,337	103,892	87,154	-	-	87,154	16,738	98,957	95,152
Bradley Lake Operating Total	308,677	282,954	266,718	-	-	266,718	16,236	281,254	258,059
FERC 545 - Maintenance of Misc. Hydraulic Plant Total	308,677	282,954	266,718	-	-	266,718	16,236	281,254	258,059
FERC 556 - System Control & Load Dispatching									
System Cntl & Load Disp									
Bradley Lake Operating									
Labor & Benefits	20,174	18,493	39,645	-	-	39,645	(21,152)	20,174	25,978
Contractual	143,500	131,542	121,817	-	-	121,817	9,725	103,500	49,188
Supplies & Materials	12,000	11,000	185	-	-	185	10,815	12,000	854
Bradley Lake Operating Total	175,674	161,035	161,647	-	-	161,647	(612)	135,674	76,020
Snow Measurement									
Bradley Lake Operating									
Contractual	10,000	9,167	-	-	-	-	9,167	10,000	9,600
Bradley Lake Operating Total	10,000	9,167	-	-	-	-	9,167	10,000	9,600
Seismic Service									
Bradley Lake Operating									
Contractual	66,498	60,957	-	-	51,347	51,347	9,610	64,868	62,273
Bradley Lake Operating Total	66,498	60,957	-	-	51,347	51,347	9,610	64,868	62,273
Streamgauging Serv									
Bradley Lake Operating									
Contractual	221,682	203,209	-	-	163,931	163,931	39,277	216,275	269,784
Bradley Lake Operating Total	221,682	203,209	-	-	163,931	163,931	39,277	216,275	269,784
Permits									
Bradley Lake Operating									
Other Costs	350	321	-	-	288	288	33	350	240
Bradley Lake Operating Total	350	321	-	-	288	288	33	350	240
FERC 556 - System Control & Load Dispatching Total	474,204	434,687	161,647	-	215,566	377,212	57,475	427,167	417,917
FERC 562 - Station Expenses									
Station Expenses									
Bradley Lake Operating									
Labor & Benefits	99,812	91,494	55,972	27,504	-	83,476	8,018	96,612	135,584
Travel	1,800	1,650	-	-	-	-	1,650	2,500	773
Contractual	103,000	94,417	70,704	-	-	70,704	23,712	79,800	32,843
Supplies & Materials	45,000	41,250	15,771	677	-	16,447	24,803	23,000	25,534
Other Costs	1,700	1,558	-	-	-	-	1,558	1,900	1,536
Bradley Lake Operating Total	251,312	230,369	142,447	28,181	-	170,628	59,742	203,812	196,269
FERC 562 - Station Expenses Total	251,312	230,369	142,447	28,181	-	170,628	59,742	203,812	196,269
FERC 571 - Maintenance of Overhead Lines									
Maint of OH Lines									
Bradley Lake Operating									
Labor & Benefits	32,574	29,860	-	-	-	-	29,860	36,500	23,486
Contractual	80,000	73,333	-	-	-	-	73,333	70,000	35,229
Supplies & Materials	20,000	18,333	-	-	-	-	18,333	20,000	11,965
Bradley Lake Operating Total	132,574	121,526	-	-	-	-	121,526	126,500	70,681
FERC 571 - Maintenance of Overhead Lines Total	132,574	121,526	-	-	-	-	121,526	126,500	70,681

ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
BRADLEY LAKE OPERATIONS & MAINTENANCE
BUDGET TO ACTUAL EXPENSES
SCHEDULE B
FOR THE PERIOD 07/01/2025 TO 05/31/2026

	FY26 Approved Budget	FY 26						FY 25	
		BUDGET % 07/01/2025 - 05/31/2026	HEA Actual	CEA Actual	AEA Actual	Total Actual	(Over) Under Budget to Date	FY25 Approved Budget	FY25 Actual
FERC 920 & 930 - Administrative Expense									
AEA Bradley Fixed Admin Fees									
Bradley Lake Operating									
Staff Professional Services (Direct)	360,000	330,000	-	-	467,206	467,206	(137,206)	312,585	501,917
Travel	-	-	-	-	4,792	4,792	(4,792)	-	53,177
Training	-	-	-	-	1,214	1,214	(1,214)	-	3,221
Consulting-Administrative	-	-	-	-	2,722	2,722	(2,722)	-	2,153
Supplies & Materials	-	-	-	-	-	-	-	-	8,882
Other Costs	-	-	-	-	-	-	-	-	5,972
Equipment, Furniture & Machinery	-	-	-	-	583	583	(583)	-	2,754
Administrative Costs	240,000	220,000	-	-	452,366	452,366	(232,366)	172,500	455,441
Bradley Lake Operating Total	600,000	550,000	-	-	928,883	928,883	(378,883)	485,085	1,033,515
Operating Committee Exp-Audit									
Bradley Lake Operating									
Administrative Costs	45,000	41,250	-	-	42,392	42,392	(1,142)	41,000	38,534
Bradley Lake Operating Total	45,000	41,250	-	-	42,392	42,392	(1,142)	41,000	38,534
Operating Committee Exp-Legal									
Bradley Lake Operating									
Administrative Costs	80,000	73,333	-	-	139,468	139,468	(66,135)	80,000	125,918
Bradley Lake Operating Total	80,000	73,333	-	-	139,468	139,468	(66,135)	80,000	125,918
Misc Admin									
Bradley Lake Operating									
Administrative Costs	13,000	11,917	-	-	16,618	16,618	(4,701)	13,000	14,634
Bradley Lake Operating Total	13,000	11,917	-	-	16,618	16,618	(4,701)	13,000	14,634
Professional Consultants									
Bradley Lake Operating									
Labor & Benefits	148,836	136,433	-	-	119,952	119,952	16,481	744,181	250,437
Travel	22,000	20,167	-	-	-	-	20,167	32,500	2,068
Supplies & Materials	4,500	4,125	-	-	-	-	4,125	9,000	-
Bradley Lake Operating Total	175,336	160,725	-	-	119,952	119,952	40,773	785,681	252,505
FERC 920 & 930 - Administrative Expense Total	913,336	837,225	-	-	1,247,313	1,247,313	(410,088)	1,404,766	1,465,107
FERC 924 & 925 - Insurance Premiums									
Insurance Premiums									
Bradley Lake Operating									
Administrative Costs	1,581,839	1,450,019	64,316	-	1,284,606	1,348,922	101,097	1,371,724	1,164,007
Bradley Lake Operating Total	1,581,839	1,450,019	64,316	-	1,284,606	1,348,922	101,097	1,371,724	1,164,007
FERC 924 & 925 - Insurance Premiums Total	1,581,839	1,450,019	64,316	-	1,284,606	1,348,922	101,097	1,371,724	1,164,007
FERC 923 - Outside Services Employed									
Outside Services Employed									
Bradley Lake Operating									
Consulting-Administrative	155,000	142,083	-	-	18,634	18,634	123,450	315,000	44,280
Bradley Lake Operating Total	155,000	142,083	-	-	18,634	18,634	123,450	315,000	44,280
FERC 923 - Outside Services Employed Total	155,000	142,083	-	-	18,634	18,634	123,450	315,000	44,280
FERC 928 - Regulatory Commission Expenses									
FERC Admin Fees									
Bradley Lake Operating									
Administrative Costs	170,000	155,833	-	-	-	-	155,833	180,000	213,420
Bradley Lake Operating Total	170,000	155,833	-	-	-	-	155,833	180,000	213,420
FERC Related Prof Services									
BRADLEY FERC PART 12 INSPECTION									
Administrative Costs	300,000	275,000	-	-	-	-	275,000	-	-
BRADLEY FERC PART 12 INSPECTION Total	300,000	275,000	-	-	-	-	275,000	-	-
BRADLEY CONTRACTUAL ENGINEER-FERC LICENSE ISSUES									
Administrative Costs	120,000	110,000	-	-	16,189	16,189	93,811	120,000	76,109
BRADLEY CONTRACTUAL ENGINEER-FERC LICENSE ISSUES Total	120,000	110,000	-	-	16,189	16,189	93,811	120,000	76,109
FERC 928 - Regulatory Commission Expenses Total	590,000	540,833	-	-	16,189	16,189	524,645	300,000	289,529
O&M 4% Allocation to Battle Creek	(321,307)	(294,532)	-	-	-	-	(294,532)	(320,638)	-
Total Bradley Lake Budget	7,711,376	7,068,761	3,396,844	54,733	2,782,307	6,233,883	834,879	7,695,321	7,007,455

FOR THE PERIOD 07/01/2025 TO 05/31/2026

Bradley Lake Expansion Project					
	Budget	Committed	Encumbered	Actuals	Variance
Bradley Lake R&C Fund	2,300,000	-	57,384	2,242,616	-
REF Grant (CEA)	1,000,000	-	210,261	789,739	-
REF Grant Match	1,000,000	-	1,000,000	-	-
State Hydro Development	5,000,000	-	50,520	4,949,480	-
State Railbelt	1,379,700	-	609,085	770,615	-
Bond Series 11 Interest	6,000,000	579,000	3,874,832	984,338	561,830
Bradley Lake Dixon Diversion	4,000,000	-	1,106,516	2,893,484	-
Total Project Cost at 05/31/26	20,679,700	579,000	6,908,597	12,630,272	561,830

ALASKA ENERGY AUTHORITY
 BRADLEY LAKE HYDROELECTRIC PROJECT
 BATTLE CREEK NON-R&C CAPITAL PURCHASES
 SCHEDULE E
 FOR THE PERIOD 07/01/2025 TO 05/31/2026

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
BRADLEY LAKE HYDROELECTRIC PROJECT
BATTLE CREEK OPERATIONS & MAINTENANCE
BUDGET TO ACTUAL EXPENSES
SCHEDULE F
FOR THE PERIOD 07/01/2025 TO 05/31/2026

	FY26 Approved Budget	FY 26						FY 25	
		BUDGET % 07/01/2025 - 05/31/2026	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	45,833	-	-	41,899	41,899	3,935	50,000	46,192
Labor & Benefits	10,000	9,167	43,296	1,146	4,998	49,440	(40,273)	10,000	59,807
Travel	-	-	30	-	200	230	(230)	-	3,322
Training	-	-	613	-	51	664	(664)	-	300
Contractual	333,477	305,687	34,358	-	327,415	361,773	(56,086)	201,300	243,987
Consulting-Administrative	-	-	-	-	890	890	(890)	-	1,935
Supplies & Materials	5,000	4,583	6,464	28	-	6,492	(1,909)	5,000	12,346
Other Costs	-	-	1,522	1,106	12	2,641	(2,641)	-	3,962
Equipment, Furniture & Machinery	-	-	933	-	24	957	(957)	-	831
Administrative Costs	14,000	12,833	2,680	-	85,518	88,198	(75,365)	14,000	93,093
Indirect Costs	-	-	51,640	-	-	51,640	(51,640)	-	55,874
O&M 4% Allocation to Battle Creek	321,307	294,532	-	-	-	-	294,532	320,638	-
Total Battle Creek Budget	733,784	672,636	141,535	2,281	461,007	604,822	67,813	600,938	521,650
FERC 535 - Operation Supervision & Engineering									
Operations Sup/Eng									
Battle Creek Operating									
Labor & Benefits	1,500	1,375	3,940	-	-	3,940	(2,565)	1,500	4,156
Travel	-	-	11	-	-	11	(11)	-	28
Contractual	-	-	-	-	-	-	-	-	17
Supplies & Materials	1,000	917	50	-	-	50	867	1,000	-
Indirect Costs	-	-	5,458	-	-	5,458	(5,458)	-	5,822
Battle Creek Operating Total	2,500	2,292	9,459	-	-	9,459	(7,167)	2,500	10,023
FERC 535 - Operation Supervision & Engineering Total	2,500	2,292	9,459	-	-	9,459	(7,167)	2,500	10,023
FERC 537 - Hydraulic Expenses									
Hydraulic Expenses									
Battle Creek Operating									
Labor & Benefits	1,500	1,375	3,318	-	-	3,318	(1,943)	1,500	3,293
Contractual	277,177	254,079	-	-	274,195	274,195	(20,116)	145,000	141,077
Supplies & Materials	1,000	917	72	-	-	72	845	1,000	72
Indirect Costs	-	-	4,314	-	-	4,314	(4,314)	-	4,529
Battle Creek Operating Total	279,677	256,371	7,703	-	274,195	281,899	(25,528)	147,500	148,972
FERC 537 - Hydraulic Expenses Total	279,677	256,371	7,703	-	274,195	281,899	(25,528)	147,500	148,972
FERC 538 - Electric Expenses									
Electric Expenses									
Battle Creek Operating									
Labor & Benefits	1,500	1,375	9,227	-	-	9,227	(7,852)	1,500	9,478
Travel	-	-	13	-	-	13	(13)	-	12
Training	-	-	613	-	-	613	(613)	-	166
Contractual	-	-	622	-	-	622	(622)	-	219
Supplies & Materials	1,000	917	101	-	-	101	815	1,000	249
Indirect Costs	-	-	10,798	-	-	10,798	(10,798)	-	11,180
Battle Creek Operating Total	2,500	2,292	21,374	-	-	21,374	(19,083)	2,500	21,304
FERC 538 - Electric Expenses Total	2,500	2,292	21,374	-	-	21,374	(19,083)	2,500	21,304
FERC 539 - Misc. Hydraulic Power Generation Expenses									
Misc Hydro Power Exp									
Battle Creek Operating									
Labor & Benefits	1,500	1,375	2,946	-	-	2,946	(1,571)	1,500	3,286
Contractual	-	-	19,338	-	-	19,338	(19,338)	-	17,109
Supplies & Materials	1,000	917	1,183	-	-	1,183	(266)	1,000	1,909
Other Costs	-	-	1,522	1,106	-	2,629	(2,629)	-	3,639
Equipment, Furniture & Machinery	-	-	-	-	-	-	-	-	107
Indirect Costs	-	-	4,055	-	-	4,055	(4,055)	-	4,630
Battle Creek Operating Total	2,500	2,292	29,044	1,106	-	30,150	(27,859)	2,500	30,681
FERC 539 - Misc. Hydraulic Power Generation Expenses Total	2,500	2,292	29,044	1,106	-	30,150	(27,859)	2,500	30,681
FERC 541 - Maintenance Supervision & Engineering									
Maint Supervision/Eng									
Battle Creek Operating									
Labor & Benefits	2,500	2,292	4,220	-	-	4,220	(1,928)	2,500	4,342
Indirect Costs	-	-	5,458	-	-	5,458	(5,458)	-	5,822
Battle Creek Operating Total	2,500	2,292	9,678	-	-	9,678	(7,387)	2,500	10,163
FERC 541 - Maintenance Supervision & Engineering Total	2,500	2,292	9,678	-	-	9,678	(7,387)	2,500	10,163
FERC 542 - Maintenance of Structures									
Maintenance of Structures									
Battle Creek Operating									
Labor & Benefits	1,500	1,375	2,587	-	-	2,587	(1,212)	1,500	2,830
Contractual	-	-	1,608	-	-	1,608	(1,608)	-	4,310
Supplies & Materials	1,000	917	976	-	-	976	(59)	1,000	1,690
Equipment, Furniture & Machinery	-	-	933	-	-	933	(933)	-	609
Indirect Costs	-	-	3,556	-	-	3,556	(3,556)	-	3,942
Battle Creek Operating Total	2,500	2,292	9,659	-	-	9,659	(7,368)	2,500	13,381
FERC 542 - Maintenance of Structures Total	2,500	2,292	9,659	-	-	9,659	(7,368)	2,500	13,381
FERC 543 - Maintenance of Reservoirs, Dams & Waterways									
Maint Res, Dams, WWays									
Battle Creek Operating									
Labor & Benefits	-	-	114	-	-	114	(114)	-	544
Contractual	-	-	1,243	-	-	1,243	(1,243)	-	1,721
Supplies & Materials	-	-	-	-	-	-	-	-	2,639

ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
BATTLE CREEK OPERATIONS & MAINTENANCE
BUDGET TO ACTUAL EXPENSES
SCHEDULE F
FOR THE PERIOD 07/01/2025 TO 05/31/2026

	FY26 Approved Budget	FY 26						FY 25	
		BUDGET % 07/01/2025 - 05/31/2026	HEA Actual	CEA Actual	AEA Actual	Total Actual	(Over) Under Budget to Date	FY25 Approved Budget	FY25 Actual
Indirect Costs	-	-	177	-	-	177	(177)	-	667
Battle Creek Operating Total	-	-	1,534	-	-	1,534	(1,534)	-	5,571
FERC 543 - Maintenance of Reservoirs, Dams & Waterways Total	-	-	1,534	-	-	1,534	(1,534)	-	5,571
FERC 544 - Maintenance of Electric Plant									
Maintenance of Elec Plant									
Battle Creek Operating									
Labor & Benefits	-	-	10,319	-	-	10,319	(10,319)	-	10,895
Travel	-	-	6	-	-	6	(6)	-	22
Contractual	-	-	1,597	-	-	1,597	(1,597)	-	2,511
Supplies & Materials	-	-	506	-	-	506	(506)	-	1,470
Indirect Costs	-	-	14,192	-	-	14,192	(14,192)	-	15,319
Battle Creek Operating Total	-	-	26,619	-	-	26,619	(26,619)	-	30,217
FERC 544 - Maintenance of Electric Plant Total	-	-	26,619	-	-	26,619	(26,619)	-	30,217
FERC 545 - Maintenance of Misc. Hydraulic Plant									
Maint of Misc Hydr Plant									
Battle Creek Operating									
Labor & Benefits	-	-	2,642	-	-	2,642	(2,642)	-	2,837
Contractual	-	-	1,927	-	-	1,927	(1,927)	-	1,601
Supplies & Materials	-	-	2,913	-	-	2,913	(2,913)	-	2,350
Indirect Costs	-	-	3,631	-	-	3,631	(3,631)	-	3,965
Battle Creek Operating Total	-	-	11,113	-	-	11,113	(11,113)	-	10,752
FERC 545 - Maintenance of Misc. Hydraulic Plant Total	-	-	11,113	-	-	11,113	(11,113)	-	10,752
FERC 556 - System Control & Load Dispatching									
Battle Creek Operating									
Labor & Benefits	-	-	1,652	-	-	1,652	(1,652)	-	1,082
Contractual	-	-	5,076	-	-	5,076	(5,076)	-	2,049
Supplies & Materials	-	-	8	-	-	8	(8)	-	36
Battle Creek Operating Total	-	-	6,735	-	-	6,735	(6,735)	-	3,167
Contractual	-	-	-	-	-	-	-	-	400
Seismic Service									
Battle Creek Operating									
Contractual	-	-	-	-	2,139	2,139	(2,139)	-	2,595
Battle Creek Operating Total	-	-	-	-	2,139	2,139	(2,139)	-	2,595
Streamgauging Serv									
Battle Creek Operating									
Contractual	56,300	51,608	-	-	51,080	51,080	528	56,300	67,541
Battle Creek Operating Total	56,300	51,608	-	-	51,080	51,080	528	56,300	67,541
Permits									
Battle Creek Operating									
Other Costs	-	-	-	-	12	12	(12)	-	10
Battle Creek Operating Total	-	-	-	-	12	12	(12)	-	10
FERC 556 - System Control & Load Dispatching Total	56,300	51,608	6,735	-	53,232	59,967	(8,359)	56,300	73,713
FERC 562 - Station Expenses									
Station Expenses									
Battle Creek Operating									
Labor & Benefits	-	-	2,332	1,146	-	3,478	(3,478)	-	5,649
Travel	-	-	-	-	-	-	-	-	32
Contractual	-	-	2,946	-	-	2,946	(2,946)	-	1,368
Supplies & Materials	-	-	657	28	-	685	(685)	-	1,064
Other Costs	-	-	-	-	-	-	-	-	64
Battle Creek Operating Total	-	-	5,935	1,174	-	7,109	(7,109)	-	8,178
FERC 562 - Station Expenses Total	-	-	5,935	1,174	-	7,109	(7,109)	-	8,178
Labor & Benefits	-	-	-	-	-	-	-	-	979
Contractual	-	-	-	-	-	-	-	-	1,468
Supplies & Materials	-	-	-	-	-	-	-	-	499
FERC 920 & 930 - Administrative Expense									
AEA Bradley Fixed Admin Fees									
Battle Creek Operating									
Staff Professional Services (Direct)	50,000	45,833	-	-	41,899	41,899	3,935	50,000	46,192
Travel	-	-	-	-	200	200	(200)	-	3,142
Training	-	-	-	-	51	51	(51)	-	134
Consulting-Administrative	-	-	-	-	113	113	(113)	-	90
Supplies & Materials	-	-	-	-	-	-	-	-	370
Other Costs	-	-	-	-	-	-	-	-	249
Equipment, Furniture & Machinery	-	-	-	-	24	24	(24)	-	115
Administrative Costs	-	-	-	-	18,849	18,849	(18,849)	-	18,977
Battle Creek Operating Total	50,000	45,833	-	-	61,135	61,135	(15,302)	50,000	69,268
Operating Committee Exp-Audit									
Battle Creek Operating									
Administrative Costs	-	-	-	-	1,766	1,766	(1,766)	-	1,606
Battle Creek Operating Total	-	-	-	-	1,766	1,766	(1,766)	-	1,606
Operating Committee Exp-Legal									
Battle Creek Operating									
Administrative Costs	5,000	4,583	-	-	5,811	5,811	(1,228)	5,000	5,247
Battle Creek Operating Total	5,000	4,583	-	-	5,811	5,811	(1,228)	5,000	5,247
Operat Committee Exp-Arbitrage									
Battle Creek Operating									
Administrative Costs	2,500	2,292	-	-	-	-	2,292	2,500	1,690
Battle Creek Operating Total	2,500	2,292	-	-	-	-	2,292	2,500	1,690

ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
BATTLE CREEK OPERATIONS & MAINTENANCE
BUDGET TO ACTUAL EXPENSES
SCHEDULE F
FOR THE PERIOD 07/01/2025 TO 05/31/2026

	FY26 Approved Budget	FY 26						FY 25	
		BUDGET % 07/01/2025 - 05/31/2026	HEA Actual	CEA Actual	AEA Actual	Total Actual	(Over) Under Budget to Date	FY25 Approved Budget	FY25 Actual
Trust & Account Fees									
Battle Creek Operating									
Administrative Costs	5,500	5,042	-	-	4,200	4,200	842	5,500	4,400
Battle Creek Operating Total	5,500	5,042	-	-	4,200	4,200	842	5,500	4,400
Misc Admin									
Battle Creek Operating									
Administrative Costs	1,000	917	-	-	692	692	224	1,000	610
Battle Creek Operating Total	1,000	917	-	-	692	692	224	1,000	610
Professional Consultants									
Battle Creek Operating									
Labor & Benefits	-	-	-	-	4,998	4,998	(4,998)	-	10,435
Travel	-	-	-	-	-	-	-	-	86
Battle Creek Operating Total	-	-	-	-	4,998	4,998	(4,998)	-	10,521
FERC 920 & 930 - Administrative Expense Total	64,000	58,667	-	-	78,603	78,603	(19,937)	64,000	93,341
FERC 924 & 925 - Insurance Premiums									
Insurance Premiums									
Battle Creek Operating									
Administrative Costs	-	-	2,680	-	53,525	56,205	(56,205)	-	48,500
Battle Creek Operating Total	-	-	2,680	-	53,525	56,205	(56,205)	-	48,500
FERC 924 & 925 - Insurance Premiums Total	-	-	2,680	-	53,525	56,205	(56,205)	-	48,500
FERC 923 - Outside Services Employed									
Outside Services Employed									
Battle Creek Operating									
Consulting-Administrative	-	-	-	-	776	776	(776)	-	1,845
Battle Creek Operating Total	-	-	-	-	776	776	(776)	-	1,845
FERC 923 - Outside Services Employed Total	-	-	-	-	776	776	(776)	-	1,845
FERC 928 - Regulatory Commission Expenses									
Administrative Costs	-	-	-	-	-	-	-	-	8,893
FERC Related Prof Services									
Battle Creek Operating									
Administrative Costs	-	-	-	-	675	675	(675)	-	3,171
Battle Creek Operating Total	-	-	-	-	675	675	(675)	-	3,171
FERC 928 - Regulatory Commission Expenses Total	-	-	-	-	675	675	(675)	-	12,064
O&M Allocation to Battle Creek	321,307	294,532	-	-	-	-	294,532	320,638	-
Total Battle Creek Budget	733,784	672,636	141,535	2,281	461,007	604,822	67,813	600,938	521,650
	-	-	-	-	-	-	-	-	-

ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
SSQ LINE OPERATIONS & MAINTENANCE
BUDGET TO ACTUAL EXPENSES
SCHEDULE I
FOR THE PERIOD 07/01/2025 TO 05/31/2026

	FY26 Approved Budget	FY 26						FY 25	
		BUDGET % 07/01/2025 - 05/31/2026	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	9,167	-	-	7,789	7,789	1,377	40,000	7,086
Labor & Benefits	50,000	45,833	2,754	-	-	2,754	43,079	50,000	47,722
Contractual	150,000	137,500	4,269	-	-	4,269	133,231	150,000	58,795
Permitting	36,878	33,805	-	-	4,282	4,282	29,524	36,878	72,223
Supplies & Materials	20,000	18,333	-	-	-	-	18,333	20,000	52
Administrative Costs	7,000	6,417	-	-	6,381	6,381	35	47,000	5,059
Total SSQ Line Budget	273,878	251,055	7,023	-	18,453	25,475	225,580	343,878	190,998
FERC 556 - System Control & Load Dispatching									
Permits									
SSQ Line Operating									
Permitting	36,878	33,805	-	-	4,282	4,282	29,524	36,878	72,223
SSQ Line Operating Total	36,878	33,805	-	-	4,282	4,282	29,524	36,878	72,223
FERC 556 - System Control & Load Dispatching Total	36,878	33,805	-	-	4,282	4,282	29,524	36,878	72,223
FERC 571 - Maintenance of Overhead Lines									
Maint of OH Lines									
SSQ Line Operating									
Labor & Benefits	50,000	45,833	2,754	-	-	2,754	43,079	50,000	47,722
Contractual	150,000	137,500	4,269	-	-	4,269	133,231	150,000	58,795
Supplies & Materials	20,000	18,333	-	-	-	-	18,333	20,000	-
SSQ Line Operating Total	220,000	201,667	7,023	-	-	7,023	194,644	220,000	106,517
FERC 571 - Maintenance of Overhead Lines Total	220,000	201,667	7,023	-	-	7,023	194,644	220,000	106,517
FERC 920 & 930 - Administrative Expense									
AEA Bradley Fixed Admin Fees									
SSQ Line Operating									
Staff Professional Services (Direct)	10,000	9,167	-	-	7,789	7,789	1,377	40,000	7,086
Travel	-	-	-	-	-	-	-	-	63
Supplies & Materials	-	-	-	-	-	-	-	-	52
Administrative Costs	-	-	-	-	4,381	4,381	(4,381)	20,000	3,059
SSQ Line Operating Total	10,000	9,167	-	-	12,171	12,171	(3,004)	60,000	10,259
Trust & Account Fees									
SSQ Line Operating									
Administrative Costs	2,000	1,833	-	-	2,000	2,000	(167)	2,000	2,000
SSQ Line Operating Total	2,000	1,833	-	-	2,000	2,000	(167)	2,000	2,000
FERC 920 & 930 - Administrative Expense Total	12,000	11,000	-	-	14,171	14,171	(3,171)	62,000	12,259
FERC 928 - Regulatory Commission Expenses									
FERC Related Prof Services									
BRADLEY CONTRACTUAL ENGINEER-FERC LICENSE ISSUES									
Administrative Costs	5,000	4,583	-	-	-	-	4,583	25,000	-
BRADLEY CONTRACTUAL ENGINEER-FERC LICENSE ISSUES Total	5,000	4,583	-	-	-	-	4,583	25,000	-
FERC 928 - Regulatory Commission Expenses Total	5,000	4,583	-	-	-	-	4,583	25,000	-
Total SSQ Line Budget	273,878	251,055	7,023	-	18,453	25,475	225,580	343,878	190,998
	-	-	-	-	-	-	-	-	-

ALASKA ENERGY AUTHORITY
BRADLEY LAKE HYDROELECTRIC PROJECT
CAPITAL PROJECTS FUNDED BY SERIES 11 BOND PROCEEDS
APPENDIX A
05/31/26

Source	Construction Funds at 11/30/22	Investment Expenses	Calculated Capital Reserve at 11/30/22	Released from Capital Reserve	Earned Interest Income	Total Available Funding
Required Project Work Bond Series 11 Funding	166,013,134	(157,250)	(12,454,346)	1,590,422	22,679,674	177,671,635

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	23,690,538	75,000	-	22,473	958	51,569	21,154,389
Oscillation Dampening Service - CEA		16,072,398	-	-	1,745,495	14,326,903	
Oscillation Dampening Service - MEA		3,870,839	-	-	420,381	3,450,458	
Oscillation Dampening Service - AEEC		3,365,947	-	-	346,842	3,019,105	

Total BESS Capital Projects	23,690,538	23,384,183	-	22,473	2,513,676	20,848,034	21,154,389
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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	85,711,000	88,085,000	13,500	29,173	15,658,175	72,384,152	63,236,417
Soldotna-Sterling 230kV Construction		36,135,000	13,500	23,922	1,052,458	35,045,120	
Bradley Lake Expansion Project		6,000,000	579,000	3,874,832	984,338	561,830	
BRADLEY Required Project Work Support		-	-	-	180,285	(180,285)	
Bradley RPW - Bond Series 11		-	-	-	65,400	(65,400)	

Total Transmission Capital Projects	85,711,000	130,220,000	606,000	3,927,927	17,940,655	107,745,418	63,236,417
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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
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Unassigned Earned Interest Income	18,270,097	-	-	-	-	-	18,270,097
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Total Required Project Work	177,671,635	203,604,183	606,000	3,950,400	20,454,331	178,593,452	152,660,903
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Bradley Operation and Dispatch Committee Report

July 24, 2026

Meeting Dates:

July 17th, 2026

Notable Discussions and Items:

- The O&D meeting was scheduled to take place at the project site; however, weather prevented travel from Homer to Bradley, so the meeting was held at HEA's Homer office.

Water Tracking & Lake Level:

- As of July 1st, 2026, Bradley Lake contained approximately 63,666 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:

August 21, 2026 @ 10am on Teams