BRADLEY LAKE PROJECT
MANAGEMENT COMMITTEE - SPECIAL MEETING
AGENDA
September 11, 2026, 10:00 AM
To participate dial 1-907-621-6701 and use code 556-303-170#

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 – July 24, 2026
7. OLD BUSINESS
    A. Bradley Lake Expansion Project
        i. Project update
            - GANTT Chart
        ii. Financing Update
        iii. Resolution 26-01 – Approval of Initial Round of Financing for Bradley Lake Expansion Project
            - Utility Board Resolution (DRAFT)
    B. Resolution 26-03 - In Support of CIPLink
    C. SSQ Line
        i. Winter construction plan
8. NEW BUSINESS
    A. Resolution 26-04 – Renewable Energy Fund Application - Bradley Lake Expansion Project
9. EXECUTIVE SESSION - (Bylaws Section 5.11.4) – To discuss (1) confidential financial matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the Authority or the Project; and (2) legal matters with an attorney for the Committee or a member of the Committee, the immediate knowledge of which could have an adverse effect on the legal position of the Committee or the Authority.
10. MEMBER COMMENTS
11. NEXT MEETING DATE – September 25, 2026
12. ADJOURNMENT

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE (BPMC)
REGULAR MEETING MINUTES
July 24, 2026

1. CALL TO ORDER

Chair Tony Izzo called the meeting of the Bradley Lake Hydroelectric Project Management Committee to order at 10:03 a.m. A quorum was established.

2. ROLL CALL (for Committee members)

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

3. PUBLIC ROLL CALL (for all others present)

Jennifer Bertolini, Mark Billingsley, Patrick Domitrovich, Pamela Ellis, Josi Hartley, Ryan McLaughlin, Jim Mendenhall, William Price, Casey Reeves, Robert Varga, Mark Ziesmer (AEA); Matt Clarkson, Andrew Laughlin, Mike Miller, Paul Millwood (CEA); Dan Bishop (GVEA); Larry Jorgensen, Sarah Lambe, Martin Law, Andrew Patrick, Jessica Spuhler (HEA); Josh Crowell, Kim Henkel, David Pease, Matt Reisterer, Jon Sinclair, Tony Zellers (MEA); Les Krusen (Orrick); Matthew Schoenfield, Thomas Toepfer (PFM); Jonathan Simon (Van Ness Feldman); and John Stanley.

4. AGENDA APPROVAL

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

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 – June 26, 2026

MOTION: A motion was made by Mr. Miller to approve the Minutes of June 26, 2026. Motion seconded by Mr. Janorschke.

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

7. NEW BUSINESS

A. Annual Meeting and Election of Officers

Mr. Janorschke nominated to elect CEA as Chair, HEA as Vice-Chair, and AEA as Secretary / Treasurer. Mr. Million seconded the slate of nominations.

There were no other nominations.

A roll call was taken, and the election of CEA as Chair, HEA as Vice-Chair, and AEA as Secretary / Treasurer passed, with Mr. Thayer voting yes for CEA and no for HEA.

Mr. Izzo congratulated the new officers and turned the meeting over to Chair Miller.

B. Capacity Rights issue for SSQ Line Upgrades

Chair Miller requested Jonathan Simon, Van Ness Feldman, to review the capacity rights issue for the SSQ Line upgrades. Mr. Simon discussed that he was asked to examine the rights and responsibilities relating to upgrades to certain facilities, including the SSQ Line, and to determine if any clarifications were needed in order to move forward with the upgrades. Mr. Simon conducted a document review and held discussions with Counsel for AEA, and individual utilities. He is prepared to discuss this further during executive session today. There were no comments or questions.

8. OLD BUSINESS

A. Bradley Lake Expansion Project Update

Chair Miller requested Ryan McLaughlin, AEA, to give the Bradley Lake Expansion Project update. Mr. McLaughlin noted that the Final Amendment Application (FAA) was filed with Federal Energy Regulatory Commission (FERC) on the same day as the previous BPMC meeting. It was officially received by FERC on June 30, 2026. The final amendment application was 5,666 pages long and is posted on the AEA project website for the public's viewing. The sections that were identified as critical energy information are not included on the website but could be provided upon request. The O&D Committee should have access to the supporting design report and other supporting documentation.

Mr. McLaughlin discussed that DOWL continues to progress the engineering and design of the project and is expected to reach 60% in October or November. The Class 3 estimate will accompany the 60% design package. Additionally, a preliminary FERC review of the process is anticipated to occur in August. The consultation regarding the Endangered Species Act is near completion. The reasonable requests were from National Marine Fisheries Service (NMFS) and US Fish and Wildlife Service, and included representatives on the barges watching for whales, sea otters, and any endangered species.

Mr. McLaughlin noted that efforts are underway to secure a tree clearing contract and early procurement for cable for the three-phase power upgrade. The hope is for tree clearing to occur this fall to comply with the bald eagle avoidance window for tree clearing during March 1st through August 31st. Mr. McLaughlin discussed that the third year of drilling is in progress and is focused on geotechnical investigations. The drilling crews have been in the field since mid-May. The current efforts are focused on the two deep bore holes along the tunnel alignment. During the past few weeks, there have been weather delays due to unsafe weather conditions.

Chair Miller asked for an update on the drilling efforts. Mr. McLaughlin explained that the drilling has been good when the crews are able to drill. There have been a few mechanical issues, including a section in the deep bore hole where a fault zone was hit and the well sanded in. The crew grouted that section and redrilled. The crew is beyond that section now.

Chair Miller asked if the test drilling will conclude this year. Mr. McLaughlin agreed that this is the final year of drilling. There were no other comments or questions.

B. Bradley Lake Expansion Capital Project Financing

Chair Miller requested Mark Billingsley, General Counsel AEA, to discuss the public portion overview of the Bradley Lake Expansion Capital Project Financing. Mr. Billingsley noted that his presentation will review project costs, the proposed financing mechanism, the financing terms, the proposed BPMC resolution, and the financial analysis. He believes it will be appropriate to move into executive session when it is time to discuss the detailed financial information with AEA's financial adviser PFM.

Mr. Billingsley noted that weekly meetings are occurring with the BPMC Subcommittee. He reviewed the slide showing the project costs by category and fiscal year. The project cost estimate remains approximately $401.6 million. The total cost including project development costs and owner's costs is $435.95 million.

Chair Miller asked if the $401 million includes interest during construction (IDC). Mr. Billingsley noted that the costs are straight construction costs and do not include any interim finance costs while the project is being constructed. He explained that the finance costs will be discussed and shown during the PFM analysis.

Mr. Billingsley continued the presentation and reviewed the sources of secured funding to-date. There has been $32 million raised. The $12 million that was allocated from Bond Series 11 is currently being used. Mr. Billingsley discussed a graph showing the rounds of financing that need to be secured for the project by each fiscal year through FY32. The current secured funding will be exhausted during FY27. The Round 1 financing will be used for the end of FY27 and FY28. The Round 2 financing will be used for the remaining of the project.

Mr. Billingsley discussed that Thomas Toepfer of PFM is available to answer questions now or during the executive session. Mr. Billingsley indicated that discussions are occurring with Bank of America, who was selected through an RFP as an underwriter if the decision is made to issue bonds. Additionally, they could be involved in alternative financing. Mr. Billingsley explained that the Finance Subcommittee is apprised of these options.

The current advised proposal is for interim financing that is appropriate at this stage because of the cost uncertainties. Mr. Billingsley noted that the project is at a Class 4 cost estimate. The project will be at a Class 3 cost estimate in the fall and at a Class 2 cost estimate in the spring. There is still uncertainty regarding tax credit eligibility. Interim financing is also appropriate due to the current interest rate environment and the cost of borrowing the total amount up front. An alternative is to borrow $400 million up front. Interest payments and the negative carry would apply. Mr. Billingsley discussed additional benefits, including the USDA and DOE loan application that take time to process. The interim financing would allow AEA to proceed through the application process. Additionally, if the project is deemed eligible for tax credits, the tax credits received could pay off the interim debt in 2032 without incurring a call provision that could be associated with long-term debt.

Mr. Billingsley stated that the proposed type of interim financing is a commercial paper program. The maturity date is the end of FY28. The debt would then need to be refinanced. It could be rolled into subsequent interim financing or into long-term debt. The second round of financing would also need to be secured at that time. Both of those financing structures would come before the BPMC for approval. Mr. Billingsley noted that the long-term solutions of the USDA RUS and DOE EDF continue to be pursued. He explained that the project is eligible for tax exempt bonds, but it is not financially advantageous to issue those now.

Mr. Billingsley reviewed the interim finance terms. The amount of $100 million would cover the costs for FY27 and FY28, minus the funds that are already secured, plus a buffer amount that covers closing fees, finance fees, legal fees, inflation costs, and possibly capitalized interest.

Chair Miller asked what the total cost is for the interim finance basis to get to Class 3 cost estimates from the current Class 4 cost estimates. Mr. Billingsley explained the total cost from now until October is about $5.5 million. Mr. Toepfer indicated that later in the presentation, he would discuss the quarterly spend. It is expected to be $7 million in Quarter 3 and $2 million in Quarter 4. This is all still funding from existing secured funds. Mr. Billingsley indicated that a very detailed delineation of the monthly costs through the end of FY28 will be provided in executive session and can be discussed at that time. It will take approximately $7 million to $8 million to get to Class 3.

Chair Miller asked if there is an option to either capitalize the interest or charge to the current rate payers. Mr. Billingsley agreed that is his understanding.

Mr. Billingsley continued the presentation. By the end of June 30, 2028, there will be refined cost estimates and additional information regarding the eligibility of tax credits. He explained that the commercial paper program can be structured so that individual draws could be either taxable or tax-exempt. The close date would be November 30, 2026, at the latest. The interest rate would be the market rate at the time of each draw. Whether or not to capitalize the interest remains an outstanding question. Mr. Billingsley noted that the utilities requested information regarding financial decision points. He reviewed the stages of the commercial paper program, during which time the utilities could withdraw support for the program and provide instruction for no subsequent draws.

Mr. Billingsley stated that the utilities' CFOs requested a tax basis analysis. The estimate to complete the tax basis analysis is approximately $10,000 to $15,000. This will proceed, unless the BPMC provides the direction not to proceed. There was no objection to proceed with the tax basis analysis.

Mr. Billingsley reviewed the proposed BPMC Resolution 26-01. AEA cannot obtain financing secured by the Power Sales Agreement without the prior concurrence from the BPMC through the resolution. He explained that the AEA Board requested staff to introduce Resolution 26-01 to the BPMC, and to the utilities' CFOs and CEOs. Mr. Billingsley discussed that the resolution is drafted in anticipation of achieving the Finance Subcommittee's support. The drafting process and the Subcommittee's review are necessarily occurring simultaneously. The draft resolution is a draft, even though it is presented as a final product. Mr. Billingsley discussed the sections of Resolution 26-01.

Mr. Janorschke asked again if there is IDC, and if the utilities know of any project that did not capitalize the interest during construction. He expressed a concern that the RCA could reject the COPA. Mr. Izzo responded that the project is not regulated and COPAs are filed that include the costs. Mr. Izzo asked if Mr. Janorschke is concerned that the resolution could raise a red flag that could challenge the exemption. Mr. Janorschke explained that when the COPA is filed, it is a straight pass-through with fuel and Bradley included. If one of those line items include interest for a project that has a life of 75 years, and yet, all of the interest is being charged during construction, that number will be large. He believes that amount will raise red flags. Mr. Billingsley indicated that Mr. Toepfer may have those actual numbers in his presentation.

Chair Miller agreed that this is outside the Commission's jurisdiction and is within the BPMC's option to proceed. He noted that the structure could provide that each utility makes their own determination how to treat the IDC. He does not believe that option would be difficult to enact administratively.

Mr. Billingsley agreed that staff could figure out how to create that option. His understanding is that the individual utilities have the flexibility to decide to pay the interest or to defer the interest.

Mr. Izzo asked for clarification that each utility could select to either capitalize the IDC or pay it up front. Chair Miller believes that it is a good option to provide each utility with the opportunity to make their own determination.

Mr. Billingsley suggested that the accounting and financing representatives should be consulted to confirm that the option can be tracked and is available. There was no objection.

Mr. Janorschke asked if FERC has specified the fish water bypass requirement for the expansion approval. He noted that requirement could change the economics of the project per megawatt hour. Mr. McLaughlin stated that FERC will typically defer to the resource agencies of Alaska Department of Fish and Game and US Fish and Wildlife Service. Consultation has occurred with both agencies since the draft amendment was reviewed. The minimum instream flows were adjusted to give more water during the coho and sockeye upstream migration periods and less water in July and August when there are high flows and no upstream passage. The release of water is approximately the same. The hope is that the agencies will continue to agree that is a good method.

Mr. Janorschke asked when the BPMC Finance Subcommittee would have a recommendation. Mr. Billingsley explained that the Finance Subcommittee is only looking at short-term financing, and the request is to have the BPMC approve the recommendation by the end of the month. He explained that the BPMC Finance Subcommittee will support the recommendation when all of the individual utilities support the recommendation.

Chair Miller requested that Sarah Lambe, HEA and Chair of the BPMC Finance Subcommittee, provide a status update and expected timeline for issuing a recommendation on interim financing. Ms. Lambe reiterated what was included in the letter to the Chair last Friday regarding the status of the information requests received from AEA, PFM, bond and tax counsel. The Finance Subcommittee is still working on building out the diligence record and is not in a position at this point to make a final recommendation on either construction financing or permanent long-term financing.

Ms. Lambe noted that the Finance Subcommittee has concerns and objections to the characterization in the proposed resolution that suggests that the Finance Subcommittee has provided any recommendations, even pertaining to the attached term sheet. Additionally, concerns are forefront regarding any effort to remove or bypass the individual utility boards' decision authority. The individual utilities are preparing presentations to their boards through July and August. This is in preparation for the BPMC approval of the project and to describe to the utilities' boards the financing options and the potential impact to membership. If the resolution that is currently before the BPMC is passed today in its current form removing the individual boards' decision authority, Ms. Lambe believes the Finance Subcommittee would then seek AEA's assistance in presenting the project information to the utilities' boards, including the justification for the funding mechanism that was selected. This would become necessary under the approach because the decision would no longer be with each utility's board jurisdiction to determine if the project is in the best interest of membership based on the individual utility's needs, costs, risks, and resources.

Ms. Lambe discussed that if the ask is to fully commit to a full project financing structure, even beginning with $100 million commercial paper or a similarly sized line of credit, she does not believe there is a commitment. Ms. Lambe noted that if the ask is to fund the project through other defined early milestones that help resolve some of the uncertainties surrounding the project costs, tax credit eligibility, and project integration, then she believes there are several options the Finance Subcommittee can support to allow the project to continue moving forward while preserving flexibility and avoiding unnecessary financing costs. The purpose of continuance with the additional design milestones is to shore up the major uncertainties that still govern the financing decisions. This includes refining the project cost estimate, understanding the cash flow schedule, confirming tax credit eligibility, evaluating whether the project design and capacity increases are sufficient to support ITC eligibility, and if the tax credits are not available, then evaluation needs to occur whether the project can still proceed under an alternative design necessary to prevent spill.

Ms. Lambe indicated that if there has been additional spending against the reported funding source or if the project's cash flow needs are more immediate than the reported, that needs to be clearly communicated to the Finance Subcommittee. Additionally, if the Series 11 interest income will not be spent toward the project, there are other options and mechanisms to immediately pay back those funds. Ms. Lambe understands that there is unanimous support from the utilities to continue working through the uncertainties surrounding the project costs and tax credit eligibility. The issue is whether or not the utilities are being asked to make financing decisions before the record is sufficiently developed. The Finance Subcommittee is scheduled to meet on Monday. The plan is to discuss options, including prefunding the R&C Fund with an upfront cash commitment by the utilities that would allow work to continue through the completion of the defined early project milestones. This would delay unnecessary financing costs associated with commercial paper facilities until the project's risk environment becomes more favorable, would preserve flexibility before making any long-term commitments, and would allow the individual utility board's approval for additional commitments.

Ms. Lambe discussed that the Finance Subcommittee requested additional time while continuing to support the work necessary to resolve the major uncertainties of the project and moving the project forward in deliberate ways. Ms. Lambe explained that the Finance Subcommittee does not believe its work should be characterized as a recommendation. The main concern is any action that removes the individual utility board's authority before each board has the opportunity to evaluate the project based on the information. She noted that the Finance Subcommittee is 100% supportive of getting the short-term financing needs of the project met so that the project can continue.

Chair Miller asked if Ms. Lambe expects that the Finance Subcommittee will have a specific recommendation by mid-August. Ms. Lambe discussed that she expects some recommendations to be available by that point, given the information that is available and becoming available. She believes that the recommendation will be focused on the short-term cash flow needs through mid-2028, rather than a full recommendation of $100 million commercial paper authorization.

Mr. Izzo expressed his view that future follow-up discussion should be held during executive session. He addressed the issue regarding the elimination of the utilities' board approval. Mr. Izzo noted that he is unaware that the Bradley Lake agreements indicate that AEA is to get individual utility board approval. He noted that was the conduct of a past AEA Board. This resolution does not eliminate the CEOs' responsibility to inform their board and obtain approvals that are required by the individual utility. Mr. Izzo commented that it is an inaccurate statement to indicate that the BPMC is eliminating or bypassing board approvals. He requested this clarification be discussed during the public session.

Mr. Thayer agreed with Mr. Izzo's comments. Mr. Thayer explained that it was a requirement of the AEA Board, and when that requirement was put in place, there were objections by the utilities. Mr. Thayer noted that he owns that issue because he took the considerations and the complaints, and said AEA does not need the requirement. AEA does not need to dictate an administrative burden that the utility boards provide a resolution. Mr. Thayer discussed that the term sheet presented today does not include AEA asking for passage of the term sheet. He explained that review of the financing options has been ongoing for three months and there is not a documented path forward from which to negotiate. The resolution before the Committee today, including the term sheet, is a beginning place for negotiation. Mr. Thayer commented that AEA does not object if the utilities want to include a section that the individual utilities' boards have authority. He reiterated that the resolution is a beginning point to continue forward movement.

Mr. Thayer noted for the public that the project should not move forward if the project is dependent on tax credits. If the project cannot stand on its own, then it should not go forward. Mr. Thayer explained that in a normal world, there will be no clarity on tax credits until a year after the project is constructed and the tax credit application is submitted in 2032. He commented that the project began four years ago in June of 2022, and for three years, there were no tax credits. The tax credits were included in the "Big Beautiful Bill." Mr. Thayer explained that AEA, the Governor, and Senator Sullivan have tried to be creative in seeking clarity regarding the tax credits for this project. He asserted that the analysis has to be completed on the merits of the project, and any tax credits would be fantastic. AEA is setting up to monitor and develop the controls to apply for the tax credits. Mr. Thayer commented that the project should not move forward if it relies on tax credits.

Chair Miller thanked Mr. Thayer for his clarification. Chair Miller commented that CEA takes the same approach with projects, in that they do not rely on the tax credits and decide if they want to move forward with the project without the tax credits. He noted that there are uncertainties associated with tax credits. Chair Miller believes this is a safe way to proceed with this project. There were no other questions from Committee members.

Chair Miller asked Mr. Billingsley for his comments. Mr. Billingsley indicated that the Committee could choose to enter into executive session to hear more about the financial details. Chair Miller suggested that the Committee go into executive session to have further discussion on the financing aspects of the transaction. There was no objection.

MOTION: A motion was made by Mr. Thayer 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. Izzo.

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

i. **EXECUTIVE SESSION: 11:11 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 12:01 p.m. Chair Miller advised that no formal action was taken on the matters discussed while in executive session.

C. CIPLink Update

Chair Miller requested Josi Hartley, AEA, to report on the CIPLink update. Ms. Hartley noted that the CIPLink project continues to advance. The primary focus points are the marine survey program, the procurement strategies for the long-lead equipment and design, and a continuation of the project financing efforts. Stantec is acting as the owner's engineer and is working to procure a survey contractor for the geophysical survey program. The intent is to refine the cable route, identify hazards along the alignment, and provide information to cable manufacturers in order to develop their installation proposals. The survey fieldwork is targeted for late 2026, and is subject to contractor availability and the weather. The permitting for those efforts is nearing completion. HDR has been prominent in helping support agency coordination. The marine survey data that is collected will be directly supportive of the upcoming procurements planned for the submarine cable and for the converter stations. Ms. Hartley explained that the cable solicitation will be structured as a prequalification and request for information. She noted that the converter solicitation will be structured differently, as it will be a request for proposals. However, the intended purpose and the scope within the RFP will be for the feed-phase of work only, and not for the actual construction, which will be covered within a later procurement. Ms. Hartley discussed that Stantec completed the final preliminary design report. The main changes to the report reflect the relocation of the southern converter station.

Ms. Hartley discussed that Department of Energy (DOE) has extended the project through June 30, 2027. In addition to the extension action, they also authorized expenditures of up to $65.3 million during that period. There is currently $64.2 million secured for the overall project cost share obligation, and pursuit of the remaining $142 million continues to close the funding requirements. Ms. Hartley noted that the total expenditure amount through June of 2026 was $2.1 million. The iterative process of bringing the reimbursements current is ongoing, and the requests are submitted on a quarterly basis. There were no questions or comments.

D. SQ Upgrade Update

Mike Miller, CEA, provided the update on the SQ Upgrade. Mr. Mike Miller discussed that the Project 2 bid package encountered a procedural issue. The bid package has since been reissued with modifications. The bids are due back on July 28, 2026. A Notice to Proceed (NTP) on Project 2 construction is anticipated in August. Mr. Mike Miller discussed that the Project 3 bids for steel pole structures have been received. The internal team and the engineering consultants HDR are currently evaluating those bids. There were no comments or questions.

E. SS Line Update

Mr. Janorschke noted that the Project Charter is in the Committee packet. The original bid for the project from Sterling to Soldotna was $24.4 million. This number increased to approximately $38 million. Because of that substantial increase in cost, Mr. Janorschke did not want to move forward with procurement until the BPMC gave its authorization to proceed. Mr. Janorschke explained that Resolution 26-02 gives HEA permission to order the material and to construct the overhead transmission 230 kV line. The distribution and fiber costs are borne by HEA. Mr. Janorschke indicated that HEA will not proceed with any orders until the resolution is passed. The resolution can be addressed at today's meeting or at the next meeting.

Mr. Thayer asked what the spend level is of the $24 million that is currently funded, and when the balance of the funding has to be solved. Mr. Janorschke indicated that the balance of the funding will be solved when the BPMC approves the authorization to proceed and decides on the solution. Mr. Janorschke stated the design work is complete. Mr. Thayer expressed his support for moving the project forward. He requested that a timeline is identified for obtaining additional funding.

Jim Mendenhall, AEA, commented on another consideration that the cost to proceed with the 106 is approximately $200,000. This is for both the SS Line and the associated substations for Soldotna, Sterling, and Quartz Creek.

Mr. Thayer explained that the $200,000 for the study qualifies for USDA funding if the environmental work is completed. Mr. Mendenhall agreed. Mr. Thayer noted the work has to be completed for CIPLink, and this project would add a small amount of work.

Chair Miller commented that the project is essential and needs to be completed. He thinks that the BPMC should do everything it can to let HEA move forward with the project.

Mr. Janorschke explained that the project is just waiting for BPMC approval. He agrees with Mr. Thayer that the cost of the project is not going to decrease. He understands that there were concerns about capacity. He noted that the balance of the capacity is split between the participants based on the project shares. There were no other comments or questions.

MOTION: A motion was made by Mr. Thayer to move forward with Resolution 26-02, authorizing Homer Electric Association to conduct additional competitive procurement on behalf of the Project. Motion seconded by Mr. Izzo.

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

Mr. Thayer commented that since AEA is having financing discussions with other parties such as the USDA, and Energy Office, AEA would be more than happy to bring financing options back to the BPMC. Mr. Thayer indicated that the signature line on the Charter will be updated.

Chair Miller agreed, and there were no objections.

9. OPERATORS REPORT

Chair Miller requested Martin Law, HEA, to provide the Operator's Report. Mr. Law noted that the Operator's Report is included in the packet. There were no comments or questions.

10. COMMITTEE REPORTS

A. Budget vs. Actuals

Chair Million requested Mark Ziesmer, AEA, to provide the Budget to Actuals report through May 31, 2026. Mr. Ziesmer reviewed that Schedule A actuals are at $239,000, which leaves a budget of $272,000. The total expenses for Schedule B are currently $6.2 million, which is approximately $835,000 under budget. Most FERC categories are tracking at or near budget, with a few notable variances. FERC 539, Miscellaneous Hydraulic Power Generation, is approximately $179,000 under budget, which is primarily due to less work completed during the outage than originally planned. FERC 544, Maintenance of Electric Plant, is approximately $156,00 under budget, which is primarily due to lower than anticipated maintenance activity during the year. FERC 571, Maintenance of Overhead Lines, is approximately $122,000 under budget, which is primarily due to lower-than-expected activity. The June invoice should include charges for work that has been completed and should reduce the variance.

Mr. Ziesmer explained that the Administrative Expenses under FERC 920 and FERC 930 are approximately $410,000 over budget. Payroll is approximately $137,000 over budget, which is primarily due to higher labor costs and increased fringe benefits. He noted that indirect and administrative cost allocation is approximately $242,000 over budget, largely because indirect cost allocations are driven by payroll levels. The legal expenses are approximately $66,000 over budget, which is primarily related to RCA response activity.

Mr. Ziesmer discussed that FERC 923, Outside Services Employed, is approximately $123,000 under budget. FERC 928, Regulatory Commission Expense, is approximately $525,000 under budget. A portion of that variance is expected to be recognized in June, and the remaining balance is primarily related to deferral of the FERC Part 12 Inspection effort to FY27. Mr. Ziesmer reviewed

Schedule D for Renewal and Contingency (R&C) purchases that total $527,000. The cumulative costs for the Bradley Expansion since inception are approximately $12.6 million. Schedule E, Battle Creek Non-R&C, has not had any activity through May 31, 2026.

Mr. Ziesmer reviewed that the Schedule F total expenses were $605,000, which is approximately $68,000 under budget. Most of the costs are driven by the standard 4% allocation from Bradley Lake. The total expenses for Schedule I, SSQ Line Operations and Maintenance, were $25,000, which is about $226,000 under budget. The costs to-date have been primarily related to budgeting, overhead line maintenance and administrative expenses. Appendix A summarizes Bond Series 11 funding through May 31, 2026. Most spending continues to be associated with the SQ Line and SS Line Upgrades, and the Bradley Expansion Project. The total cumulative spending for all projects to-date is approximately $20.5 million. The Oscillation Dampening Service (ODS) totals approximately $2.5 million. There were no comments or questions.

B. O&D Report

Chair Miller requested Josh Crowell, CEA, to provide the O&D Report. Mr. Crowell noted that the written report is included in the Committee packet. He said that Committee made it to Homer but did not make it out to the project for last month's meeting.

Chair Miller requested that Mr. Crowell and Mr. McLaughlin work together with PFM Financial Advisors and the utilities to conduct an O&D meeting to review the Bradley Lake Expansion Project. Mr. Crowell agreed to work with Mr. McLaughlin to schedule that work session. There were no other comments or questions.

11. MEMBER COMMENTS

Mr. Crocker expressed appreciation for today's discussion.

Mr. Million expressed appreciation for today's discussion, particularly regarding the financing. He looks forward to the Finance Subcommittee expounding on the details and providing the Committee with a recommendation to go forward, if appropriate.

Mr. Janorschke thanked Mr. Izzo for Chairing the BPMC for the last year and thanked Mr. Ziesmer for his work on the BPMC Finance Subcommittee.

Mr. Thayer thanked the staff for their efforts in filing the amendment for the Bradley Expansion Project. He expressed appreciation for today's meeting in providing clarification on the status of the timeline for the project. Mr. Thayer specifically thanked Mr. Ziesmer, Mr. Mendenhall, Ms. Hartley, Mr. McLaughlin, and Jennifer Bertolini, AEA, for their course of action.

Mr. Izzo echoed Mr. Thayer's comments. He congratulated Chair Miller on the good meeting.

Chair Miller echoed the previous comments. He reiterated the appreciation to Mr. Izzo for Chairing the BPMC last year. Chair Miller noted that he is looking forward to hearing the BPMC Finance Subcommittee's recommendations on the Bradley Lake Expansion Project interim and long-term financing.

12. NEXT MEETING DATE – September 25, 2026

Chair Miller noted that the next meeting date is September 25, 2026.

14. ADJOURNMENT

There being no further business for the committee, the meeting adjourned at 12:40 p.m.

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Arthur Miller, Chair

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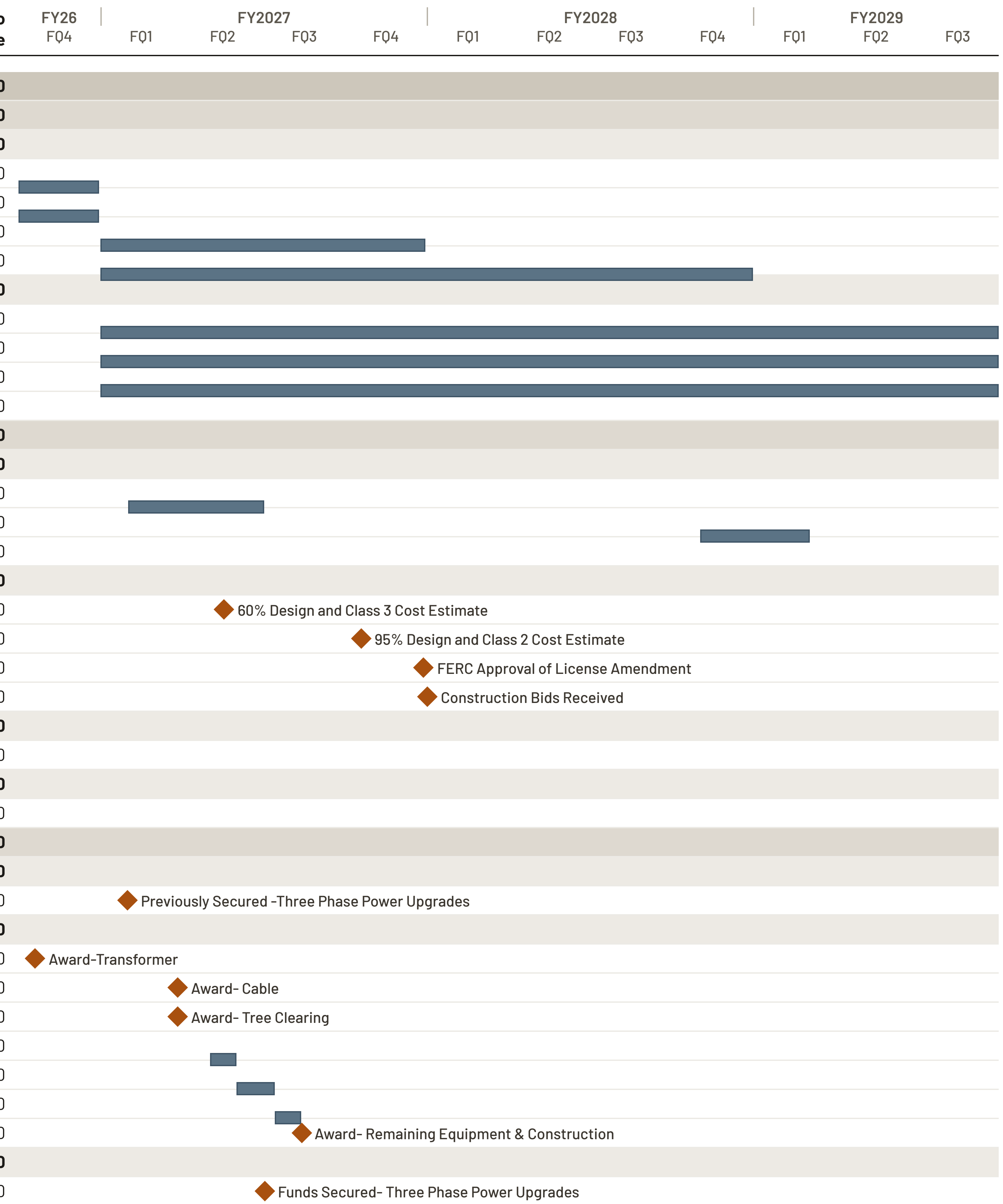
Curtis Thayer, Secretary

Bradley Financing Plan — Project Control Schedule

FY27–FY29 · Schedule detail, sheet 1 of 2

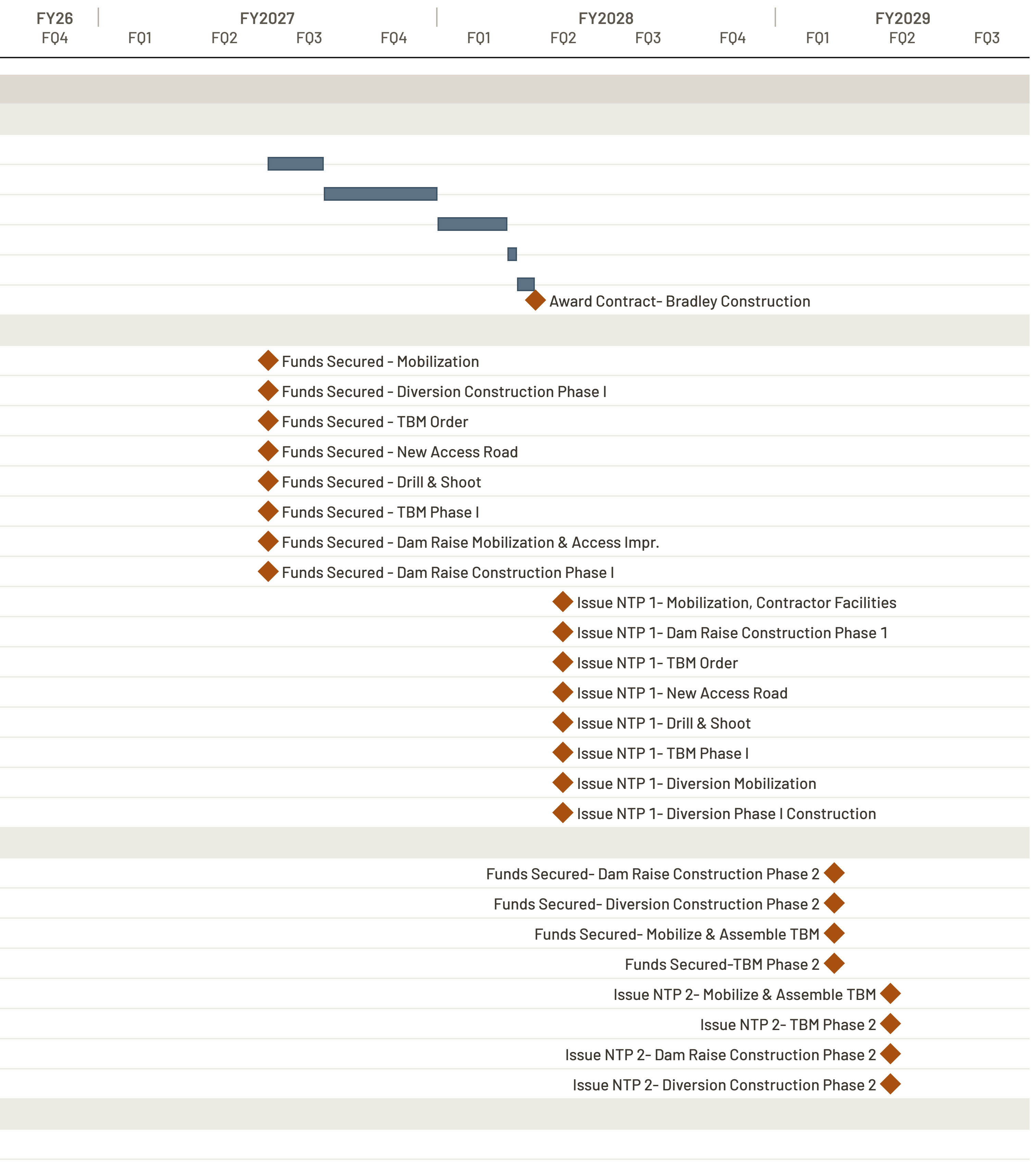
Activity Name	Start	Finish	Total Element Cost	Expenditures to Date
Bradley Project Control Schedule financing plan	**01-Jul-2024 A**	**29-Sep-2031**	**$435,960,000**	**$20,680,000**
1.0 AEA/Owner	**01-Jul-2024 A**	**30-Aug-2031**	**$34,350,000**	**$20,080,000**
Previously Secured	**01-Jul-2024 A**	**30-Jun-2028**	**$26,850,000**	**$20,080,000**
Project Development Costs FY25	01-Jul-2024 A	30-Jun-2026 A	$6,300,000	$6,300,000
Project Development Costs FY26	01-Jul-2025 A	30-Jun-2026 A	$13,780,000	$13,780,000
Committed Development Costs for FY27	01-Jul-2026 A	30-Jun-2027	$4,520,000	$0
Committed Development Costs For FY28	01-Jul-2026 A	30-Jun-2028	$2,250,000	$0
Funding Required	**01-Jul-2026 A**	**30-Aug-2031**	**$7,500,000**	**$0**
Provide Environmental & Licensing Support	01-Jul-2026 A	30-Aug-2031	$440,000	$0
Provide AEA Administration & Legal Support	01-Jul-2026 A	30-Aug-2031	$910,000	$0
Provide Design & Engineering Services	01-Jul-2026 A	30-Aug-2031	$3,250,000	$0
Provide Power to Tunnel Boring Machine (AEA)	01-Apr-2029	28-Mar-2031	$2,900,000	$0
Key Milestones	**01-Aug-2026 A**	**29-Sep-2031**	**$0**	**$0**
Financing Milestones	**01-Aug-2026 A**	**01-Jan-2030**	**$0**	**$0**
Issue Commercial Paper- Round 1	01-Aug-2026 A	01-Jan-2027	$0	$0
Issue Commercial Paper- Round 2	01-May-2028*	01-Sep-2028	$0	$0
Issue Commercial Paper- Round 3	01-Aug-2029*	01-Jan-2030	$0	$0
Utility Stage-Gates/Off Ramps	**17-Nov-2026**	**02-Jul-2027**	**$0**	**$0**
60% Design and Class 3 Cost Estimate	17-Nov-2026	17-Nov-2026	$0	$0
95% Design and Class 2 Cost Estimate	19-Apr-2027	19-Apr-2027	$0	$0
FERC Approval of License Amendment	28-Jun-2027	28-Jun-2027	$0	$0
Construction Bids Received	02-Jul-2027	02-Jul-2027	$0	$0
Turnover	**28-Sep-2031**	**28-Sep-2031**	**$0**	**$0**
Project Complete and Operational	28-Sep-2031	28-Sep-2031	$0	$0
Tax Credit Milestones	**29-Sep-2031**	**29-Sep-2031**	**$0**	**$0**
Start ITC Process	29-Sep-2031	29-Sep-2031	$0	$0
2.0 Three-Phase Power Upgrades	**20-Apr-2026 A**	**12-Feb-2027**	**$22,600,000**	**$600,000**
Previously Secured	**01-Aug-2026 A**	**01-Aug-2026 A**	**$5,830,000**	**$0**
Previously Secured -Three Phase Power Upgrades	01-Aug-2026 A	01-Aug-2026 A	$5,830,000	$0
Contracting	**20-Apr-2026 A**	**12-Feb-2027**	**$0**	**$600,000**
Award-Transformer	20-Apr-2026 A	20-Apr-2026 A	$0	$600,000
Award- Cable	26-Sep-2026	26-Sep-2026	$0	$0
Award- Tree Clearing	26-Sep-2026	26-Sep-2026	$0	$0
PR- Remaining Equipment & Construction	01-Nov-2026*	01-Dec-2026	$0	$0
Bid Period- Remaining Equipment & Construction	01-Dec-2026	12-Jan-2027	$0	$0
Bid Review and Contracting- Remaining Equip. & Constr.	12-Jan-2027	11-Feb-2027	$0	$0
Award- Remaining Equipment & Construction	11-Feb-2027	12-Feb-2027	$0	$0
Round 1	**01-Jan-2027**	**01-Jan-2027**	**$16,770,000**	**$0**
Funds Secured- Three Phase Power Upgrades	01-Jan-2027	01-Jan-2027	$16,770,000	$0



Bradley Financing Plan — Project Control Schedule

FY27–FY29 · Schedule detail, sheet 2 of 2

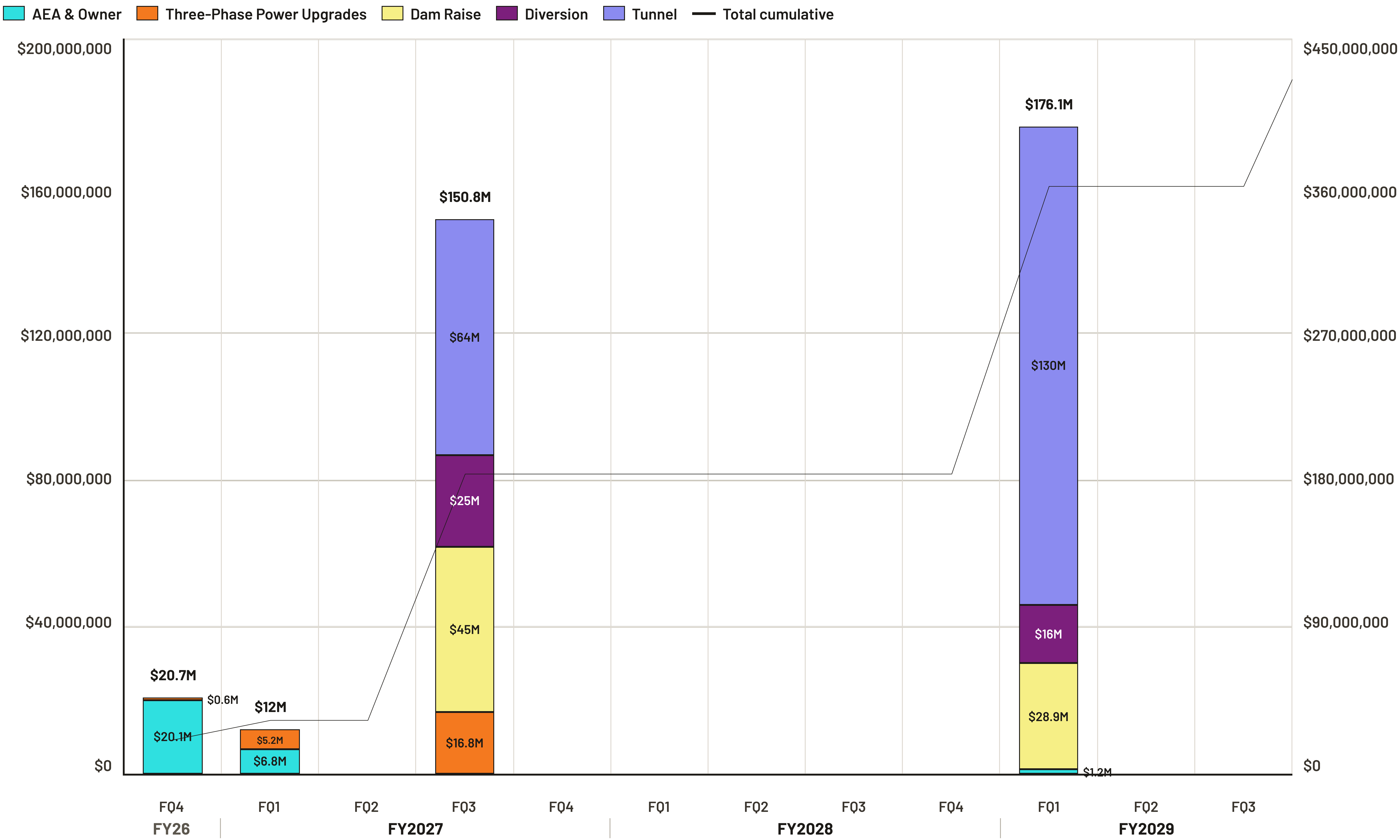
Activity Name	Start	Finish	Total Element Cost	Expenditures to Date
3.0 Bradley Construction	**01-Jan-2027**	**15-Nov-2030**	**$379,010,000**	**$0**
Contracting	**01-Jan-2027**	**16-Oct-2027**	**$0**	**$0**
PR Approvals & RFP Development- Bradley Construction	01-Jan-2027*	02-Mar-2027	$0	$0
RFP Response Period- Bradley Construction	02-Mar-2027	02-Jul-2027	$0	$0
Bid Review- Bradley Construction	02-Jul-2027	16-Sep-2027	$0	$0
10 Day Protest Period	16-Sep-2027	26-Sep-2027	$0	$0
Contract Negotiation	26-Sep-2027	16-Oct-2027	$0	$0
Award Contract- Bradley Construction	16-Oct-2027	16-Oct-2027	$0	$0
Round 1	**01-Jan-2027**	**16-Nov-2027**	**$134,000,000**	**$0**
Funds Secured - Mobilization	01-Jan-2027	02-Jan-2027	$5,000,000	$0
Funds Secured - Diversion Construction Phase I	01-Jan-2027	02-Jan-2027	$20,000,000	$0
Funds Secured - TBM Order	01-Jan-2027	02-Jan-2027	$20,000,000	$0
Funds Secured - New Access Road	01-Jan-2027	02-Jan-2027	$4,000,000	$0
Funds Secured - Drill & Shoot	01-Jan-2027	02-Jan-2027	$10,000,000	$0
Funds Secured - TBM Phase I	01-Jan-2027	02-Jan-2027	$30,000,000	$0
Funds Secured - Dam Raise Mobilization & Access Impr.	01-Jan-2027	02-Jan-2027	$10,000,000	$0
Funds Secured - Dam Raise Construction Phase I	01-Jan-2027	02-Jan-2027	$35,000,000	$0
Issue NTP 1- Mobilization, Contractor Facilities	15-Nov-2027	15-Nov-2027	$0	$0
Issue NTP 1- Dam Raise Construction Phase 1	15-Nov-2027	15-Nov-2027	$0	$0
Issue NTP 1- TBM Order	15-Nov-2027	16-Nov-2027	$0	$0
Issue NTP 1- New Access Road	15-Nov-2027	16-Nov-2027	$0	$0
Issue NTP 1- Drill & Shoot	15-Nov-2027	16-Nov-2027	$0	$0
Issue NTP 1- TBM Phase I	15-Nov-2027	16-Nov-2027	$0	$0
Issue NTP 1- Diversion Mobilization	15-Nov-2027	16-Nov-2027	$0	$0
Issue NTP 1- Diversion Phase I Construction	15-Nov-2027	16-Nov-2027	$0	$0
Round 2	**01-Sep-2028**	**01-Nov-2028**	**$174,900,000**	**$0**
Funds Secured- Dam Raise Construction Phase 2	01-Sep-2028	01-Sep-2028	$28,900,000	$0
Funds Secured- Diversion Construction Phase 2	01-Sep-2028	01-Sep-2028	$16,000,000	$0
Funds Secured- Mobilize & Assemble TBM	01-Sep-2028	01-Sep-2028	$5,000,000	$0
Funds Secured-TBM Phase 2	01-Sep-2028	01-Sep-2028	$125,000,000	$0
Issue NTP 2- Mobilize & Assemble TBM	01-Nov-2028*	01-Nov-2028	$0	$0
Issue NTP 2- TBM Phase 2	01-Nov-2028*	01-Nov-2028	$0	$0
Issue NTP 2- Dam Raise Construction Phase 2	01-Nov-2028*	01-Nov-2028	$0	$0
Issue NTP 2- Diversion Construction Phase 2	01-Nov-2028*	01-Nov-2028	$0	$0
Round 3	**02-Jan-2030**	**15-Nov-2030**	**$70,110,000**	**$0**
Funds Secured- TBM Phase 3	02-Jan-2030*	02-Jan-2030	$70,110,000	$0
Issue NTP 3- TBM Phase 3	15-Nov-2030*	15-Nov-2030	$0	$0



Bradley Financing Plan — Funding Requirement by Quarter

FY27–FY29 · Element cost bars (left axis) and total cumulative funding (right axis)

Print Date: 02-Sep-2026



ALASKA ENERGY AUTHORITY

BRADLEY LAKE EXPANSION PROJECT FINANCING

Mark Billingsley, General Counsel

Bradley Lake Project Management Cmte
Sept. 11, 2026

ALASKA ENERGY AUTHORITY

BLXP Financing

Presentation Roadmap

ALASKA ENERGY AUTHORITY

1 Project Update

2 Project Costs

3 Near-term Needs & Interim Finance Package
* BPMC decision point

4 DOE Conditional Commitment
* BPMC decision point

01

Section One

Project Update

Owned Assets Team

Ryan McLaughlin will provide the project update.

BLXP Construction Schedule

WORKSTREAM	ACTIVITY	2026		2027				2028				2029				2030			
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Project Development	Ongoing project development	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Electrical	3-phase power install				■	■													
Dam Raise	Mob, phase 1 of 2								■	■									
Dam Raise	Phase 2 of 2												■	■					
Diversion	Mob, phase 1 of 2								■	■									
Diversion	Phase 2 of 2												■	■					
TBM	Order placement						◆												
TBM	Access road, drill & shoot								■	■	■								
TBM	Mobilize, assemble TBM									■	■	■	■						
TBM	Phase 1 of 3								■	■	■	■	■	■					
TBM	Phase 2 of 3													■	■	■			
TBM	Phase 3 of 3																■	■	

02

Section Two

Project Costs

Section Overview

$435.95 million all-in project cost extending through FY32.

$32.68 million has been secured, and $12.00 million remains available.

$55.00 million is required regardless of expansion project construction.

Project Costs and Secured Funding

TOTAL ALL-IN COST
$435.95M

CONSTRUCTION
$401.60M

Funding secured to date
$32.68M

Remaining funds available
$12.00M

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
Construction Estimate *	—	$0.60M	$14.00M	$75.00M	$118.00M	$141.90M	$52.11M	—	$401.60M
Total	$6.30M	$14.38M	$18.52M	$77.25M	$119.95M	$145.70M	$53.51M	$0.35M	$435.95M

**Estimate as of February 2026*

Embedded in BLXP Budget:
Mandatory Part 12D and Relicensing Costs

ALASKA ENERGY AUTHORITY

TOTAL ESTIMATED VALUE

~$55M

$44M Total direct cost

+$11M OH/NICRA

25% applied to direct cost

Component	Est. Cost ($M)	Value/Benefit
3' Dam Raise	$23MM	Addresses FERC Probable Maximum Flood requirement
3-Phase Power Line to Dam	$15MM	Replaces aging infrastructure; enables enhanced controls, cameras, inflatable gates, and potential fish-water hydro-generation.
Part 12D Engineering and Environmental	$2MM	PMF analysis, seismic studies, and Board of Consultants
Relicensing Studies	$4MM	Many of the same environmental and engineering studies needed for relicensing

~$55M—captures mandatory dam-safety and relicensing work

Tax Credits

IRC 48E eligibility and value optimization

Objective	AEA is pursuing IRC 48E Clean Energy Investment Tax Credits
Eligibility	To be determined
Tax Credit Amount	Tax credit amounts range from 6% to 50% Tax credit base cannot yet be calculated, but likely will be a very high percentage (>=90%) of the total project cost AEA is instituting controls to maximize the tax credit amount

03

Section Three

Near-term Needs & Interim Financing Package

Bridge today, permanent tomorrow.

Commercial paper program for up to $150.77 million through June 2028 to cover development and construction costs, allowing time to refine engineering, licensing, and project costs and resolve tax credit eligibility.

Near-term Financial Needs: FY27 and FY28

THREE-PHASE POWER

$16.77M

FEBRUARY 2027

Current funding shortfall that must be covered to complete the three-phase power installation.

PROCUREMENT PROCESS

JAN 2027

Begin PR/RFP development

Funding should be in place to begin PR (procurement requisition) and develop the RFP.

MAR 2027

Issue RFP

Funding is strongly recommended when the RFP is issued.

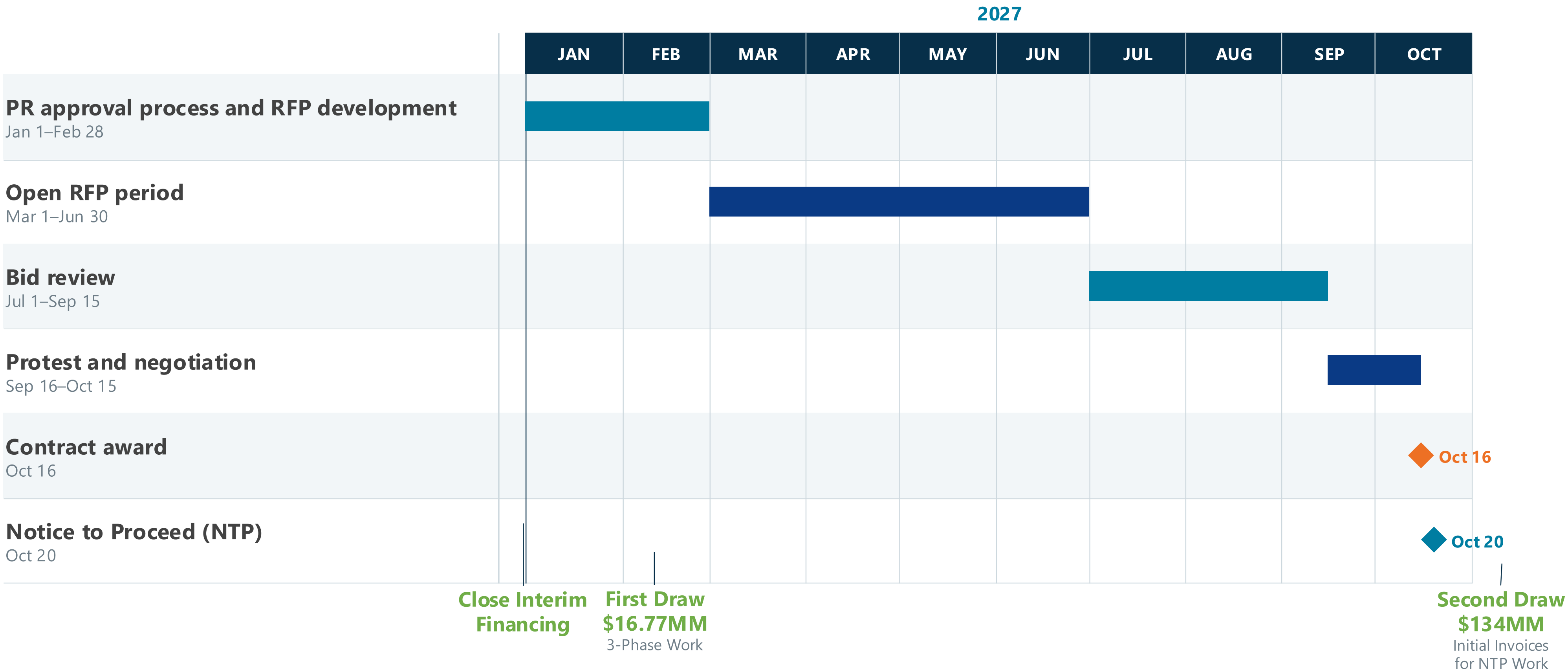
OCT 2027

Issue NTPs

Funding is required to issue NTPs ($134MM).

Year-end 2026 close—positions AEA to fund the three-phase power upgrade and kickoff the procurement process

Procurement Schedule – first large group of NTPs

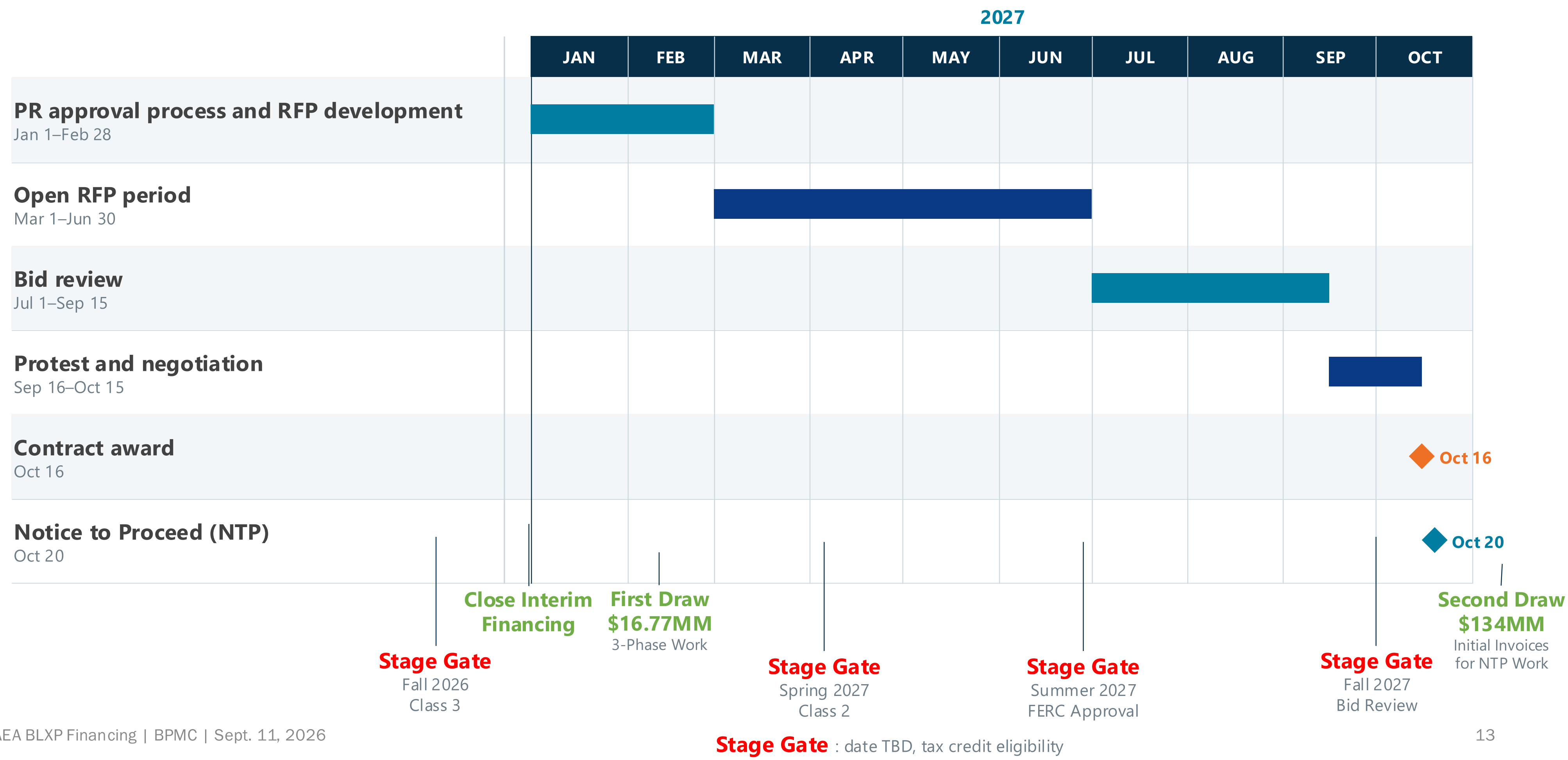


BPMC Stage Gates

Multiple decision points and opportunities to review the project

Oct/Nov 2026	Mar 2027	Summer 2027	Fall 2027	Through 2028
60% design & Class 3 cost estimate	**95% design & Class 2 cost estimate**	**FERC License Amendment decision**	**Construction RFP results & financials**	**IRC § 48E tax-credit updates**

Procurement Schedule – first large group of NTPs



Interim Financing Terms

ALASKA ENERGY AUTHORITY

AMOUNT

$150.77MM Covers FY27 and FY28 financing needs.

MATURITY DATE

June 30

Why interim financing

1 Tax-credit eligibility remains uncertain: If BLXP qualifies, interim financing bridges cash needs until credits are received.

2 Allows federal agencies time to process long-term loan applications.

3 Limits exposure to adverse interest rates and negative carry.

Financing type / terms

Financing type	Commercial paper program
Fees / interest	Modest setup and annual fees; interest accrues only on amounts drawn.
Draw tax status	Taxable or tax-exempt—selected at the time of each draw.
Interest rate	Market rate at the time of draw.
Capitalized interest	TBD pending utility preference.

June 30, 2028: Deadline to refinance interim debt and secure a second round of financing to continue construction

04

Section Four

DOE Conditional Commitment

- **Long-term Finance Options**
- **DOE Conditional Commitment**

Long-Term Finance Options

Bonds	Tax exempt bonds
Federal Loan	USDA RUS Electric Infrastructure Loan Program
Federal Loan/Grant	USDA RUS PART program (loan forgiveness) *limited to $100MM*
Federal Loan	DOE EDF Title 17 loan program

Financing Options Across AEA Capital Projects

ALASKA ENERGY AUTHORITY

Availability by project and borrower structure

FINANCING OPTION	BLXP	SSQ	CIPLINK
Tax-exempt bonding	**Eligible**	✗	✗
USDA RUS loan — system borrower	**Eligible** * But lead time TBD	**Eligible** * But lead time TBD	**Eligible** * But lead time TBD
DOE EDF Title 17 loan	**Eligible**	**Eligible** * Must be paired with BLXP	✗

USDA RUS Project-borrower financing—likely available for all three projects
Terms: funds unavailable until completion, and 25% equity required

Decision Point: Preserve DOE Financing Optionality?

Proceed toward a DOE conditional commitment?

AEA can pursue a DOE conditional commitment at the cost of advisory fees while continuing to evaluate USDA RUS, tax-exempt financing, and tax credits

Estimated cost to reach conditional commitment

~$1.2M–$2.8M

DOE indicated costs could be near ~$1.3M if legal costs are lower.

What AEA receives

- Reserved DOE financing capacity
- Potentially faster path to closing
- Ability to continue comparing alternatives

Long-term paths

TAX-EXEMPT

Available

Generally lower-cost, but tax-exempt funding can reduce the project's tax credit by up to 15%.

USDA RUS

Potentially lowest-cost

System-borrower eligibility remains TBD (project-borrower path appears available)

DOE TITLE 17

Available now

More expensive in current PFM comparisons

DOE Conditional Commitment: Key Terms and Decision Considerations

The commitment would preserve an option, not determine the final financing selection.

Indicative DOE terms

Leverage	20% equity / up to 80% DOE loan
Term & rate	30 years; 30-year Treasury + 3/8%
Tax credits	No reduction in tax credits
Construction interest	May be capitalized
Prepayment	Tax-credit proceeds may be used without make-whole
Other	BABA applies

BPMC decision considerations

1. ***Value of optionality*** — Does reserving DOE capacity justify spending advisor fees before the final financing recommendation is known?
2. ***Risk of delay*** — DOE reports a significant risk that program funds may be committed to other applicants.
3. ***Relative economics*** — DOE is generally higher-cost, but could become more competitive depending on USDA eligibility and final tax-credit treatment.
4. ***Ability to pivot*** — AEA may stop during diligence, pursue another option, or use a commitment to shorten a later DOE closing.

DOE Optionality: Incremental Cost, Requirements, and SSQ Impact

Breakdown of DOE Loan Costs

Advisor fees	Likely ~$1.3MM (range: $1.2M–$2.8M)
Annual maintenance	$150K–$200K
Facility fee	0.6% of principal
Risk premium	DOE indicated it may be waived for AEA

DOE Loan: Pros and Cons

STRATEGIC VALUE

- Collaboration: Engaged and ready to collaborate in overcoming obstacles that may arise
- SSQ financing solution
- Equity contribution: SSQ could count toward required DOE equity

TRADEOFFS

- Cost: Higher than alternatives
- Equity: Contribution required
- Compliance: BABA is stricter than USDA (Buy American Act) or bonds; estimated cost TBD

Considerations:

1. SSQ financial comparison: taxable bonds, USDA system-borrower, USDA project-borrower, DOE
2. SSQ funding gap, required timing, and corresponding scope of work.

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 40 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. Accounting for projected expenditures for FY27 and FY28 and after applying currently secured funding, approximately $150.77 million in additional financing would be required 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.

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 spring of 2028 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, the closing costs and annual letter of credit fees for the interim financing may be paid using interest earned on proceeds from AEA's sale of series 11 bonds;

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 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 September, 2026.

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE

____
Chair, Arthur Miller

Attest: ____________________________
Secretary, Curtis Thayer

EXHIBIT 1 TERM SHEET

Alaska Energy Authority
Up to $150,770,000 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 $150,770,000.00[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

[1] Funding for FY27 and FY28 BLXP costs.

	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 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 costs and annual letter of credit fees to be paid using interest earned on proceeds from AEA's sale of series 11 bonds.

[UTILITY NAME]

BOARD OF DIRECTORS

RESOLUTION NO. ______

APPROVAL OF INTERIM FINANCING FOR THE BRADLEY LAKE EXPANSION PROJECT

WHEREAS, [UTILITY NAME] is a Purchaser of power from the Bradley Lake Hydroelectric Project (the "Project") pursuant to the Agreement for the Sale and Purchase of Electric Power, dated December 8, 1987, as amended (the "Power Sales Agreement");

WHEREAS, the Bradley Lake Expansion Project ("BLXP") consists generally of improvements to the existing Project, including construction of the Dixon Diversion facilities and modifications to Bradley Lake and related Project infrastructure intended to increase the amount of renewable, dispatchable energy produced by the Project;

WHEREAS, the State of Alaska Department of Law has issued an opinion concluding that the BLXP constitutes Required Project Work subject to corresponding conclusions by each of the Purchasers and an independent expert;

WHEREAS, an independent economic and engineering analysis has been completed and has concluded that the BLXP is consistent with national standards and sound economics and constitutes Required Project Work under the Power Sales Agreement;

WHEREAS, Alaska Energy Authority ("AEA"), PFM Financial Advisors, LLC, and Orrick, Herrington & Sutcliffe LLP has evaluated financing alternatives and has recommended an interim financing structure to support continued development, procurement, engineering, permitting, and construction activities associated with the BLXP;

WHEREAS, the proposed interim financing is expected to consist of a commercial paper program secured under the Power and Revenue Bond Resolution on parity with existing Bradley Lake obligations;

WHEREAS, the closing costs and annual letter of credit fees for the interim financing may be paid using interest earned on proceeds from AEA's sale of series 11 bonds;

WHEREAS, the Board has reviewed and considered the proposed interim financing package for the BLXP, including the anticipated structure, purpose, security, and expected use of proceeds;

WHEREAS, the Board recognizes that final financing documentation, credit support arrangements, interest rates, maturities, draw procedures, and other transaction terms may continue to be negotiated and finalized before closing, and that the final financing documents may differ in certain respects from the term sheet reviewed by this Board, provided the transaction remains substantially consistent with the financing package presented in the attached term sheet; and

WHEREAS, the Board recognizes that Bradley Lake Project Management Committee ("BPMC") approval of the interim financing package expressly retains the BPMC's right to withdraw its approval prior to the closing of the financing or the Authority's draw of any funds made available through the financing package, and that AEA will 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

WHEREAS, the Board of Directors of [UTILITY NAME] desires to express its support for advancement of the BLXP and approve the proposed interim financing package.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Directors of [UTILITY NAME] incorporates the above recitals into this Resolution as if fully set forth herein.

BE IT FURTHER RESOLVED THAT [UTILITY NAME] concludes that the BLXP is Required Project Work as that term is used in the Power Sales Agreement.

BE IT FURTHER RESOLVED THAT [UTILITY NAME] authorizes the interim financing transaction for the Bradley Lake Expansion Project, including establishment of an interim financing program in a principal amount not to exceed $150,770,000, substantially consistent with the attached term sheet, as may be modified, supplemented, or finalized before closing, provided that such modifications do not materially increase the amount financed, materially alter the fundamental security structure, or materially change the intended use of proceeds.

BE IT FURTHER RESOLVED THAT this Resolution is intended solely to authorize and support the interim financing package described above and shall not be construed as approval of any future long-term financing, refinancing, permanent financing, or subsequent financing package for the BLXP, each of which may be presented separately for future consideration.

BE IT FURTHER RESOLVED THAT the officers and management of [UTILITY NAME] are authorized to take such actions, provide such confirmations, and execute such acknowledgments, certificates, or supporting documents as may be reasonably necessary or advisable to effectuate the intent of this Resolution, provided that such actions remain consistent with the approvals and limitations set forth herein.

CERTIFICATION

I, ____________________________, hereby certify that I am the duly elected Secretary of [UTILITY NAME], and that the foregoing Resolution was duly adopted by the Board of Directors of [UTILITY NAME] at a meeting held on ____________________, 2026, at which a quorum was present and acting throughout.

DATED this _____ day of ____________________, 2026.

By: ______________________________

Secretary

Name: ______________________________

Title: ______________________________

EXHIBIT 1 TERM SHEET

Alaska Energy Authority

Up to $150,770,000 in Interim Financing

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 $150,770,000.00
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 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.
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 costs and annual letter of credit fees to be paid using interest earned on proceeds from AEA's sale of series 11 bonds.

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE

RESOLUTION NO. 26-03

A RESOLUTION SUPPORTING STATE PARTICIPATION IN THE COOK INLET POWERLINK PROJECT

WHEREAS, the Bradley Lake Project Management Committee ("BPMC") consists of the Alaska Energy Authority and representatives from all the Railbelt electric utilities, each of which purchases power from the Bradley Lake Hydroelectric Project pursuant to the Bradley Lake Power Sales Agreement; and

WHEREAS, the Bradley Lake Hydroelectric Project is a cornerstone of Alaska's Railbelt energy system, providing reliable, low-cost renewable power to communities from the Kenai Peninsula through the Anchorage and Mat-Su areas and north to Fairbanks and the Delta Junction area; and

WHEREAS, the Bradley Lake Expansion Project would capture additional water from the Dixon Glacier and increase the annual energy production of the Bradley Lake Project by approximately 165,000 megawatt-hours—an increase of roughly 40 percent—providing enough additional renewable energy to serve approximately 30,000 homes and displacing approximately 1.5 billion cubic feet of natural gas annually; and

WHEREAS, the Bradley Lake Expansion Project is now substantially advanced, with the Alaska Energy Authority having filed its Final License Amendment Application with the Federal Energy Regulatory Commission on June 30, 2026, and the project moving toward construction following federal licensing; and

WHEREAS, AEA is developing the Bradley Lake Expansion Project in partnership with the Railbelt utilities, which together have made the substantial financial commitment necessary to fund construction of the approximately $400 million project; and

WHEREAS, reliable delivery of the additional energy produced by the Bradley Lake Expansion Project depends upon continued modernization of the Railbelt transmission system and, in particular, successful completion of the Cook Inlet PowerLink ("CIPLink") project; and

WHEREAS, CIPLink is a planned high-voltage direct-current transmission system connecting the Southern and Central Railbelt through a 38-mile subsea cable and associated overland facilities and converter stations; and

WHEREAS, CIPLink initially will provide 100MW, and ultimately up to 200MW, of bidirectional power-transfer capability between the Southern and Central Railbelt, creating a redundant transmission connection between these regions, eliminating a critical single point of failure, improving system reliability and resilience, and allowing power to be transferred more efficiently to where it is needed; and

WHEREAS, CIPLink will also provide the transmission capacity necessary to make full use of existing and future generation, including the additional energy produced by the Bradley Lake Expansion Project, while reducing transmission losses and enabling the Railbelt to make greater use of its most economical available generation resources; and

WHEREAS, CIPLink is estimated to cost $413 million, and AEA has received federal grant through the U.S. Department of Energy's Grid Resilience and Innovation Partnerships program to cover half of the cost; $64.2 million in matching funds has been secured, leaving approximately $142.3 million in remaining funding requirements; and

WHEREAS, closing this funding gap is necessary to preserve previously awarded federal funds, maintain project momentum, and allow completion of a project that is foundational to long-term reliability and economic development throughout the Railbelt; and

WHEREAS, the combination of CIPLink and the Bradley Lake Expansion Project represents a significant investment in Alaska-owned energy infrastructure that will strengthen Railbelt energy security and reliability, reduce reliance on natural gas, support greater use of low-cost and renewable generation, lower long-term energy costs, and generate substantial economic activity and long-term benefits for Alaska over an expected useful life of approximately 50 years; and

WHEREAS, the Bradley Lake Project Management Committee recognizes that completion of CIPLink is critical to realizing the full value of the Bradley Lake Expansion Project and to maintaining the reliability and economic benefits of the broader Railbelt electric system; and

WHEREAS, the Bradley Lake Project Management Committee considers completion of CIPLink and securing the remaining funding necessary for the project to be its top legislative request;

NOW, THEREFORE, BE IT RESOLVED, that the Bradley Lake Project Management Committee expresses its strong support for state participation in the CIPLink project in the amount of $142.3 million close the remaining funding gap and enable the project to proceed on schedule; and

BE IT FURTHER RESOLVED, that the Bradley Lake Project Management Committee recognizes that completing CIPLink will help ensure that the additional energy made possible by the Bradley Lake Expansion Project can be delivered to Railbelt consumers, strengthening the value of the substantial investment being undertaken by the Railbelt utilities in the Bradley Lake Expansion Project; and

DATED at Anchorage, Alaska, this ___ day of _________, 2026.

____
Arthur Miller, Chair

____
Curtis Thayer, Secretary

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE
RESOLUTION NO. 26-04

Bradley Lake Expansion Project
Renewable Energy Fund Grant Application, Round 19

INTRODUCTION

The Bradley Lake Hydroelectric Project provides a significant source of reliable, renewable energy to Alaska's Railbelt electric utilities. The Bradley Lake Expansion Project, including the Dixon Diversion and Bradley Lake Pool Raise components, is intended to increase the renewable energy available from the existing Bradley Lake Hydroelectric Project and reduce the Railbelt's dependence on fossil-fueled generation.

The Alaska Energy Authority (AEA) is advancing development of the Bradley Lake Expansion Project. Current planning estimates that the expansion could increase annual Bradley Lake energy production by approximately 167,000 MWh, or 40 percent. The Bradley Lake Project participants' respective shares are: Chugach Electric Association, 56.3%; Golden Valley Electric Association, 16.9%; Matanuska Electric Association, 13.8%; Homer Electric Association, 12.0%; and the City of Seward, 1.0%.

In 2021, the Bradley Lake Project Management Committee (BPMC) adopted Resolution No. 21-03 supporting Chugach Electric Association, Inc. (Chugach), on behalf of the BPMC, in submitting an application to AEA under Round 14 of the Renewable Energy Fund (REF) for the Dixon Diversion Feasibility Project. The Dixon Diversion has since been incorporated into the broader Bradley Lake Expansion Project, which also includes the Bradley Lake Pool Raise. Resolution No. 21-03 supported a $1 million REF grant application and committed $1 million in BPMC matching funds for feasibility studies needed to advance the project.

AEA subsequently awarded REF Award No. 7014022 for the Dixon Diversion Feasibility Project. The award, together with BPMC matching funds, has supported engineering, hydrologic, geotechnical, environmental, and other feasibility work needed to evaluate and advance the project. Under the March 2023 Memorandum of Agreement between AEA and Chugach, the REF funds were used to reimburse eligible engineering and environmental study costs, thereby reducing expenses that otherwise would have been borne by the utilities participating in the project.

Development of the project has progressed substantially since the original REF application. AEA is now advancing the broader Bradley Lake Expansion Project, which incorporates the Dixon Diversion and Bradley Pool Raise sub-projects, and has filed a Final Amendment Application with the Federal Energy Regulatory Commission to amend the existing Bradley Lake license for the expansion.

PURPOSE OF RESOLUTION

The purpose of this resolution is to demonstrate the BPMC's support for Chugach, on behalf of the BPMC, to submit an application to AEA for additional funding under Round 19 of the Renewable Energy Fund to continue development of the Bradley Lake Expansion Project and to authorize the commitment of BPMC matching funds in support of the application.

BPMC RESOLUTION NO. 26-04

WHEREAS, the Bradley Lake Hydroelectric Project provides renewable energy to Chugach Electric Association, Inc., Golden Valley Electric Association, Inc., Homer Electric Association, Inc., Matanuska Electric Association, Inc., and the City of Seward;

WHEREAS, the Bradley Lake Expansion Project, including the Dixon Diversion and Bradley Lake Pool Raise components, has the potential to materially increase the renewable energy produced by the Bradley Lake Hydroelectric Project and reduce the Railbelt's reliance on fossil-fueled generation;

WHEREAS, the Bradley Lake Expansion Project is expected to provide energy and economic benefits to residents and businesses throughout the Railbelt, extending from the Kenai Peninsula through Anchorage and the Matanuska-Susitna Valley to Fairbanks;

WHEREAS, in December 2021, the BPMC adopted Resolution No. 21-03 supporting Chugach's submission, on behalf of the BPMC, of an REF Round 14 application for $1 million for the Dixon Diversion Feasibility Project and committed $1 million in BPMC matching funds;

WHEREAS, AEA subsequently awarded REF Award No. 7014022 for the Dixon Diversion Feasibility Project, and AEA and Chugach entered into a Memorandum of Agreement dated March 7, 2023, governing the use of the REF award for project engineering and environmental studies;

WHEREAS, the work undertaken with the prior REF award and BPMC funding has materially advanced the evaluation and development of the Dixon Diversion and the broader Bradley Lake Expansion Project;

WHEREAS, continued engineering, design, environmental, permitting, licensing, geotechnical, and other project-development activities are necessary to further evaluate and advance the Bradley Lake Expansion Project;

WHEREAS, obtaining additional REF funding would reduce project-development costs otherwise borne by the participating Railbelt utilities and their customers and support the continued advancement of a renewable energy resource that benefits communities throughout the Railbelt;

WHEREAS, the BPMC believes the Bradley Lake Expansion Project is well suited for consideration for additional funding through AEA's Renewable Energy Fund;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The BPMC supports Chugach Electric Association, Inc., acting on behalf of the BPMC, in preparing and submitting an application to the Alaska Energy Authority under Renewable Energy Fund Round 19 requesting $1,000,000 for continued development of the Bradley Lake Expansion Project.

2. The BPMC acknowledges that the Round 19 application follows and builds upon the Dixon Diversion Feasibility Project supported by BPMC Resolution No. 21-03 and REF Award No. 7014022 and reflects the project's evolution into the broader Bradley Lake Expansion Project.

3. The BPMC commits up to $1,000,000 in matching funds toward the proposed REF-funded scope of work in support of the Round 19 application. Any REF grant funds awarded, together with applicable BPMC matching funds, will be used for eligible project-development activities associated with the Bradley Lake Expansion Project, which may include engineering, design, geotechnical investigations, environmental studies, licensing, permitting, project cost refinement, construction administration, and other activities necessary to evaluate and advance the project.

4. Authorization to submit the REF application and commit matching funds does not constitute authorization by the BPMC to construct the Bradley Lake Expansion Project or to incur financing or other material commitments for

construction. Any such future decisions remain subject to separate consideration and approval by the BPMC.

5. Chugach is authorized, on behalf of the BPMC, to complete and submit the REF application, and take such other administrative actions as are reasonably necessary to pursue the grant consistent with this Resolution.

DATED at Anchorage, Alaska, this 11th day of September 2026.

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE

____

Chair, Arthur W. Miller

____

Secretary, Curtis Thayer