

BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE (BPMC)
SPECIAL MEETING MINUTES
September 11, 2026

1. CALL TO ORDER

Chair Miller called the meeting of the Bradley Lake Hydroelectric Project Management Committee to order at 10:00 a.m. A quorum was established.

2. ROLL CALL (for Committee members)

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

3. PUBLIC ROLL CALL (for all others present)

Jennifer Bertolini, Mark Billingsley, Patrick Domitrovich, Pamela Ellis, Ryan McLaughlin, Jim Mendenhall, Robert Varga, Mark Ziesmer (AEA); Sherri Highers, Andrew Laughlin, Mike Miller, Paul Millwood (CEA); Andrew Jensen (Governor's Office); Dan Bishop, Laura Barson (GVEA); Larry Jorgensen, Sarah Lambe,9Martin Law, Andrew Patrick, Jessica Spuhler (HEA); Josh Crowell, Kim Henkel, David Pease, Matt Reisterer, Tony Izzo (MEA); Bernie Smith (Public); Julian Jensen (public); and Jonathan Simon (Van Ness Feldman).

4. AGENDA APPROVAL

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

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

5. PUBLIC COMMENTS

Bernie Smith noted that he liked the improvements to the meeting room. He expressed appreciation for the transcript of the Minutes which were very well done. Mr. Smith requested that the Board move the agenda item Member Comments to above executive session when there is no other business after the executive session that can be discussed. This would allow the members of the public to hear the members' comments without having to wait until after executive session or wait until the transcript of the Minutes is released. He thanked the Board for the opportunity to testify. He commented that the Board did a very good job at the last meeting. There were no other members of the public online or in-person who wished to make a public comment.

6. APPROVAL OF MEETING MINUTES – July 24, 2026

MOTION: A motion was made by Mr. Million to approve the Minutes of July 24, 2026.

Motion seconded by Mr. Zellers.

A roll call was taken, and the motion to approve the Minutes of July 24, 2026, passed unanimously.

7. OLD BUSINESS

A. Bradley Lake Expansion Project

i. Project update

• GANTT Chart

Chair Miller requested that Mark Billingsley and Ryan McLaughlin, AEA review the GANTT Chart and provide the Bradley Lake Expansion Project (BLXP) update. Mr. Billingsley commented that the project update is within the overall presentation and includes financing. A simplified version of the GANTT chart is shown in the presentation. The complete GANTT Chart is also included in the packet. Mr. Billingsley noted that Mr. McLaughlin will provide a general engineering update on BLXP. Mr. McLaughlin explained that the drill crews have been at Bradley Lake since mid-May. The 2026 geotechnical campaign is nearing its end. The biggest efforts were the two deep boreholes along the tunnel alignment for instrumentation and testing. One of the two boreholes has been completed. Work continues on the second borehole. It is currently 834 feet below ground surface, which is approximately 100 feet from the targeted depth.

Mr. McLaughlin discussed that the weather at Bradley Lake is beginning to show signs of winter, which means that crews will begin demobilization soon. Work continues by the testing crew to conduct stress testing at the current depths of the second borehole. The challenges with drilling the second hole include hitting a faulted zone at about 250 feet below ground surface. This resulted in constant water flows of approximately 25 gallons per minute flowing up the well. The crew is doing a good job managing the drilling challenges and the weather challenges. Mr. McLaughlin explained there have been 27 days this summer that the helicopter has not been able to get out to the site due to weather. Overall, the season has been successful in drilling the holes and collecting the valuable data that will be processed this fall.

Mr. McLaughlin noted that an industry day will be hosted during the week of October 5, 2026. Staff have a list of contractors that have reached out for information. The hope is to send out an invitation next week to interested contractors. Mr. McLaughlin encouraged members to send out the invitation to their network and distribution list so that as many interested people can learn about the project as possible. Additionally, the Board of Consultants recently submitted their report and comments on the materials presented during the June Board of Consultants meeting and site visit. Staff are working on drafting responses to the comments and incorporating their thoughts into the current design.

Mr. McLaughlin discussed that the annual Bradley Lake dam inspection occurred last week.

Overall, Bradley Lake is maintained and operated at an extremely high level. The comments to the operators were all positive. There are no dam safety concerns at Bradley Lake dam. Mr. McLaughlin explained that the engineering team attended the site visit and conducted an electrical and mechanical systems deep dive with the operators. Valuable feedback from the operators was received regarding the existing systems and the proposed design. This feedback is a benefit to the design of the project overall. Mr. McLaughlin expressed appreciation to operator Nate Zigmont, HEA, for dedicating two entire days to working with the engineering team. During the same recent trip, the annual dam safety training was conducted with both operating crews. There were no comments or questions for Mr. McLaughlin.

ii. Financing Update

Mr. Billingsley discussed that the construction schedule included in the presentation is an overview of the project activities. Completion is expected in 2030, with commission in 2031. Mr. Billingsley noted that the most recent cost estimate remains at a total of \$436 million. Of that amount, \$402 million is construction, \$32 million has been secured to-date, and approximately \$12 million of those funds remain. The categories are delineated as project development costs through FY26, owner's costs, and construction estimates.

Mr. Billingsley explained that approximately \$55 million in costs at Bradley Lake is estimated to be incurred as part of the mandatory Part 12D and the Federal Energy Regulatory Commission (FERC) relicensing requirements. This work would have to be completed even if the BLXP was not in progress. Those costs, however, are embedded in the current BLXP budget.

Mr. Billingsley noted that AEA continues to pursue the IRC 48E Clean Energy Investment Tax Credits for the project. He explained that there is still uncertainty regarding eligibility. Staff are instituting controls to maximize the tax credit amount. The tax credit base cannot yet be calculated but is likely to be a high percentage of the total project cost. Staff will provide that information to the Board as soon as possible. The tax credit amounts would range from 6% to 50%.

Mr. Billingsley reviewed the need for interim financing and access to funding. He discussed the procurement schedule through October 2027. Staff expect to close the interim financing by the end of the year. AEA's procurement process and RFP development will begin in January 2027. In February, the engineering team anticipates issuing an NTP for the three-phase power installation, which is estimated to cost \$16.77 million. The funds need to be in the bank in order for AEA to issue the NTP. The RFP is expected to be issued by March 2027 through June 2027. The bid review is July 2027 through mid-September 2027. The scheduled time for protest and negotiation is mid-September 2027 through mid-October 2027. The contract award is expected around October 16, 2027. He explained that the project will have a series of NTPs that will be structured and negotiated with the final contractor. The utilities will also be involved in that process. The second draw or partial draw is anticipated in October or November of 2027.

Mr. Billingsley explained that the BPMC will have ongoing review of the project and the ability to

withdraw its approval of the financing or subsequent draws of the financing at any time. Specific stage gates for the BPMC and the utilities are in October/November 2026 for the 60% design and Class 3 cost estimate; March 2027 for the 95% design and Class 2 cost estimate; summer 2027 for the FERC license amendment decision; fall 2027 for the construction RFP results and financials, and through 2028 for the IRC and 48E tax credit updates.

Chair Miller requested Mr. Billingsley to note the plus/minus range for the 65% design and Class 3 cost estimate, and the 95% design and the Class 2 cost estimate. Mr. Billingsley believes the range for Class 3 is approximately minus 10% to plus 15% or 20%, and the range for the Class 2 is approximately minus 5% to plus 10% to 15%. Chair Miller asked if the power upgrade is necessary, independent of the BLXP. Mr. Billingsley explained that the single-phase line currently from the powerhouse to the dam is old and will need to be replaced. The three-phase power will be a valuable asset to the project.

Chair Miller requested additional information regarding AEA's RFP process. He compared the process that HEA uses, in which they go out for an RFP prior to having the formal Board approval of a project. After the bids are returned, HEA then gets approval of the dollar amounts. Chair Miller asked if that same approach could be considered for the BLXP. Mr. Thayer explained that State procurement wants to have the money accounted for to confirm the project is viable and to avoid an additional risk factor within the bid submissions. The commercial paper does not have to be drawn on if no bids are acceptable. The rate of .34% totals approximately \$45,000 a month. The Series 11 bond interest can be used to cover that amount so that there is no out-of-pocket expense to the utilities. Mr. Thayer noted that if the decision is made at any of the stage gates for the project not to move forward, the line of credit could be stopped before the draw is expected in October. He commented on the possibility of using another mechanism besides the line of credit for the first draw of \$16.77 million.

Mr. Billingsley noted that the Owned Assets Team received feedback from contractors discussing that it is a contractor's market during the RFP process for these types of projects. It is not an owner's market. The contractor needs to be very confident that the project owner has the project on track to move forward. The contractor has a choice of projects from which to choose. Having \$150 million, which is approximately half the project funding, in commercial paper and line of credit is adequate to alleviate contractor concerns regarding funding.

Chair Miller asked for the anticipated spending amount between the Class 3 estimate and the Class 2 estimate. He explained that he is comparing this process with how CEA proceeds with large project approvals by the Board of Directors, which provides Class 2 or better cost estimates. Chair Miller noted that when he is in front of his Board of Directors with his recommendation, he wants to be covered and to feel comfortable with a well-structured resolution explaining the additional risk that is outside the normal course of business. Chair Miller indicated that additional discussion could occur as to how to address this within the resolution. Mr. Billingsley explained that the costs that will be incurred between Class 3 and Class 2 are the 3-phase power upgrades and development costs that are already committed. He noted that there is not much risk with the

ability to withdraw approval of subsequent draws on the commercial paper program. The financial risks are the cost of the program.

Mr. Thayer expressed his understanding that the cost of the program will be covered by the interest on the Series 11 bonds. He noted that further discussion could occur in executive session regarding the interest component and the current spend level.

Chair Miller noted that explanation is helpful. He commented that there is an opportunity cost, but it is good to know that it will not be an incremental cost to the utilities. Mr. Billingsley explained that without line of sight on the funds, there is a cost risk of delay to the project, and the added cost that the contractors will build in their price for the additional risk of not having line of sight of the funds.

Mr. Billingsley continued the presentation showing the Stage Gate decision points imposed on the procurement schedule. Chair Miller asked if each Stage Gate requires BPMC approval. Mr. Billingsley explained that the Stage Gates represent an affirmative obligation by AEA to provide the BPMC with information. The BPMC has the opportunity to withdraw its consent at any time after the resolution passes approving the financing. The Stage Gates indicate the times when AEA is required to provide information. These seem like the obvious times when the BPMC might withdraw approval. He reiterated that the BPMC could withdraw its approval at any meeting or call a special meeting to withdraw its approval for any reason.

Chair Miller asked what AEA will provide to the BPMC at each Stage Gate. Mr. Billingsley reviewed the Stage Gates in order: first, the 60% design drawings and the Class 3 cost estimate will be provided; second, the 95% design drawings and the Class 2 cost estimate; third, the FERC License Amendment decision; fourth, bid reviews; and finally, the IRC 48E tax-credit updates. Mr. Thayer commented that he anticipates that the utilities will assist in developing the bid package and will be involved in the scoring process before the offers are brought to the BPMC. Mr. Thayer explained that the Stage Gates clearly identify points in time to come before the BPMC to receive feedback to continue moving forward based on the most current information.

Mr. Million noted that normally, the utilities go to their boards on a big project once there is a Class 2 cost estimate. He commented that the first draw of \$16.77 million for the 3-phase upgrades is scheduled before the Class 2 cost estimate. Mr. Million requested confirmation that the 3-phase upgrades are still needed even if the larger project was halted at the Class 2 Stage Gate. Mr. Billingsley agreed that the 3-phase upgrades are needed for the overall Bradley Lake Project. Mr. McLaughlin indicated that the 3-phase upgrades are fully designed and could go out on the street if the funding was available. The transformer has been purchased by the BPMC. The contracting for street clearing will hopefully occur this fall along the alignment. Additionally, there is another package out for some of the long-lead materials, including cable.

Mr. Billingsley continued the presentation providing details of the proposed interim financing. The amount is \$150.77 million, which would cover funds that need to be at least secured, if not spent, in FY27 and FY28. The interim financing preserves the ability to apply tax credits, if received,

without the worry of a make-whole provision or penalties, allows the federal agencies time to process long-term loan applications, and limits exposure to adverse interest rates. The proposed finance vehicle is a commercial paper program maturing on June 30, 2028. The fees associated are relatively modest. The interest only accrues on the draws of the \$16.77 million and additional draws in early 2028 calendar year. The interest rate is set at the time of the draw. The tax status of the draws are selected at the time of the draw and can be either taxable or tax-exempt.

Vice-Chair Janorschke asked if he heard correctly that the only interest expense is on the draw-down amount and that there is no cost to the available credit that is guaranteed. Mr. Billingsley explained that the program has a fee, which is separate from the interest that would only accrue on the amount that has been drawn. The program fees will include closing costs and an annual fee of \$45,000 per month. Mr. Billingsley noted that the financial advisor PFM could provide additional details on those fees and costs. He believes that there is a \$250,000 set up fee and then \$45,000 monthly fee. Mr. Thayer reiterated that those costs could be covered with the interest of the Series 11 bonds. There will be no financial ask of the utilities for those fees.

Vice Chair Janorschke noted that the tax credits are a big component of this project. He asked if the status of eligibility for the tax credits will be known before or after the project is built. Mr. Thayer explained that according to the law, the application is submitted after the project is built. He noted that there is an alternative measurement standard and staff are working to get that identified in advance. The law has an exemption provision that has never been utilized or requested before. Staff are requesting that provision and are working with Senator Sullivan's Office on the request. Additionally, conversations have occurred directly with the Assistant Secretary of Treasury, as well as with Department of Energy (DOE).

Mr. Thayer explained that the project has to stand without tax credits. If it does not stand without tax credits, then the project should not go forward. If tax credits materialize, that will be an added bonus. Staff are working every angle available to get the assurances as soon as possible prior to completion of the project. If the Department of Treasury provides indication of tax credits, then staff would go to the IRS and obtain a private letter ruling. Mr. Thayer explained that a private letter ruling could take approximately eight to 12 months to obtain and could cost approximately \$100,000.

Mr. Thayer reiterated that the tax credit eligibility is unknown and will likely be unknown until after the completion of the project. Staff are forging new ground in asking to get answers prior to the completion of the project.

Mr. Billingsley explained there will not be 100% certainty on tax credits until they are paid. However, there will be very good certainty regarding tax credits after a private letter ruling has been received. The project is not in a position yet to even apply for a private letter ruling. As soon as the project is ready to apply, the application will be submitted. Mr. Billingsley's best information is that a private letter ruling should cost between \$50,000 and \$100,000 and should take six months for the ruling.

Mr. Billingsley noted that the next part of the presentation relates to the DOE offer of conditional commitment. Mr. Thayer requested to discuss the DOE portion of the presentation in executive session based on the conversation with the Director yesterday. There was no objection. Mr. Billingsley advised that the slides are included in the public portion of the presentation.

Chair Miller agreed with the project approach that does not assume that the tax credits are available. Eligibility for tax credits would be an added bonus at the end of the project. There were no other comments or questions.

iii. Resolution 26-01 – Approval of Initial Round of Financing for Bradley Lake Expansion Project
• Utility Board Resolution (DRAFT)

Mr. Thayer informed that AEA and the utilities received comments from MEA last night that redlined the financing package. From AEA's perspective, it is a very workable document. One change is that after the Class 3 cost estimate is approved by the BPMC, the Class 3 cost estimate would then go before the utilities' Boards for approval within 45 days. Mr. Thayer indicated that this gives time to begin work on the commercial paper, even though it delays AEA's overall timing. Mr. Thayer believes this would be a workable compromise and solution. He requested MEA to provide more information on their comments.

Mr. Zellers commented that MEA really wants to support the project and keep the project moving forward. The redlines came out of the Finance Committee meetings. He invited Kim Henkel, CFO MEA, to provide information on the redlines. Ms. Henkel explained that the redlines are an effort to try and obtain a compromise between what AEA is asking for and the utilities' more conservative approach with bringing a Class 2 or a Class 4 cost estimate to the utilities' Board to approve financing. The approach suggested by AEA is not typical to the utilities' approach, as previous comments from the utilities today have indicated. Typically, a Class 2 or Class 3 cost estimate for a project this size is something that the utilities' boards need to review.

Ms. Henkel noted that having firmer language requiring BPMC acceptance of a Class 3 cost estimate, then providing a timeline for the utilities Boards' approval is a very fair compromise. Additionally, the utilities' boards suggest including firmer language within the resolution limiting the interim financing to up to the \$150 million.

Chair Miller commented that he has not had a chance to review the changes. He asked Ms. Henkel if the BPMC Finance Subcommittee reviewed the proposed changes. Ms. Henkel noted that she sent the proposed changes to the team yesterday, and the team has not had a chance to conduct a thorough review. The suggestions are reflective of MEA's edits and not a compromise that the utilities' CFOs have agreed to unanimously.

Chair Miller noted that Sarah Lambe, HEA, Chair of Finance Subcommittee, previously provided comments regarding the interim financing for the project. He asked if she has any further statements or recommendations from the Finance Subcommittee resulting from their work,

especially in the context of Ms. Henkel's proposed changes. Ms. Lambe indicated that the Finance Subcommittee requests additional time before the BPMC is asked to approve or commit to a commercial paper program based on the revised procurement schedules provided by AEA on September 3, 2026, and as discussed at this meeting, the commercial paper program appears to be needed to support the issuance of the RFPs in March 2027. Additionally, the Finance Subcommittee understands that the closing of the commercial paper program is expected to take approximately three months. On that timeline, a commitment would not need to occur before December, which would give the BPMC time to review the Class 3 estimate and make a more informed decision regarding project costs, cashflow needs, and the appropriate size and structure of that commercial paper program.

Ms. Lambe expressed that the Finance Subcommittee continues to support the project and the work necessary to keep the project moving forward and believes it is financially prudent to not pay for financing capacity before it is required. Extending the commercial paper approval timeline until after the Class 3 estimate is available would preserve the project momentum, would avoid unnecessary costs, and would allow the BPMC to better align the financing commitment with the actual project needs.

Ms. Lambe explained that the Finance Subcommittee made a prior recommendation to shore up the actual cashflow needs through FY27 by increasing the funding available to the RNC Fund, and if directed, the Finance Subcommittee could work with BPMC's counsel on a resolution to memorialize that commitment. Ms. Lambe noted her understanding that BPMC's counsel reviewed MEA's edits to the resolution and there appears to be outstanding questions that need to be resolved before taking action on MEA's redlines.

Chair Miller asked if his understanding is correct that the BPMC Finance Subcommittee previously recommended additional interim financing from the RNC Fund of approximately \$10 million. Ms. Lambe agreed. She explained that the amount was \$10 million, with the understanding that approximately \$6 million to \$7 million would be dedicated to the Dixon Diversion Project and the remaining would be available capacity in the RNC.

Chair Miller commented that CEA supports the project and wants the project to move forward as quickly as possible, while ensuring that the due diligence is conducted throughout the process. Chair Miller referenced Mr. Million's previous confirmed comments that the approximately \$17 million for the 3-phase upgrades are necessary even if the larger projected was halted. Chair Miller asked how the overall timeline on the project would be affected if limited approval for that \$17 million was given at this time. He asked if the issuance of the other RFPs would be delayed. Mr. Billingsley explained that there needs to be funding in place in order to the issue the RFPs.

Chair Miller asked if the 3-phase upgrades are a State preference or a State requirement. Mr. Thayer noted that it is a State preference, and it will affect the quality of the bids and the number of the bids received. Mr. Billingsley commented that Owned Assets has discussed the project with a few contractors and the feedback was that the project is not a \$17 million electrical line installation, but rather, it is a \$400 million project with very few bidders around the country.

Mr. Thayer reiterated that the commercial paper will not be spent at this time. It is in place to support the RFPs and to support the procurement schedule points through the stage gates. The cost of carrying the commercial paper will be covered by the Series 11 interest, and not by the individual utilities. The commercial paper allows the project to advance. Mr. Thayer explained that the FERC approval timeline is expected next summer. He does not want to lose a construction season, because a construction season is 1.5 BCF of gas. Mr. Thayer commented that he likes that MEA's proposal gives the authority to move forward with the commercial paper after the Class 3 estimates, after the BPMC approves, and after the individual utilities' Boards approve.

Chair Miller commented that MEA's redlines were distributed last night and this morning. He discussed that another way to proceed would be to give a little more time and hold a special BPMC meeting in a week or 10 days. Mr. Thayer noted there is a BPMC meeting scheduled on September 25, 2026, and asked if that would be enough time for review. Additionally, Mr. Thayer acknowledged that AEA was requested to provide a Draft Utility Board Resolution which is included in the packet, and that draft would have to be rewritten to align with MEA's redlines. The draft resolution does not need to be approved. It is a sample for the utilities to consider for their Boards.

Chair Miller asked Mr. Thayer if that timeline would work. Mr. Thayer agreed. He explained that if AEA has guidance at the September 25, 2026, meeting that all they are waiting for is the Class 3 cost estimate, then AEA can begin the conversation with bond counsel regarding preliminary preparations for closing. Mr. Thayer commented on a staffing issue that AEA does not have a big staff. Staff are running the project and running the financing. Mr. Thayer noted that further discussion can occur within executive session. He stated there will be a change in Administration, and it is necessary to keep the positive momentum for the project.

Mr. Billingsley indicated that he read through MEA's proposed modification to the schedule and they confirmed his understanding that the Class 3 cost estimate would come to the BPMC for approval, and then the utilities would have 45 days to approve the Class 3 cost estimate. Mr. Billingsley agreed that AEA has a small team and the financing will take time. He also agreed that it would be helpful if the BPMC gave direction to AEA at the September 25, 2026, meeting to move forward in this direction, even prior to receiving the Class 3 cost estimate.

Chair Miller asked if there were other comments. Tony Izzo, MEA, noted that Mr. Zellers is attending the meeting as the alternate and will vote for MEA. Mr. Izzo believes the compromise of giving a commitment on September 25, 2026, is workable for MEA, and he hopes that all the utilities will agree. Mr. Izzo feels that the BPMC needs to define the lane for AEA so that they can appropriately schedule the critical activities to keep the project on track.

Chair Miller believes that all the utilities want the project to go forward, as the necessary approvals are sought. He agreed that providing direction at the September 25, 2026, meeting is achievable.

Chair Miller delayed consideration of Resolution 26-01 until the next BPMC meeting on September 25, 2025. There were no objections.

B. Resolution 26-03 – In Support of CIPLink

Chair Miller requested Mr. Thayer to provide a high-level summary of the resolution. He noted the possibility of postponing this resolution until the next meeting, if necessary. Mr. Thayer explained that it is vital that the Cook Inlet Powerlink (CIPLink) project moves forward. The current federal grant funding is \$206 million. The bond funding plus the State funding totals approximately \$60 million. An additional \$142 million is necessary to complete the project. The purpose of the resolution is to express BPMC support for State participation in the CIPLink. The BPMC would ask that it be a priority for the Legislature to close the remaining funding gap of \$142 million from State funds.

Mr. Thayer noted his discussions with legislators that the power needs to be connected in the state. The fact that there are seven military bases involved is also important. Mr. Thayer reviewed discussions with Department of War regarding the need for the CIPLink. There is no opposition. It is important to make CIPLink a priority. The AEA Board has expressed support through a request to the Governor's Office to include CIPLink in the budget. The current Governor has a role to provide a budget on December 15, 2026, and the new Governor has until February 15, 2027, to change that budget. AEA wants to ensure CIPLink is included in the budget.

Mr. Thayer discussed that there are legislators who are asking to make this a priority. The goal is for the BPMC to pass Resolution 26-03 today, making CIPLink a priority, and to build the momentum to fund the \$142 million.

Chair Miller commented on the importance of an integration study regarding the BLXP. He noted that the CIPLink must be in place to get the maximum value from the BLXP. He asked the O&D Committee if there have been any discussions regarding the need for an integration study. Josh Crowell, MEA and Chair of O&D Committee, advised there have been two additional meetings outside of the scheduled meetings to discuss the BLXP and power flow. The utilities are scheduled to bring additional data to the regularly scheduled O&D Committee meeting next week.

Chair Miller asked Mr. Crowell if there was any discussion to conduct a formal integration study. Chair Miller commented that the way the BLXP is constructed now, he believes that there will be times when utilities north of Anchorage would not be able to get all the power out of Bradley Lake without the CIPLink component. This is due to limitations on the tie line. Chair Miller wants to ensure that aspect is factored into the decision-making on the CIPLink. He believes that factor helps support the need for the CIPLink project in the context of the BLXP. The two projects are highly integrated. Mr. Crowell commented that the O&D Committee has not specifically decided to come before the BPMC to request approval for an integration study. Mr. Crowell believes that decision is forthcoming. The goal was to identify the projections from each utility and to continue the discussion with that information.

Chair Miller commented that in consideration of the resolution, it would be helpful to quantify the criticality of the CIPLink with respect to the BLXP, and why the CIPLink is absolutely needed. He believes this would help the Legislature understand the importance of the CIPLink.

Vice-Chair Janorschke asked if the \$413 million is still an accurate estimate for the CIPLink cost. Additionally, he asked if there has been any work done to ensure that accommodations will be made if there is a fault with the existing overhead line or the CIPLink, and what can be done to ensure that will not happen. He gave the example scenario of the loss of either tie, the energy would then flow to the other tie, possibly overloading that other tie, leaving both ties tripped off. He does not believe that HEA could consistently survive that scenario. One trip is manageable, but two trips would blackout the entire peninsula. Vice-Chair Janorschke requested that the O&D Committee study that scenario.

Mr. Crowell indicated that he would bring Vice-Chair Janorschke's request to the next meeting. He noted that the O&D Committee has not discussed the CIPLink with that specific question.

Chair Miller recommended delaying consideration of Resolution 26-03 and making it coterminous with financing at the next BPMC meeting.

Mr. Thayer agreed that member questions should be addressed. He reiterated that the target audience for the resolution is the Legislature, and the request to obtain the \$142 million to finish the CIPLink.

Chair Miller agreed. He discussed that the CIPLink project is needed, regardless of whether or not the BLXP goes forward. He suggested including that factor as a Whereas in the resolution. He believes this would garner additional support for the project funding of \$142 million. Chair Miller requested that further modifications to the resolution are made and then brought forward at the next BPMC meeting. There was no objection.

C. SSQ Line
i. Winter Construction Plan

Mike Miller, CEA, provided the update on the SSQ Line Project. Mr. Mike Miller discussed that construction bids have been received, and an award was granted in the amount of approximately \$15 million with two outage windows proposed. The five-day outage is from October 19 – 23, 2026, and the other is 55-day outage from February 4 – April 21, 2027. The bidder indicated that there is some flexibility to those dates, if necessary. Mr. Mike Miller noted that Enstar has been kept apprised of the plan. Project 2 construction is anticipated to be completed by the end of July 2027.

Mr. Thayer asked if there is something in writing with Enstar regarding the acknowledgement of the proposed outage plan. Secondly, he asked if there are contingencies to bring the line back on quickly during the 55-day outage, if needed. Mr. Mike Miller commented that he would have to research to see if there is documentation in writing such as an email or a meeting transcript. Representatives from Enstar attend maintenance scheduling meetings every two weeks. The two outage windows were incorporated and discussed at the last meeting.

Mr. Mike Miller noted that the contingencies and emergency restoration are items being discussed with the contractors, similar to what occurred with Project 1. There is an opportunity to restore

the line in an emergency situation. That restoration would incur separate costs.

Mr. Thayer requested that Mr. Mike Miller review the contingency details at a future meeting. Mr. Mike Miller agreed.

Mr. Hickey asked if it is possible or practical to slide the 55-day outage out four to six weeks to mid-March to move out of the winter peak timeframe. Mr. Mike Miller noted that he can give the request to the contractor for discussion. He understands that the outage window can be moved, but he does not know how far forward or backwards it can move.

Mr. Thayer asked if there is a restriction due to the fact that the location is in the Refuge. Mr. Mike Miller indicated that there is a driver for the Refuge regarding winter construction. He does not have the details with him today and can follow up at the next meeting. Mr. Hickey expressed appreciation. There were no other comments or questions regarding Project 2.

Mr. Mike Miller discussed that Project 3 is looking to establish a contract for the steel structures. Bids have been received. The lowest non-BABA compliant bid was approximately \$6 million. The lowest BABA compliant bid was about 40% more at approximately \$8.5 million. Much conversation has occurred with AEA staff regarding how to move forward either with BABA or with non-BABA. There are many grant funding opportunities tied to the decision and discussions are ongoing with the contractors. Mr. Mike Miller believes that CEA and AEA would benefit from receiving guidance from the BPMC with regard to how aggressively the pursuit of BABA compliant materials should be, with the understanding that there is a cost associated with the Project 3 steel, specifically. Mr. Mike Miller noted that a site walk occurred for Project 3 earlier in the week.

Mr. Million indicated the increased cost of \$2.5 million for the BABA compliant bid. Of the grants and the tax credits that accompany the project, he asked for the savings and cost benefit if the project is BABA compliant compared with non-BABA. Mr. Mike Miller indicated that there is not currently a clear line of sight on the cost benefits. That is work that staff at AEA has been trying to establish.

Chair Miller asked when a recommendation is needed from the BPMC. Mr. Mike Miller commented that a vendor has agreed to confirm their bid for an additional 30 days. However, he does not know when that 30-day period ends. He noted the preference is for the BPMC to provide additional direction at the next meeting in a couple of weeks. There were no other comments or questions.

8. NEW BUSINESS

A. Resolution 26-04 – Renewable Energy Fund Application – Bradley Lake Expansion Project

Chair Miller noted Resolution 26-04 is for a \$1 million grant application for the Renewable Energy Fund, Bradley Lake Expansion Project. The application is due today by 4:00 p.m. The draft

resolution gives authorization for CEA to submit an application for the REF on behalf of the BPMC. The application has a matching contribution requirement. The resolution, if approved, will be included in the application and will give CEA the authority to file the application.

MOTION: A motion was made by Vice-Chair Janorschke to approve Resolution 26-04. Motion seconded by Mr. Million.

Mr. Thayer indicated that he would need to abstain from the vote because the REF Program is handled through AEA. There was no objection.

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

MOTION: A motion was made by Mr. Million 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 Vice-Chair Janorschke.

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

9. EXECUTIVE SESSION: 11:36 a.m. – (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.

The Committee reconvened its regular meeting at 11:56 a.m. Chair Miller advised that no formal action was taken on the matters discussed while in executive session.

Chair Miller noted that he has one item regarding the financing for the BLXP for review.

Mr. Thayer provided context on the issue for the public. AEA, in connection with the BPMC, filed an application with the DOE Loan Dominance in May for possible financing of Bradley Lake and other projects. DOE asked AEA to move the project forward for their due consideration.

MOTION: A motion was made by Mr. Thayer that the BPMC authorize AEA to spend up to \$1.5 million from Series 11 interest on advisory fees necessary to achieve a conditional commitment from the Department of Energy under the Title 17 Energy Financing Program for the Bradley Lake Expansion Project, with the understanding that this authorization does not constitute final approval for DOE financing. Motion seconded by Mr. Hickey.

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

10. MEMBER COMMENTS

Mr. Hickey thanked Mr. McLaughlin for his excellent report and expressed appreciation for all of

the work from the Finance team. He believes good progress was made today.

Vice-Chair Janorschke stated this was a good special meeting, and he looks forward to reading the redlined resolution from MEA. He thanked MEA for their efforts.

Mr. Zellers reiterated the appreciation to the Finance Committee for their work to keep the projects moving forward. He commented again that MEA supports the expansion.

Mr. Million echoed the previous comments. He appreciates MEA for taking the lead on the relines and looks forward to reviewing those. He believes they address many of the concerns.

Mr. Thayer thanked everyone for attending the special meeting. He believes that getting positive direction at the meeting on September 25th will be helpful. He expressed appreciation for the support of AEA's Finance Team, who are engineers doubling as the Finance Team. Mr. Thayer thanked BPMC's Finance Team for their efforts. He believes the path to Bradley Lake financing is in its homestretch. Mr. Thayer reminded members that September 15, 2026, is the National Governor's Association follow-up to their meeting they had with the Railbelt leaders and CEOs in May. There are proposals for the next Legislature to review. That meeting time is 2:00 p.m. to 4:30 p.m. Several emails have been sent, and more information is available, if needed.

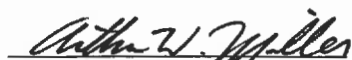
Chair Miller echoed the previous comments, with special thanks to AEA for their great job of keeping everything moving forward. He thanked the BPMC Finance Subcommittee for their work efforts. He looks forward to hearing back from the O&D Committee regarding the integration study work. Chair Miller thanked MEA again for the updated version of the resolution.

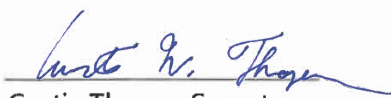
11. NEXT MEETING DATE – September 25, 2026

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

12. ADJOURNMENT

There being no further business for the committee, the meeting adjourned at 12:03 p.m.


Arthur Miller, Chair


Curtis Thayer, Secretary