

## **BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE**

### **RESOLUTION NO. 24 - 01**

WHEREAS, on September 30, 2022, the Bradley Lake Project Management Committee (the "BPMC") approved Resolution 22-08 determining the Project List (attached hereto as Exhibit A) constituted Required Project Work pursuant to the Bradley Lake Hydroelectric Project Agreement for the Sale and Purchase of Electric Power (the "Power Sales Agreement"); and

WHEREAS, the BPMC also supported and agreed to use the Excess Payments (as defined in the Power Sales Agreement) for financing the issuance by the Alaska Energy Authority (the "Authority") of the Authority's Power Revenue Bonds, Eleventh Series (Bradley Lake Hydroelectric Project), in an aggregate principal amount not to exceed \$200,000,000 (the "Series 2022 Bonds") to provide funds to be used for the purpose of (1) financing a portion of the costs of the Transmission Project, (2) making a deposit to the Capital Reserve Fund, sufficient to satisfy the Capital Reserve Fund Requirement and (3) paying costs of issuance of the Bond. The Bond of such Series shall be designated and entitled "Power Revenue Bond, Eleventh Series (Bradley Lake Hydroelectric Project); and

WHEREAS, subsequent to the issuance of the Series 2022 Bonds the Authority was awarded pursuant to letter dated October 3, 2023, and issued by the U.S. Department of Energy, a funding opportunity grant in the amount of \$206,500,000 (the "GRIP Grant"), subject to meeting certain additional requirements including providing for an equal amount of state match funds (the "State Match"); and

WHEREAS, portions of the Bradley Lake Hydroelectric Project to be funded by the proceeds of the Series 2022 Bonds may also be funded pursuant to the GRIP Grant; and

WHEREAS, the GRIP Grant also provides for funding an HVDC submarine circuit (the "Underwater HVDC Transmission Line") crossing Cook Inlet from Nikiski in the Southern region to Beluga in the Central region to maximize transfer capability between regions and minimize spinning reserves, thereby reducing fuel usage, and reducing carbon emissions; and

WHEREAS, in order to fund the necessary State Match to receive the total funds awarded pursuant to the GRIP Grant the Authority has also requested moneys be provided from the State of Alaska pursuant to a request to the Governor, State of Alaska; and

WHEREAS, pursuant to a letter dated December 22, 2023, the Authority, as required pursuant to the Power Sales Agreement and prior to the incurrence of debt must receive a determination from the Alaska Department of Law the Underwater HVDC Transmission Line is Required Project Work; and

WHEREAS, the Authority is scheduling a special meeting to consider Resolution No. 2024-02 providing for amendment to the documents related to the Series 2022 Bonds in order to amend and expand the definition of Transmission Project (as defined in the Tenth Supplemental Resolution) to include use of the Series 2022 Bond proceeds to fund the Underwater HVDC Transmission Line; and

WHEREAS, the BPMC desires for no more than \$20,000,000 for the transmission portion only for the Series 2022 bond proceeds to be used to fund the underwater HVDC Transmission line based on the legal assurances from AEA that the BPMC has no further obligation under either this resolution or the Power Sales Agreement beyond the \$20,000,000 authorized herein.

WHEREAS, the BPMC concurs the Bradley Lake Hydroelectric Project, Transmission Project, Underwater HVDC Transmission Line and other approved projects of the Department of Energy shall hereinafter collectively be referred to as the "Bradley Lake Hydroelectric and Transmission Project".

NOW, THEREFORE, BE IT RESOLVED BY THE BRADLEY LAKE MANAGEMENT COMMITTEE, AS FOLLOWS:

**BE IT RESOLVED THAT** the BMPC incorporates the above recitals into this resolution as if fully set forth herein.

**BE IT RESOLVED THAT** the Underwater HVDC Transmission Line shall be included as a project of the Bradley Lake Hydroelectric and Transmission Project.

**BE IT RESOLVED THAT** the Underwater HVDC Transmission Line shall be added to the Project List previously adopted pursuant to Resolution 22-08 and, subject to final approval of the Alaska Department of Law, confirms the Underwater HVDC Transmission Line is Required Project Work as defined pursuant to the Power Sales Agreement.

**BE IT RESOLVED THAT** the BPMC confirms and continues to support and agree to use the Excess Payments for financing of the Series 2022 Bonds.

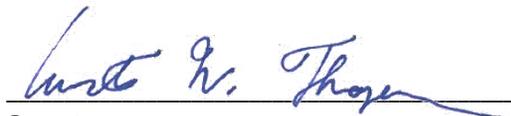
DATED at Anchorage, Alaska, this 26th day of January, 2024.

**BRADLEY LAKE PROJECT MANAGEMENT COMMITTEE**



Chair

ATTEST:



Secretary



