

ALASKA ENERGY AUTHORITY
STRATEGIC PLAN
April 16, 2026

Mission Statement

Advancing affordable, reliable energy in Alaska.

Vision Statement

A resilient and reliable energy future for Alaska, enabled by strong infrastructure, innovation, and collaboration.

Goal 1: Workforce Stabilization & Recruitment

Objective: Reduce the agency's critical vacancy rate by 10 percent per year over the next two years to support long-term organizational stability.

Strategy: Restore hiring agility and modernize AEA's employee value proposition to compete effectively with the private sector.

Tactics:

Administrative Advocacy: Draft a *Hiring Authority White Paper* for the incoming administration outlining how the current 8–10 weeks state approval process causes results in lost candidates.

Internal Standardization: Develop formal, Standard Operating Procedures (SOPs) to provide clear guidance for new and early-career staff.

Workplace Modernization: Leverage flexible work options, including telework, to offset state salary constraints and the lack of performance-based incentives.

Succession Planning: Identify and prepare future leaders for key roles to prevent single points of failure and knowledge loss.

Goal 2: Infrastructure Modernization & The "Three Rs"

Objective: Deliver generational energy projects while securing sustainable funding for rural maintenance and technical assistance.

Strategy: Prioritize **Resilience**, **Reliability**, and **Redundancy** to secure Alaska's energy infrastructure from environmental, operational, and market risks.

Tactics:

Railbelt Execution: Secure financing and advance construction for:

- Bradley Lake Expansion Project (target completion: 2031)
- Cook Inlet PowerLink (CIPLink) (target in-service: 2032, federal grant deadline)

Rural Energy Backlog: Coordinate with the Denali Commission and other federal partners to address the estimated **\$1.3 billion deferred-maintenance backlog** for rural powerhouses and bulk fuel systems.

Rural Reliability: Mitigate premature end of life of rural energy infrastructure by continuing to improve operations and maintenance.

Strategic Funding: Leverage Alaska’s strategic importance to seek U.S. Department of Agriculture, U.S. Department of Energy, U.S. Department of Treasury and other federal programs positioning energy reliability and resilience as foundation to national security.

Susitna-Watana Hydroelectric Project: Initiate a revised first stage-gate review to refresh financial analysis, permitting requirements, and construction estimates, establishing a current and defensible baseline for future decision making.

Technical Excellence: Shift internal performance measures from narrow cost-reduction metrics to a broader technical-excellence standard that prioritizes long-term system durability and system performances.

Shovel-Ready Pipeline: Maintain a comprehensive list of shovel-ready projects—including thermal, hydroelectric, nuclear, solar, wind, and storage—to position AEA for rapid response to grant and funding opportunities.

Emerging Tech Oversight: Monitor industry trends and geothermal activity statewide, building on AEA’s historical role in research and engineering grant administration to vet potential high-potential projects.

Goal 3: Statewide Economic Growth & Industrial Load

Objective: Position Alaska as a premier destination for energy-intensive industries by leveraging unique statewide assets.

Strategy: Unify and strengthen the Railbelt while aligning statewide infrastructure planning to support growing industrial demand.

Tactics:

Industrial Hub Development: Collaborate with the Governor's Office to attract large-load customers—such as data centers, mines, and manufacturing—to regions with available capacity.

Railbelt Transmission Organization (RTO) Implementation: Launch and administer the RTO to establish a unified, open-access tariff, reducing system "balkanization" and enabling efficient interconnection for independent power producers.

Economy of Scale: Prioritize projects that increase utilization of existing infrastructure, spreading fixed costs across more kilowatt-hours to reduce long-term rate pressure on residential customers.

Tourism Support: Develop and administer the Dock Electrification program to support the cruise industry while delivering year-round benefits to local communities.

Power Project Fund (PPF) Loan Fund Optimization: Expand outreach to deploy approximately \$12 million in PPF loans over the next three years, offering flexible, rate-competitive financing for community-supported energy projects.

Renewable Energy Fund (REF) Grant Program: Maximize funding for recommended projects that advance energy-cost savings, resilience, and diversification. Solicit applications every other year to align with community priorities.

PCE Program Optimization: Ensure fiscal reliability by processing all eligible payments within 30 days while advocating for full program funding to protect rural ratepayers.

Rural Community Support: Expand enrollment of community facilities into the PCE program and increase technical training for utility personnel to strengthen local system management.

Goal 4: Organizational Realignment & Structural Efficiency

Objective: Optimize AEA's leadership structure to manage an expanded project portfolio and ensure continuity across gubernatorial transitions.

Strategy: Adopt an "Extreme Ownership" model by reducing the Executive Director's direct reports and empowering intermediate leadership.

Tactics:

Management Layering: Implement a Functional Principal model in which senior leads oversee day-to-day operations, freeing the Executive Director to focus on major capital projects, legislative affairs, board relations, and Railbelt coordination.

Departmental Consolidation: Merge internal groups with overlapping workstreams—such as rural energy procurement and community assistance—to reduce administrative friction.

Digital Backbone: Fully integrate the Enterprise Resource Planning (ERP) system and SharePoint to automate document flow between Finance and Project Managers, reducing manual processing.

Decentralized Authority: Delegate additional decision-making authority to program directors to increase agility and shorten internal approvals timelines.

Goal Alignment: Short-(1-2 yrs), Mid-(3-5 yrs), and Long-Term-(5-10 yrs)

Goal 1: Workforce Stabilization & Recruitment

Short-Term: Reduce vacancy rates by 10 percent per year over the next two years, establish Standard Operating Procedures for all departments, and ERP upgrade to stabilize internal processes.

Mid-Term: Execute succession planning to replace retiring senior staff (1–5 years).

Long-Term: Sustain human capital needed to manage complex infrastructure over decades.

Goal 2: Infrastructure Modernization & The "Three Rs"

Short-Term: Secure financing for the Sterling to Quartz Creek (SSQ) Transmission Line, Bradley Lake Expansion Project and CIPLink.

Mid-Term: Advance construction and address rural maintenance backlogs.

Long-Term: Complete the SSQ Transmission Line (2030), the Bradley Lake Expansion Project (2031), and bring the CIPLink into service (2032). In parallel, advance a decision on the Susitna-Watana Hydroelectric Project by completing updated licensing, cost, and transmission analyses, including pursuit of a Federal Energy Regulatory Commission license as required to qualify for federal investment tax credits. (Expires in 2032).

Goal 3: Statewide Economic Growth & Industrial Load

Short-Term: Establish targeted industrial outreach to position AEA as a leader for large-load and energy-intensive industries; set PCE fiscal reliability benchmarks by processing all eligible payments within 30-days; and advance a legislative advocacy campaign for full program funding for the upcoming cycle.

Mid-Term: Launch the RTO and its open-access tariff and deploy PPF financing.

Long-Term: Achieve a less-constrained transmission backbone capable of supporting sustained industrial growth, while maximizing funding for REF projects that advance cost savings, resilience, and diversification.

Goal 4: Organizational Realignment & Structural Efficiency

Short-Term: Reduce Executive Director direct reports and prepare transition documentation for the next gubernatorial administration.

- Analyze and develop a plan to provide long-term office space solution.

Mid-Term: Improve cross-department coordination and project delivery speed.

Long-Term: Maintain a durable organizational structure resilient to state and federal administration changes.

Dated at Anchorage, Alaska, this 16th day of April, 2026

ALASKA ENERGY AUTHORITY



Clay Koplin, Chair



Curtis W. Thayer, Secretary/Treasurer

