PRESS RELEASE
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AEA Board Advances Financing Framework for Bradley Lake Expansion Project

Next step positions project for utility approvals and financing by fall 2026

ANCHORAGE, Alaska—The Alaska Energy Authority (AEA) Board of Directors has endorsed a financing package for constructing the Bradley Lake Expansion Project and forwarded it to the Railbelt utilities for their consideration. The project is a major hydroelectric infrastructure investment that would increase renewable energy generation and strengthen long-term energy reliability for Railbelt communities. The total project cost is currently estimated at $400 million.

The financing package consists of interim financing of up to $100 million to support ongoing development, engineering, and early construction activities associated with the project. The financing framework will be considered by the Railbelt utilities—Chugach Electric Association, Golden Valley Electric Association, Matanuska Electric Association, Homer Electric Association, and the City of Seward—before returning to the AEA Board for final approval of financing terms and transaction documents.

The Bradley Lake Expansion Project includes the Dixon Diversion and related improvements to the existing Bradley Lake Hydroelectric Project. Together, the improvements are expected to increase annual renewable energy generation by approximately 40 percent while making use of existing generation infrastructure that serves Alaska's Railbelt electric system, which supplies power to communities from Homer to Fairbanks and serves approximately 75 percent of the state's population. The additional hydropower generation is expected to displace an estimated 1.5 billion cubic feet of natural gas annually by 2031.

"This action reflects years of planning and collaboration among AEA, the Railbelt utilities, and project partners to advance one of Alaska's most significant energy infrastructure investments," **said AEA Board Chair Clay Koplin.** "The board's approval of the financing framework marks another important step toward increasing renewable energy generation, strengthening energy reliability, and delivering long-term value for Railbelt ratepayers."

The financing framework is intended to provide funding for project activities through fiscal years 2027 and 2028 while AEA continues project development, design, permitting, and construction-related efforts. An additional round of financing would be required to cover the remaining project costs. AEA submitted its Final Amendment Application to the Federal Energy Regulatory Commission (FERC) in June and anticipates receiving a license amendment order by summer of 2027.

"The Bradley Lake Expansion Project is the largest renewable energy project in over 35 years," **said AEA CEO and Executive Director Curtis W. Thayer.** "With the board's approval of this financing framework, we are moving closer to securing the resources needed to advance design, permitting, and early construction activities. Our next step is to finalize financing arrangements with the Railbelt utilities and position the project for construction following FERC approval."

Financing is needed by fall 2026. Pending federal approvals, construction activities are anticipated to begin in 2027.

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About the Alaska Energy Authority

The Alaska Energy Authority is a public corporation of the state. Its mission is advancing affordable, reliable energy in Alaska. AEA leads the development of critical energy infrastructure, strengthens resilience, reliability, and redundancy across Alaska's energy systems, and supports statewide economic growth by enabling secure, long-term energy solutions for communities, utilities, and industry. To learn more, visit akenergyauthority.org.