REPORT TO ASSEMBLY

Date: March 2, 2022

To: Mayor Jensen and Petersburg Assembly

From: Bob Lynn, SEAPA voting member and Karl Hagerman, SEAPA alternate

RE: February 28, 2022 Board of Directors meeting

CC: Steve Giesbrecht, Borough Manager

Please accept the following report of information received from the SEAPA staff at the February 28th Board of Directors meeting, held via zoom video conferencing.

- 1. The SEAPA Board received a copy of an article written by Robert Seidman, SEAPA Engineering Director, for T&D World a well known electric industry publication. The article, titled "Island to Island: An Alaskan High-Voltage Submarine Cable Failure", details the agency's challenges and numerous successes when faced with the Woronkofsky to Vank Island cable failure and replacement. It is very well written and is not only a testament to SEAPA's commitment to resolve the problem as soon as possible, but also presents our part of the world so that others understand the complexity of providing power to communities like Petersburg. A copy of the article is included in the Assembly packet.
- 2. Trey Acteson spoke about how the agency is positioning itself to take advantage of the federal dollars being rolled out by the Biden administration. The bulk of the funding is coming through established programs, with focus on projects and infrastructure that support SEAPA's operation. Broadband improvements and grid resiliency funding have guided the agency to propose a few projects related to communications projects and updates to substations that serve to improve the overall dependability of the system.
- 3. SEAPA has rolled out a new website that is a vast improvement over the former site. There are numerous pictures of the hydro sites and intertie transmission line that help all site visitors understand the scope of the agencies system and what it means to deliver power to three communities in SE AK. An updated SCADA page provides real time information on how the power is being generated, transmitted and distributed across SEAPA's system.
- 4. Trey discussed the need for additional increases to the Wholesale Power Rate. Board approved plans for the Vegetation Control program, Renewal and Replacement Fund and the debt service payments for the submarine cable bonding, require another ¾ of a cent increase over time. The Board has requested a proposed schedule for additional increases and the CEO will provide that at the next meeting.
- 5. During the Operations Plan update by Robert Seidman, it was made clear that system loads are increasing, and that the maximum capacity of the system is taxed when cold temperatures persist for extended periods of time in the winter. Member communities must continue to plan for the ability to meet their local peaks if SEAPA power fails in the winter. Additionally, peaking support from member utilities allows the agency to avoid overtaxing the SEAPA hydro projects.

Keeping all generation up and running during the seasonal peaks pays off in providing reliable power to the communities.

6. SEAPA staff discussed ongoing issues with recruitment of approved positions. The agency has had an IT/SCADA Director position advertised for about 18 months with very few applications received. This position was requested to relieve some pressure from the Engineering Director, and it is a much-needed member of the staff. The agency may resort to seeking a hiring firm to target potential applicants if interest in the job does not improve this spring. Other open positions have proven hard to fill in the last year as well. Operations positions at the hydro projects do not have a normal job schedule or shift so it takes the right person to be able to thrive under the required work schedule and the remote aspect of the job. Recent success in the hire of an Operator/Electrician at the Swan plant, after previous interviews and job offers were turned down, is a welcome report for the Board and the other operators at the projects.

End of report.