

JOINT RESOLUTION OF THE PETERSBURG BOROUGH AND THE CITY AND BOROUGH OF WRANGELL

PETERSBURG BOROUGH RESOLUTION NO. 2026-12 CITY AND BOROUGH OF WRANGELL RESOLUTION NO. 05-26-2046

A JOINT RESOLUTION OF THE ASSEMBLY OF THE PETERSBURG BOROUGH AND THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, SUPPORTING RESPONSIBLE ECONOMIC DEVELOPMENT, COORDINATED UTILIZATION OF HYDROELECTRIC RESOURCES FROM THE TYEE LAKE PROJECT, AND INTERCOMMUNITY COMMUNICATION REGARDING LARGE ENERGY USERS

WHEREAS, the City and Borough of Wrangell and the Petersburg Borough are neighboring Southeast Alaska communities with longstanding economic, cultural, and regional partnerships; and

WHEREAS, both communities share similar economic structures, population sizes, and infrastructure systems, and both rely heavily on affordable, reliable energy as a foundational component of local economic development and community sustainability; and

WHEREAS, Wrangell and Petersburg are member communities of the Southeast Alaska Power Agency, a joint action agency formed by the communities of Wrangell, Petersburg, and the City of Ketchikan to jointly own and operate hydroelectric generating assets in Southeast Alaska; and

WHEREAS, SEAPA owns and operates the Tyee Lake Hydroelectric Project, which provides renewable hydroelectric power to its member communities under the terms of long-term Power Sales Agreements; and

WHEREAS, under the Power Sales Agreement associated with the Tyee Lake Hydroelectric Project, the communities of Wrangell and Petersburg are collectively dedicated all firm hydroelectric capacity, which serves as the primary renewable power resource supporting both communities; and

WHEREAS, affordable and reliable hydroelectric power is one of the most important strategic assets available to both communities, enabling sustainable economic growth and improving the long-term cost stability of local energy systems; and

WHEREAS, the Assemblies of the City and Borough of Wrangell and the Petersburg Borough share a commitment to responsible economic development that supports job creation, population stability and growth, increased school enrollment, and the expansion of underlying economic activity within each community; and

WHEREAS, Southeast Alaska's renewable hydroelectric resources, combined with the cool climate and reliable power systems of Wrangell and Petersburg, create a uniquely attractive environment for energy-intensive industries, including but not limited to data centers, digital infrastructure, and other technology-driven economic activities; and

WHEREAS, both communities recognize that large new electrical loads associated with technology driven projects must be integrated responsibly to ensure the availability, stability and affordability of power for existing residential, commercial, and industrial customers; and

WHEREAS, both communities further recognize that maximizing the responsible utilization of the Tye Lake Project's firm power capacity is important to maintaining an efficient regional power system and ensuring that the benefits of the project are fully realized by SEAPA and its member communities; and

WHEREAS, Wrangell and Petersburg share a common interest in coordinating regional economic development activities that may result in significant new electrical demand.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AND THE ASSEMBLY OF THE PETERSBURG BOROUGH, that:

Section 1. Commitment to Responsible Growth: The City and Borough of Wrangell and the Petersburg Borough affirm their shared commitment to pursuing economic development opportunities that create sustainable jobs, increase local population, support families and schools, stabilize local electric rates and strengthen the long-term economic vitality of our communities and Southeast Alaska overall.

Section 2. Responsible Utilization of Hydroelectric Resources: The Assemblies of Wrangell and Petersburg recognize the importance of responsibly utilizing the firm hydroelectric capacity dedicated to their communities through the Tye Lake Hydroelectric Project and affirm their intent to maximize the beneficial use of this renewable resource in support of local economic activity and energy affordability for all local customers.

Section 3. Intercommunity Communication: The City and Borough of Wrangell and the Petersburg Borough agree to maintain open and regular communication regarding proposed or anticipated projects that may result in large new electrical loads, including but not limited to economic development projects, data centers, digital infrastructure facilities, industrial operations, or other energy-intensive uses. Such communication shall include, when appropriate:

- (A) Estimated electrical demand of proposed projects
- (B) Project timelines and anticipated load ramp-up schedules
- (C) Infrastructure improvements or local generation considerations necessary to support such projects

Section 4. Coordination of Large Electrical Loads: The communities agree that coordination is necessary when evaluating projects that may collectively approach or exceed the firm hydroelectric capacity allocated to Wrangell and Petersburg from the Tyee Lake Project. The communities therefore commit to consult with one another, and with SEAPA, when evaluating new large energy users in order to discuss benefits and potential local mitigations required to ensure the continued availability and reliability of the regional electric grid.

Section 5. Responsibility for Supplemental Generation: The City and Borough of Wrangell and the Petersburg Borough recognize that local economic development opportunities can place significant demand on available electrical capacity. Both communities pledge to honor an equal division of firm power capacity from Tyee Lake and to proactively accept responsibility and obligation for local generation if their community surpasses their share of the firm power available and the combined community capacity is exceeded, according to SEAPA's Peak Load Limit provisions in the Annual Operations Plan. Such obligation shall remain with the community surpassing their share of Tyee Lake firm power and shall not place an operational or financial burden on the other community.

Section 6. Regional Cooperation: Wrangell and Petersburg affirm their commitment to continued collaboration through SEAPA and other regional partnerships to:

- (A) Maintain affordable and reliable electric power
- (B) Support sustainable economic growth
- (C) Encourage responsible development of new industries
- (D) Protect the long-term stability of Southeast Alaska's energy systems

Section 7. Effective Date: This joint resolution shall take effect immediately upon adoption by the governing bodies of the City and Borough of Wrangell and the Petersburg Borough.

ADOPTED by the Assembly of the City and Borough of Wrangell the ____ day of _____, 2026.

ADOPTED by the Assembly of the Petersburg Borough the ____ day of _____, 2026.

Petersburg Borough Signatures:

Robert Lynn, Mayor

ATTEST:

Rebecca Regula, Borough Clerk

City and Borough of Wrangell Signatures:

Patricia Gilbert, Mayor

ATTEST:

Kim Lane, Borough Clerk