

## SEAPA Report

Date: May 29, 2026

To: Petersburg Borough Assembly

From: SEAPA Chair, Bob Lynn and Alternate Board Member, Karl Hagerman

Re: SEAPA Regular Meeting Notes from May 27, 2026 Board Meeting in Wrangell

- 100% design for the Tyee third turbine is completed. This project will increase the power output from Tyee Lake by another 12 MW and is the highest priority in the agency's 5-year Strategic Plan. A license amendment has been filed with FERC to add the third turbine. Progress is being made on the equipment procurement contract with Canyon Hydro out of Washington state, with the Pelton turbine being milled and other equipment also in the works. If all goes per schedule, the third turbine will be installed and operational in calendar year 2027. Current plans are to issue the construction RFP in July 2026.
- Ketchikan substation design is completed. This project will increase the amount of power available to Ketchikan from SEAPA and is second highest priority of the current 5-year Strategic Plan. Draft procurement specifications are completed as is the RFP document. The agency is waiting for federal and state funding sources to solidify before soliciting bids and awarding the contract. Detailed discussions on funding sources and funding streams will take place in the September meeting.
- The SEAPA Board visited the selected grid reliability and stability project site in Wrangell, a project that addresses the third priority of the 5-year Strategic Plan. Petersburg's Rock and Road Construction is doing the work and has completed about 80% of the road into the site. The potential layout of the solar panels was visibly flagged on the 44-acre site. Discussions ranged from timing of project, costs, future maintenance considerations, and effect on operating turbines. The initial project will be 1.5 MW, with a 5 MW Battery Energy Storage System (BESS), and will be expanded to 5 MW over time. When finished the solar facility will allow the savings of water in both Swan and Tyee for later winter use, as well as diesel fuel savings for Wrangell. For now, completion of the road and completion of the final design and specification package will meet the requirements for significant IRS Investment Tax Credit (ITC) rebates that are anticipated to pay for 50% of the project cost.
- During the meeting, other updates were given by SEAPA staff on helipad replacements, roadway embankment reconstruction, drone mapping and geological structural stability analysis at the Swan Lake dam, Tyee and Swan FERC relicensing efforts, right-of-way clearing, generator maintenance, scheduled work during the June 2026 SEAPA maintenance outage, and Petersburg and Wrangell switch yard and substation maintenance.
- Snowpack surveys at Tyee and Swan watersheds were performed in April. The surveys showed higher than normal snowpack at Tyee and lower than normal at Swan, but the overall snow water equivalent for the SEAPA system is in keeping with historical averages. With the intertie in place, it is the agency's plan to balance the lakes throughout the year by sending power north or south as needed to utilize all impounded water to the greatest benefit to their customer communities. Water levels in the lakes are healthy at the present time, and the forecast is for warmer temperatures with average precipitation. We all know how forecasts go!
- The Board Chair and CEO recognized Karl Hagerman for his service to SEAPA. Board members chimed in and talked about the wisdom, dedication and professionalism that Karl has brought to the board over the years.
- Steve Harbour was able to attend this meeting and meet the SEAPA staff in person. He is all set to assume the role of Petersburg's alternate board member for the remainder of the calendar year.