

ALASKA INTERTIE



QUICK FACTS

170-mile long
AEA-owned
transmission
line

Connecting
Fairbanks
utilities with
southcentral
utilities

Improving
reliability of
the Railbelt
system

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CURRENT STATUS

At the direction of the Alaska Legislature, the Regulatory Commission of Alaska completed an evaluation of the existing Railbelt transmission network in June 2015. This evaluation resulted in five recommendations designed to aggregate the existing transmission assets in a manner that will allow economic dispatch of power in the Railbelt. Under this concept, electric load in the Railbelt would be served by the least cost source of power available at any given time. In order to facilitate this goal, the RCA directed the IMC to revisit the operating and reliability standards to determine if a uniform set of rules can be agreed upon by all of the Railbelt utilities and AEA. The operating committee has met with HEA (non-participant) to reconcile the IMC reliability standards and HEA's reliability standards with the goal of adopting a uniform set of standards for the Railbelt. That reconciliation is complete.

PROGRAM OVERVIEW

The Alaska Intertie transmission line is a 170-mile long, 345kV transmission line between Willow and Healy that is owned by AEA and operates at 138 kV. The Intertie interconnects Golden Valley Electric Association (GVEA), the regulated utility that serves areas north of the Alaska Range, with southcentral Alaska utilities. As an integral part of the interconnected Bulk Electrical System (BES) for the railbelt region, this AEA owned asset transmits Bradley Lake and economy power north into the GVEA system. The economy power is generated by Chugach Electric Association (CEA), Matanuska Electric Association (MEA), and Municipal Light and Power (ML&P). Although power generally flows north, the line is also available for GVEA to transfer energy south if an emergency situation finds the Cook Inlet region short of electric power.

Constructed in the mid-1980s with \$124 million in State of Alaska appropriations, there is no debt associated with this transmission line. The Alaska Intertie consists of transmission towers and conductors, transformers at the Healy, Teeland, and Douglas Substations, and system stability devices at three locations that are necessary to allow the Railbelt utilities to remain interconnected.

There are significant cost savings resulting from the exchange of economy energy and sharing of reserve generation capacity between the Anchorage and Fairbanks load centers. GVEA ratepayers achieved savings in excess of \$70 million in annual benefit. The average annual savings over the past 15 years is in excess of \$40.

GOVERNANCE AND UTILITY PARTICIPATION

The operation of the Intertie is governed by the Alaska Intertie Agreement, entered into in 1985 and amended in 1991, 2011, and again in 2014. The parties to this agreement are AEA, GVEA, ML&P, CEA and MEA. Each of these entities also has a seat on the Intertie Management Committee, which has responsibility for operating and managing the Alaska Intertie.