

Introduced by: Martin
Date: 03/13/01
Action: Adopted
Vote: 8 Yes, 0 No, 1 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2001-020**

**A RESOLUTION IN SUPPORT OF REPLACING THE UNDERWATER ELECTRIC
CABLE IN KACHEMAK BAY, REPLACING THE FOUR BACK-UP GENERATORS IN
SELDOVIA, AND THE REQUEST OF HOMER ELECTRIC ASSOCIATION FOR
FUNDING VIA STATE AND FEDERAL GRANTS**

- WHEREAS,** Homer Electric Association (“HEA”), a rural electric cooperative, has provided reliable electric service to the City of Seldovia and other remote communities south of Kachemak Bay for over 36 years; and
- WHEREAS,** although HEA is a rural electric cooperative, it is also considered urban for funding purposes because it is part of the railbelt; and
- WHEREAS,** the city of Seldovia and surrounding communities, such as Port Graham, Nanwalek, and Halibut Cove have benefitted from reasonably priced electric power in spite of the high cost to maintain service to these remote areas; and
- WHEREAS,** although the communities can only be accessed by water or air, because HEA is considered urban they do not qualify for power cost equalization as do other remote villages in the state; and
- WHEREAS,** the livelihoods and future economic development of these communities is highly dependent upon the continuation of a reliable energy source; and
- WHEREAS,** the 3.8 miles of underwater electric cable in Kachemak Bay has outlived its typical manufactured useful life, and the armor casing that protects the electric wire is rapidly deteriorating due to erosion and age; and
- WHEREAS,** four 1950 vintage diesel generators located in Seldovia that have been used as a backup source of electricity when central service power is interrupted are also aging and need to be replaced; and
- WHEREAS,** the cost to replace the submarine cable and the diesel back-up generators is \$4.8 million, and without outside funding assistance these remote communities would experience a significant rate increase, severely burdening residential consumers; and

WHEREAS, HEA is seeking financial assistance for this project in the form of federal and state grants to defray all or a portion of the capital costs;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. That the Kenai Peninsula Borough Assembly strongly supports HEA's request for funding in the form of state and federal grants.

SECTION 2. The Kenai Peninsula Borough Assembly strongly encourages state and federal legislators to support the needs for this project, including obtaining state and federal funding to offset the associated costs.

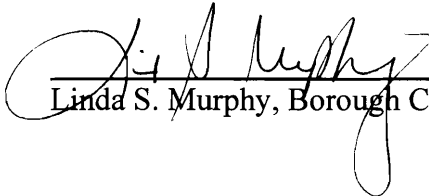
SECTION 3. That copies of this resolution shall be provided to all state and federal legislative delegations representing the Kenai Peninsula Borough.

SECTION 4. That this resolution takes effect immediately upon its enactment.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 13TH DAY OF MARCH, 2001.


Timothy Navarre, Assembly President

ATTEST:


Linda S. Murphy, Borough Clerk

