

Submitted by: Assembly Members Dunbar, Croft,
Demboiski, and Steele
Prepared by: Municipal Clerk's Office
For reading: _____
(always blank)

ANCHORAGE, ALASKA
AR No. 20XX-_____

1 **A RESOLUTION OF THE ANCHORAGE ASSEMBLY URGING THE MUNICIPALITY**
2 **OF ANCHORAGE, MUNICIPAL LIGHT & POWER, AND CHUGACH ELECTRIC**
3 **ASSOCIATION TO BEGIN SUBSTANTIVE STEPS TO EXPLORE MERGER**
4 **OPPORTUNITIES.**
5

6
7 **WHEREAS**, the Anchorage Assembly Enterprise and Utility Oversight Committee
8 heard reports from the Anchorage Economic Development Corporation (AEDC),
9 Municipal Light & Power (ML&P) and Chugach Electric Association (CEA) at a
10 meeting of the Committee on Thursday, May 18, 2017;
11

12 **WHEREAS**, AEDC's Electric Utilities Working Group reported that both utilities were
13 engaged in discussions to better align their strategies and programs in (1) joint
14 investment in new power generation capacity; (2) power pooling/dispatch agreement;
15 and (3) joint ownership of the Beluga natural gas resource; and
16

17 **WHEREAS**, capital costs for generation and maintaining the local grid are expensive
18 and create unnecessarily duplicative investments; and
19

20 **WHEREAS**, current per-capita costs of services are increasing and could be further
21 reduced through a merger to help address future trends on per capita costs; and
22

23 **WHEREAS**, within MLP and CEA's existing service area the alignment of
24 development strategies with political and consumer priorities would provide more
25 efficient future development of the Anchorage electric grid; and
26

27 **THE ANCHORAGE ASSEMBLY RESOLVES:**
28

29 **Section 1.** The Assembly urges the Municipality of Anchorage (MOA), Municipal
30 Light and Power (MLP) and Chugach Electric Association (CEA) to engage local
31 stakeholders including rate payers, labor, Matansuka Electric Association, the
32 renewable and efficiency energy industry, and begin substantive steps to explore
33 merger opportunities of the ML&P and CEA utilities.
34

35 **Section 2.** The Anchorage Assembly encourages ML&P and CEA to fully execute
36 and expand to the best degree possible the existing efforts to align both utilities'
37 efforts in power pooling, shared generation and joint fuel supplies.
38

39 **Section 3.** This resolution shall be effective immediately upon passage and
40 approval by the Assembly.
41

42 PASSED AND APPROVED by the Anchorage Assembly this _____ day of
43 _____, 20XX.

.....

1
2
3
4
5
6
7
8
9
10
11

ATTEST:

Chair of the Assembly

Municipal Clerk

DRAFT