

Submitted by: Assembly Members Dunbar, Croft,
Demboski, and Steele
Prepared by: Municipal Clerk's Office
For reading: June 13, 2017

Municipal Clerk's Office

Approved
Date: 6/13/2017

**ANCHORAGE, ALASKA
AR No. 2017-235**

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

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

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

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

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

WHEREAS, within ML&P's and CEA's existing service area the alignment of development strategies with political and consumer priorities would provide more efficient future development of the Anchorage electric grid.

THE ANCHORAGE ASSEMBLY RESOLVES:

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

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

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

PASSED AND APPROVED by the Anchorage Assembly this 13th day of June, 2017.


Chair

ATTEST:


Municipal Clerk