

Don Young Port of Alaska Modernization Program

IEUOC Update – January 15, 2026



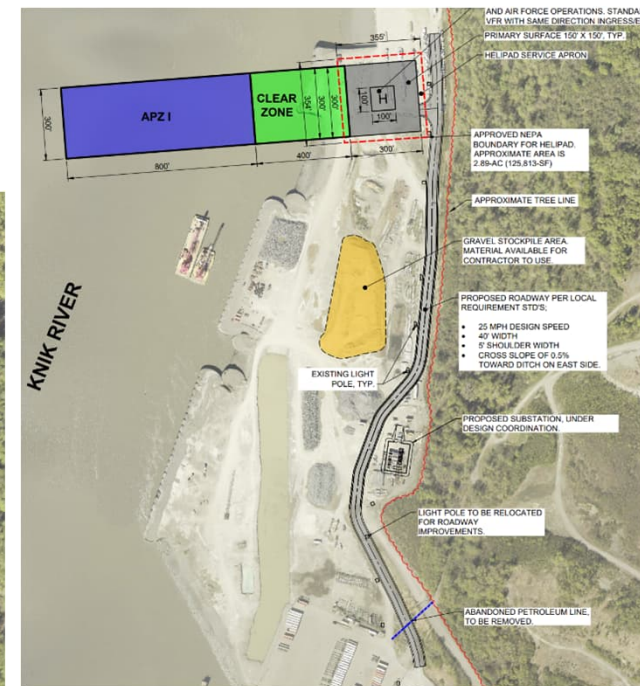
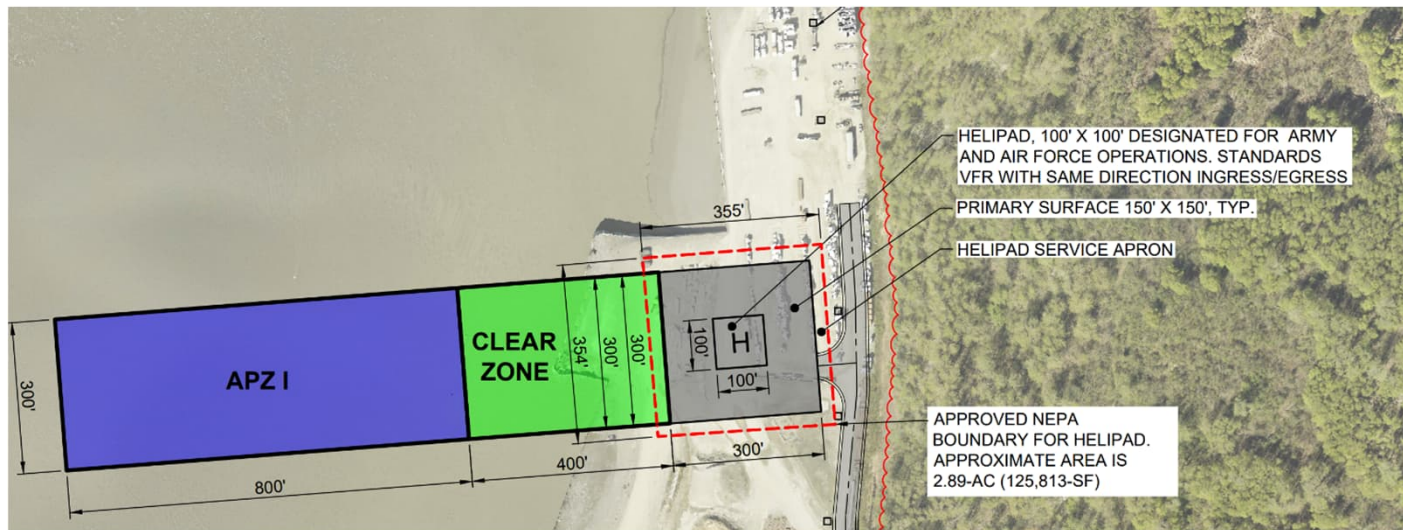
Agenda

- North Extensions Helipad Project
- Electrical Substation Site Selection Approval
- Electrical Substation Change Order Authority Increase Request



North Extension Helipad Project

- Purpose is to relieve existing space constraints on the Port for military mobilizations
- Consists of a helipad and access road
- Will be paid for with excess NES1 grant funding



Request – Include Helipad Project in the PAMP

- The Helipad is expected to cost \$3.8M and is planned to be 100% reimbursed by the PIDP grant for the NES1 project.
- The area currently used by the military for equipment mobilization will quickly become very congested in March 2026 when Terminal 1 construction begins. This project should be constructed as quickly as possible to alleviate this congestion.
- Unanimous PAB decision on 12/30 to include the Helipad Project in the PAMP.



Electrical Substation

1. Request approval of the North Extension site location
 - Approximately \$11.3M
2. Request \$20.68M increase in change order authority for a total contract value of approximately \$49M to allow:
 - Change in site location
 - Battery Energy Storage System integration
 - Continued design development



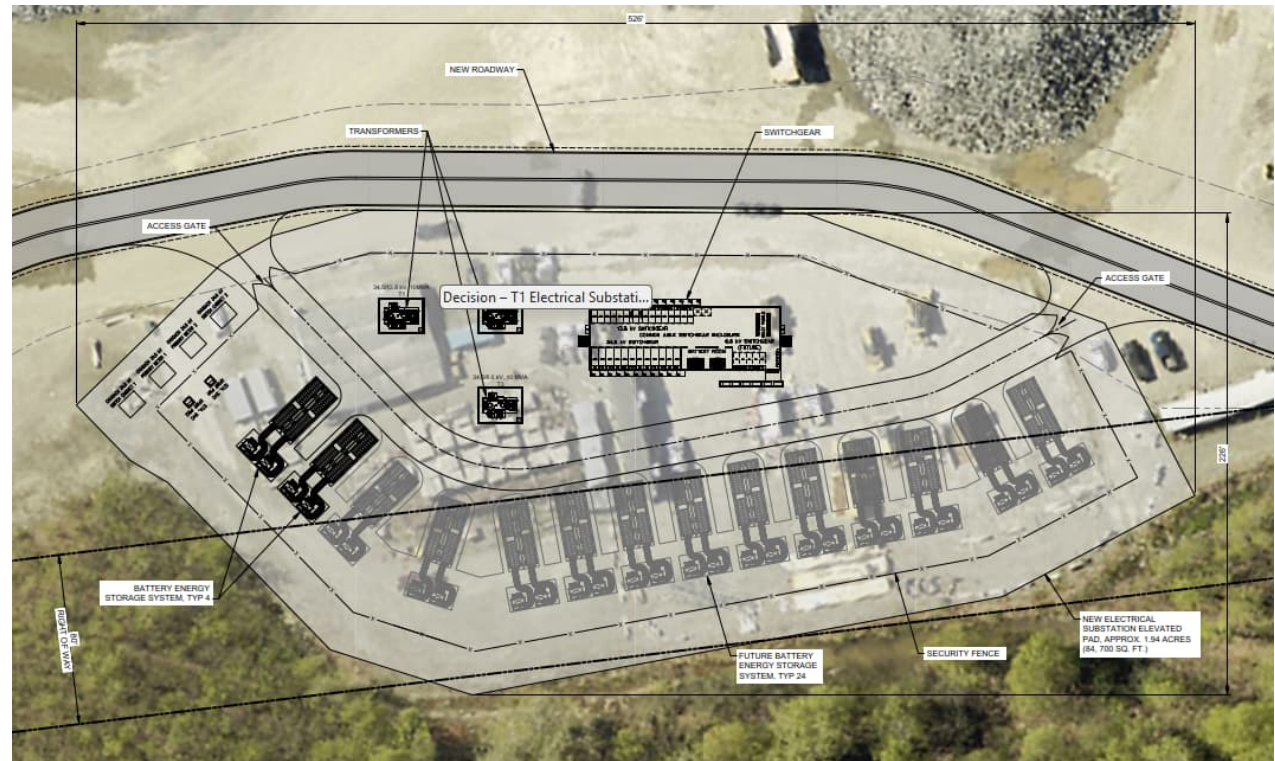
Request – Approve North Extension site

- The electrical substation that will be used to power the gantry cranes was originally located near the new Terminal 1 northeast of the Administration Building.
- The alternate site is on the newly stabilized North Extension.
- PAB approval on 12/30.



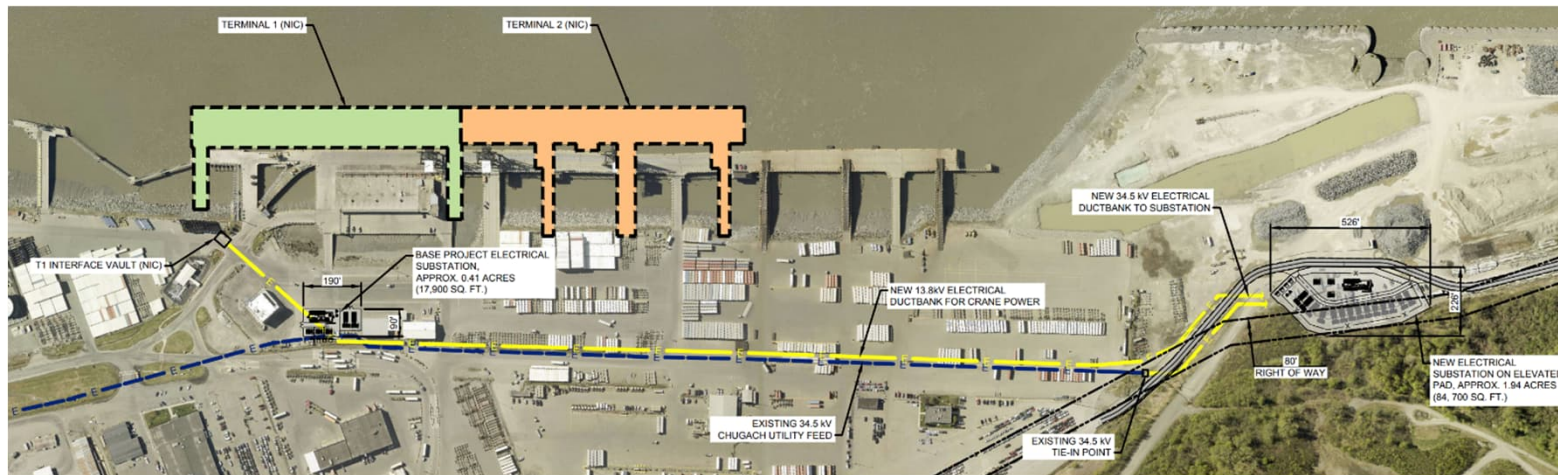
North Extension Site Advantages

1. More readily available space to allow for future expansion including T2 crane power and an expanded BESS.
2. The North Extension is out of the way from cargo operations, which is considered prime space. It does not compete with other uses.



North Extension Site Cost

- Cost increase anticipated to be approximately \$11.3M
- Cost is associated with the increased distance from the T1 Interface Vault to the Substation.
- Electrical duct bank will be constructed to protect crane cables.



Battery Energy Storage System Integration

- The Port's Defense Community Infrastructure Pilot (DCIP) Program grant will purchase the Substation batteries replacing the need for the generator and load bank system originally contemplated.
 - Contract credit of roughly \$1.4M
- This purchase represents the initial phase of a planned BESS
- Batteries perform better than a generator system, they will:
 - provide backup power sufficient to park the cranes during primary power loss,
 - capture regenerative power from the cranes, and
 - support voltage stability during crane operations.
- Batteries require more specialized equipment than a generator to operate correctly
 - Contract increase of roughly \$5.8M
- Substation project is being constructed with future BESS build out in mind.



Plan for future BESS

- The Port is planning to implement a microgrid system designed to both
 - improve the Port of Alaska power system resilience to maintain port operation and readiness during local and grid power outages, as well as
 - to flatten power demand spikes, improve power quality and reduce demand-related charges to provide economic value for Port tenants.
- Anticipate future federal grant awards to help fund the BESS.
- Plan to include a combination of controls, battery systems, grid generation, dispatchable emergency generation and renewable power capacity to provide resilient, economic, lower-carbon emission power for port cargo operations.
- Ongoing coordination with JBER, Chugach Electric Association, US Dept of Energy, US Depart of Defense.



Requested Change Order Authority

Number	Amount
Cost of Identified Items Requiring Change Order Authority	\$18,800,000.00
Additional Change Order Authority Requested (10% of new Contract Value)	\$4,444,631.00
Existing Change Order Authority Authorized	(\$2,564,632.00)
REQUESTED ADDITIONAL AUTHORITY INCREASE	\$20,680,000.00
<u>Summary</u>	
Original Contract Value	\$25,646,315.73
Existing Change Order Authority	\$2,564,632.00
Requested Change Order Authority Increase	\$20,680,000.00
TOTAL NTE CONTRACT AMOUNT (Base Contract Amount + Change Order Authority)	\$48,890,947.30



Coordination with Matson

- Matson voted no on the PAB decision based on concerns regarding power reliability at the further distance.
- Port is committed delivering the power required for Matson's cranes.
- Project is required to be operational in time for the T1 crane delivery in August 2028. Delays would impact the T1 construction.
- Critical electrical equipment is required to be designed and ordered within weeks to meet the schedule.



A photograph of a shipyard at dusk. The sky is a mix of purple, pink, and blue. In the foreground, a body of water reflects the lights from the shipyard. Several large cranes and industrial structures are visible, some with the name 'Matson' on them. The background shows a dark, forested hillside. The text 'Thank you' is overlaid in the center in a large, white, sans-serif font.

Thank you