

Submitted by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Municipal Light & Power Utility
For reading: October 28, 2008

CLERK'S OFFICE

ANCHORAGE, ALASKA

APPROVED

AR No. 2008-264

Date: 10-28-08

**A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY AUTHORIZING
MUNICIPAL LIGHT AND POWER UTILITY (ML&P) TO APPLY FOR A GRANT
FROM THE ALASKA ENERGY AUTHORITY TO FUND THE DESIGN &
CONSTRUCTION OF A COMBINED HEAT AND POWER PROJECT**

WHEREAS, ML&P, University of Alaska Anchorage (UAA) and Providence Hospital are preparing to develop a combined heat and power project to be located in the U-Med district for the benefit of the three organizations. The project will contain one or two gas turbine generators each with a heat recovery boiler and a thermal distribution system that will connect Providence Hospital and UAA buildings to the plant.

WHEREAS, ML&P and UAA intend to apply for \$35,000,000 in grant monies as partial funding for the design and construction of a combined heat and power project with a current estimated design and construction cost of approximately \$55,000,000.

NOW, THEREFORE, the Anchorage Assembly resolves:

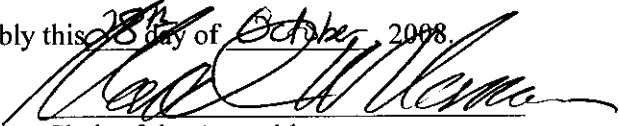
Section 1. ML&P is authorized to apply with UAA for a grant of \$35,00,000, for the design and construction of a combined heat and power project with an estimated cost of \$55,000,000.

Section 2. The General Manager of ML&P is authorized to be the named point-of contact for the grant application and is authorized to represent the Municipality for purposes of this application, except that in accordance with Municipal policies the grant application must be approved by the Municipal Manager.


Section 3. The Municipality of Anchorage is in compliance with all federal, state and local laws related to existing credit and federal tax obligations.

Section 4. This resolution shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 28th day of October, 2008.


Chair of the Assembly

ATTEST:


Municipal Clerk

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 755-2008

Meeting Date: October 28, 2008

1 **From: MAYOR**

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3 **Subject: A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY**
4 **AUTHORIZING MUNICIPAL LIGHT AND POWER UTILITY**
5 **(ML&P) TO APPLY FOR A GRANT FROM THE ALASKA**
6 **ENERGY AUTHORITY TO FUND THE DESIGN &**
7 **CONSTRUCTION OF A COMBINED HEAT AND POWER**
8 **PROJECT**
9

10 In 2008, the Alaska State legislature established in Alaska Statute 42.45.045, a Renewable Energy
11 Grant Fund and Recommendation Program to provide funding to renewable energy projects
12 throughout Alaska. A cogeneration project may qualify for a grant under this program.
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14 The University of Alaska Anchorage (UAA), Providence Hospital and ML&P have long been
15 interested in developing a cogeneration project that would provide electric power to ML&P and
16 heat in the form of steam to Providence Hospital and UAA. By using the waste heat from a
17 turbogenerator to produce steam, the two products (steam and electric energy) can be produced
18 using just over half of the energy needed to produce the two products independently. However, the
19 opportunities to do this are limited by the need to use both forms of energy simultaneously and to
20 use the steam within a fairly short distance from its production. The U-Med district presents one of
21 the best opportunities in Anchorage to do this.
22

23 A grant under the Renewable Energy Grant Fund and Recommendation Program could render this
24 project economic for all three of the interested parties. Application for a grant under this program
25 requires authorization from the applicant's governing body, submission of the grant application,
26 and identification of a point of contact who is authorized to submit the application. This Assembly
27 Resolution is requested to fulfill these application requirements.
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29 This project, if developed with an adequate grant from the Renewable Energy Grant Fund, has the
30 potential to reduce ML&P's total cost of power production, reduce the cost of heat for both
31 Providence Hospital and UAA, and reduce the discharge of carbon dioxide and other pollutants
32 into the atmosphere from the production of electric power used by ML&P and steam used by
33 Providence Hospital and UAA.
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36 **THE ADMINISTRATION RECOMMENDS APPROVAL OF THIS RESOLUTION**
37 **AUTHORIZING ML&P TO APPLY WITH UAA FOR A GRANT FROM THE ALASKA**
38 **ENERGY AUTHORITY TO PARTIALLY FUND THE DESIGN AND CONSTRUCTION**
39 **OF A COGENERATION PLANT IN THE U-MED DISTRICT.**
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42 Prepared by: James M. Posey, General Manager, Municipal Light & Power Utility
43 Concur: James N. Reeves, Municipal Attorney
44 Concur: Michael K. Abbott, Municipal Manager
45 Respectfully submitted: Mark Begich, Mayor

Content ID: 007030**Type:** AR_FundsApprop - Funds Approp Resolution

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Author: pruittns**Initiating
Dept:** MLP**Date
Prepared:** 10/23/08 4:40 PM**Director
Name:** James M Posey**Assembly
Meeting
Date:** 10/28/08

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	10/24/08 3:00 PM	Exit	Heather Handyside	Public	007030
MuniMgrCoord_SubWorkflow	10/24/08 3:00 PM	Approve	Heather Handyside	Public	007030
MuniManager_SubWorkflow	10/24/08 3:00 PM	Approve	Heather Handyside	Public	007030
Finance_SubWorkflow	10/24/08 1:18 PM	Approve	Nina Pruitt	Public	007030
Finance_SubWorkflow	10/24/08 1:17 PM	Checkin	Nina Pruitt	Public	007030
OMB_SubWorkflow	10/24/08 11:38 AM	Approve	Wanda Phillips	Public	007030
MLP_SubWorkflow	10/23/08 4:45 PM	Approve	Richard Miller	Public	007030
FundsAppropWorkflow	10/23/08 4:44 PM	Checkin	Saundra Fletcher	Public	007030



 R. Anderson
 CONSENT AGENDA – RESOLUTIONS FOR ACTION-OTHER