

THE SOUTHEAST ALASKA POWER AGENCY

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November 14, 2014

Delivery Via Email to djack@hotmail.com & U.S. First Class Mail

The Honorable David L. Jack
Mayor
City and Borough of Wrangell
Post Office Box 531
Wrangell, Alaska 99929

Delivery Via Email to mayorjensen@petersburgak.gov & U.S. First Class Mail

The Honorable Mark Jensen
Mayor
Petersburg Borough
Post Office Box 329
Petersburg, Alaska 99833

Delivery Via Email to mayor@city.ketchikan.ak.us & U.S. First Class Mail

The Honorable Lew M. Williams, III
Mayor
City of Ketchikan
334 Front Street
Ketchikan, Alaska 99901

Re: SEAPA Rebates

Dear Member Communities:

During the September 3, 2014 meeting of the Southeast Alaska Power Agency (SEAPA) Board of Directors, SEAPA management provided an overview on how funds flow within the Agency, why reserve funds are maintained, how they are managed going forward, and how they flow into the development of Agency projects. Each member community/utility director was given an opportunity to offer comments and ask questions following management's discussion. After a review of how funds flow within the Agency, your SEAPA board approved a Fiscal Year 2015 (FY15) rebate to its member communities/utilities in the equivalency of ½ cent per kWh based on the last three-years' average of the member utilities' firm kWh purchases from SEAPA. It was noted that rebates are subject to audit compliance, bond requirements, and no unforeseen events occurring that will encumber the funds otherwise.

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Following the action to approve a rebate for FY15, it was determined prudent that a letter to the communities be offered to advise that annual rebates are subject to meeting the business needs of the Agency, and may moderate at the direction of the board.

SEAPA appreciates the opportunity to serve its member communities/utilities and management and staff are available for any questions or concerns.

Respectfully,



Bob Sivertsen, Chairman
The Southeast Alaska Power Agency

cc: Jeff Jabusch, Borough Manager, City and Borough of Wrangell, via email to findir@wrangell.com
Kim Lane, Clerk, City and Borough of Wrangell, via email to clerk@wrangell.com
Steve Giesbrecht, Manager, Petersburg Borough, via email to sgiesbrecht@petersburgak.gov
Kathy O'Rear, Clerk, Petersburg Borough, via email to korear@petersburgak.gov
Karl R. Amylon, Manager, City of Ketchikan, via email to karla@city.ketchikan.ak.us
Katy Suiter, Clerk, City of Ketchikan, via email to katys@city.ketchikan.ak.us
SEAPA Board of Directors