

**Petersburg Borough, Petersburg, Alaska
RESOLUTION #2013-8**

**A RESOLUTION ENDORSING THE PROPOSED EXPANSION OF THE SWAN LAKE
RESERVOIR AND URGING STATE FUNDING FOR THE EXPANSION PROJECT**

WHEREAS, the Petersburg Borough presently anticipates new business development, including expansion of a seafood processing plant and relocation of a custom sawmill in the next year; and

WHEREAS, all local economic development opportunities require a reliable source of energy at reasonable cost; and

WHEREAS, the Southeast Alaska Integrated Resources Plan notes that there is a shortage of hydro storage capacity in Southeast Alaska and that potential hydro projects with storage capacity are more valuable than potential run-of-the-river hydro projects; and

WHEREAS, Southeast Alaska Power Agency's (SEAPA) proposed expansion of the Swan Lake Reservoir (the Project) would directly contribute to increasing regional hydro storage and maximizes the value of an existing hydro project; and

WHEREAS, the additional storage created by the Project adds operational flexibility that benefits the entire region, and shifts summer spill from the new Whitman dam project or the existing Tyee facility to much needed winter hydro generation; and

WHEREAS, the Project would displace up to 12,000 MWhrs of winter diesel generation, which equates to a reduction of 800,000 gallons of diesel fuel annually; and

WHEREAS, another significant advantage of the Swan Lake Reservoir Expansion project is that it needs no additional infrastructure (e.g., transmission facilities) to bring the additional power to the existing power grid; the Project adds capacity at an existing dam that is currently connected to an existing power distribution grid.

THEREFORE BE IT RESOLVED by the Borough Assembly of Petersburg, Alaska to endorse SEAPA's proposed expansion of the Swan Lake Reservoir.

RESOLVED FURTHER, the Petersburg Borough Assembly urges the State to provide \$12.3 million funding for the Project in its FY 2014 Capital budget.

Passed and Approved by the Petersburg Borough Assembly on March 4, 2013.

A copy of this Resolution shall be provided to Governor Sean Parnell, Senator Bert Stedman, Senator Dennis Egan, Representative Beth Kertulla, Representative Peggy Wilson, and Alaska Energy Authority Executive Director Sara Fisher-Goad.

Mark Jensen /dk
Mark Jensen, Mayor

ATTEST:

Debra K. Thompson
Debra K. Thompson, Deputy Clerk