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House Votes Approval of Intertie Projects **HB 175 Finances Needed Railbelt Energy Grid Work**

(JUNEAU) – The House today passed legislation authorizing a financing mechanism aimed at funding \$43 million in rural electrical intertie projects to improve utility service to Railbelt communities.

Sponsored by Rep. Ken Lancaster (R-Soldotna), House Bill 175 represents an effort to bring cleaner, more reliable energy to residents of the Railbelt, he said.

“Many areas in Alaska have been waiting a long time for these projects to expand the grid and connect them with generation and transmission facilities,” said Lancaster, who has 25 years experience serving on various utility boards and working with the power industry around the state.

The money would fund several long-anticipated projects, Lancaster said:

- \$20.3 million for a three-phase power line from Mile 100 to Mile 133 of the Parks Highway
- \$2 million for power generation and transmission line upgrades in Seldovia
- \$19.3 million to replace the Eklutna project power transmission line in Anchorage
- \$500,000 for Matanuska Electric Association line extension in the Matanuska-Susitna Borough
- \$872,000 for Golden Valley Electric Association line extension in Interior Alaska.

The bill also eliminates the controversial Railbelt Energy Fund by transferring it into the assets of the Alaska Industrial and Export Authority. AIDEA will “securitize” the money, creating a revenue stream so that it can sell revenue bonds and pay the debt service with the proceeds from that securitization.

As those bonds are paid off, AIDEA will issue new bonds to fund other priority energy projects, repeating the cycle and continuing to use the funds to provide reliable energy for Alaskans, Lancaster said.

“By improving electrical service in these communities, the projects funded by this bill will improve the local economies and the quality of life for thousands of Alaskans, and I’m pleased to have the House’s support in this effort,” Lancaster said.

[House Bill 175](#) moves next to the Senate for consideration.

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