



March 18, 2024

Alaska Energy Authority
813 W. Northern Lights Blvd
Anchorage, AK 99503

RE: EPA-R-OAR-CPRGI-23-07: Alaska Energy Authority, Individual Application – Dixon
Diversion Project

Administrator Regan,

The Bradley Lake Management Committee (BPMC) is writing in support of an application submitted by the Alaska Energy Authority (AEA) for funding the Climate Pollution Reduction Grants (CPRG) Implementation General Competition for the Dixon Diversion Project (the "Project"). The Project is a significant and transformative expansion of the existing Bradley Lake Hydroelectric Project (Bradley Lake), a 120-megawatt facility owned by AEA and managed by the BPMC that generates about 10 percent of the total annual power used by Railbelt electric utilities serving 550,000 Alaskans at some of the lowest cost energy in Alaska. The BPMC is comprised of representatives from AEA and the five electric utilities that serve the Railbelt and purchase power from Bradley Lake through an established Power Sales Agreement.

By utilizing existing energy infrastructure, the Project allows for a significant renewable resource to be developed on an extremely small footprint and represents the largest renewable energy project in Alaska in the last 30 years. The Project would leverage the existing assets at Bradley Lake to generate an additional 190,800 megawatt-hours per year, increasing Bradley Lake's annual average energy output by almost 50%, and offsetting approximately 106,668 MTCO_{2e} of emissions annually. This additional hydroelectric generation would displace 1.5 billion cubic feet of Cook Inlet natural gas, or approximately 7.5% of the unmet natural gas demand for Alaska's Railbelt region in 2030. Cook Inlet natural gas supply shortages are anticipated to occur within the next three years, placing upward supply-side pressure on natural gas prices, widening the gap between low-cost hydroelectric and natural-gas fired generation.

The Project directly benefits the 75 percent of the state's population connected to the grid and indirectly benefits Alaskans in 188 rural communities that are geographically isolated from the Railbelt but are eligible for Alaska's rural electric subsidy Power Cost Equalization program.

AEA has a proven record of accomplishment in managing projects of similar scope; AEA successfully completed the Battle Creek Diversion project, a similar expansion to Bradley Lake, in 2020. With its experience and expertise, the AEA is well-positioned to implement the Dixon Diversion project.

The BPMC is committed to the success of the Dixon Diversion Project. With funding from the U.S. Environmental Protection Action, our ratepayers will benefit from more affordable energy and Alaskans will benefit from reduced greenhouse gas emissions.

Respectfully,



Bradley P. Janorschke
BPMC Chair