

**CITY OF GUSTAVUS
RESOLUTION CY22-13**

**A RESOLUTION ENCOURAGING PROMPT STARTUP OF THE POWER INTERTIE BETWEEN
GUSTAVUS AND BARTLETT COVE**

WHEREAS, The City of Gustavus has supported and encouraged the development and utilization of the power Intertie between the Gustavus Falls Creek hydroelectric facility; and,

WHEREAS, All parties involved—the Gustavus public, the National Park Service (NPS), and Alaska Power and Telephone (AP&T)—will benefit from utilization of the Intertie through

- a. Reduction of diesel-generation carbon emissions Citywide.
- b. Better use of the non-fossil-fueled hydroelectric capacity of the Falls Creek facility.
- c. Substantially reduced electric power unit costs due to higher electric power sales from the largely fixed-cost system.
- d. Encouragement for non-fossil-fueled electrification broadly in the community.
- e. Return on the substantial public investment made by the federal and state governments in providing clean power to Gustavus.
- f. Reputational benefits as advocates of alternative electric-power sources.

WHEREAS, In the early planning stages for the Intertie, the Gustavus City Council expressed concerns in Resolution CY17-09 regarding where supplementary power would be generated when Falls Creek stream flow was insufficient to meet systemwide demand; and

WHEREAS, The community of Gustavus expressed concerns about diesel particulate emissions and noise from additional diesel generation at AP&T's Gustavus facility and asked that supplementary generation be provided preferentially by the NPS generators at Bartlett Cove; and,

WHEREAS, The Intertie has now been functional for more than six months but is not yet in service due to the lack of an agreement between the NPS and AP&T regarding the need for NPS generators to be capable of feeding power to Gustavus through the Intertie, maintenance and operating responsibilities for those generators, and the lack of a commercial agreement regarding the NPS purchase prices for power provided through the Intertie; and

WHEREAS, During construction of the Intertie, engineers identified potential issues—yet to be confirmed and resolved—regarding the ability of the NPS generators to supply power to Gustavus; and,

WHEREAS, AP&T now has supplementary diesel generation capacity in Gustavus sufficient to meet maximum anticipated loads for the near term; and

WHEREAS, Improved engineering controls have the potential to reduce noise and particulate emissions from supplementary generation in Gustavus.

NOW THEREFORE BE IT RESOLVED:

- a. The City of Gustavus urgently encourages the NPS and AP&T to reach commercial agreements for operation, maintenance, and pricing such that the Intertie can be put into full operation as soon as possible.
- b. The requirements and expectations of City Resolution CY17-09 are repealed.
- c. Specifically, the City of Gustavus no longer insists that the National Park Service's power infrastructure be retained and used as a component of a resilient microgrid or

that additional diesel-power demand caused by the addition of the National Park as a customer is generated in the National Park facilities and not in Gustavus.

- d. The City of Gustavus supports a negotiated startup without concerns about where supplementary power is generated. Operation of specific backup generators in Gustavus and/or Bartlett Cove should be based on compatibility and system-load requirements.
- e. The City of Gustavus encourages prompt approval of the agreement by the Regulatory Commission of Alaska to enable full use of the Intertie.

BE IT FURTHER RESOLVED:

- a. The City of Gustavus will work with AP&T to identify and implement engineering controls to reduce particulate and noise emissions from the Gustavus diesel backup power plant.
- b. The City of Gustavus will work with AP&T to identify additional non-fossil fueled electric generation capacity options for community load increases in the future,
- c. The City of Gustavus will encourage, where practical, community electrification through the use electric vehicles, heat pumps, and appliances in line with the values we express.
- d. The City of Gustavus encourages the NPS to electrify energy use wherever practical, through electric vehicles and vessels, heat pumps, and appliances.
- e. Off-peak rates, which will encourage broader community electrification and fuller use of the Falls Creek hydroelectric facility, should be enabled at the earliest possible opportunity.

PASSED and **APPROVED** by the Gustavus City Council this 21st day of June, 2022, and effective upon adoption.



Mike Taylor, Mayor



Attest: Karen Platt CMC, City Clerk