

Manager's Update – December 7, 2023

Revenue Bond: Congratulations to everyone on the financing team for successful bond pricing on December 1! Please find attached, in both PDF and Excel, the final numbers for Alaska Municipal Bond Bank Authority General Obligation Bonds, 2023 Series Three. The team at K&L Gates prepared the Bond Purchase Agreement (BPA) for review and execution that day.

For the bond, the Authority and Skagway locked in a low True Interest Cost (TIC) of 4.78% and an all-in TIC (inclusive of financing costs) of 4.83%, providing a deposit of \$35 million for the port project. Annual debt service is approximately \$2.3 million per year for the 30-year issuance. The Authority priced into a strong market after weeks of falling rates due to investors' beliefs that the Fed has finished their rate hiking cycle. While US Treasury rates rose slightly on December 1, the municipal market remained firm and the Authority sold its bonds to a diverse group of buyers, including bond funds, SMAs, banks, and investment advisors.

Congratulations again, and we look forward to bond closing on December 14. Thank you to the Authority for allowing us to serve as underwriter on this important transaction.

APC Rate Case Petition to Intervene: The Regulatory Commission of Alaska has granted the Municipality's petition to intervene in the Alaska Power Company's rate case and tariff revisions (see attached order). The next step is for our legal counsel to hire a material expert for "Issue Spotting," which will cost approximately \$10,000.

Business License Update: Finance staff is working hard to implement municipal code, and one issue that has been identified is the lack of the state business license that is a requirement for a municipal license. The attached correspondence is being provided to help clarify the process for businesses.

Library Director's Update: Yuletide is in full swing, here at the library! Community members are encouraged to stop by the library to take a Reading Magic Picture by the tree during our open hours, join our holiday crafting sessions on Thursday, December 21st and Saturday, December 23rd, and participate in our special holiday story time on Saturday, December 23rd at 10:30 am. Please note that we will have shortened hours, from 1:00-3:00 pm, on Sunday, December 24th and Sunday, December 31st.

We are also excited to announce that we received another Book Hook Grant from the Juneau Community Fund, a grant that provides additional funding for the collection. These funds have been added to our FY24 budget.

Clinic Update: The clinic is happy to welcome Albert "Alex" Wall as the new Executive Director of DMC. Alex comes to us from Juneau. Clinic staff extend their gratitude to Thomas Steiner for his service as interim Executive Director from August 2022 to November 2023. DMC providers for the coming weeks are Bill Weiss (PA-C), Brittany Chambers (NP), and Conor Cahalan (PA-C). Shauna Thomas, RN, will assist the clinic for the first two weeks of December. The flu workshop at the

end of October was well attended and we are working toward a Covid workshop soon. Everyone is invited to our Yuletide open house 2-4pm December 15 to meet Alex, chat with clinic staff, and have snacks and cocoa.

Port Director's Update:

Ore Peninsula Redevelopment Project: The Kumtux material barge, which arrived on November 30, delivered permanent piles and templates for dolphins 5, 6, and 7 fender piles, as well as cruise dock float piles. Meanwhile, the Thelma barge departed on December 1, carrying the dismantled Ore Loader and other items for disposal or recycling. Broadway Yard saw ongoing activity, with PPM splicing the 36" splice piles for Dolphin 2. Challenges arose in wire cutting on the Ore Loader platform due to wire saw failures. Onsite inspectors closely monitored pile driving operations and conducted analyses.

Small Boat Harbor Launch Ramp Project: The Project successfully concluded on December 1, and efforts are underway to finalize the project this week.

Port Staffing Changes: Port Administrative Manager, Kaitlyn Jared submitted her resignation November 28th and we have begun the search for her replacement. Kaitlyn's last day will be December 15th.

51st Annual Yukon Geoscience Forum and Trade Show: In the realm of regional collaboration, the Port attended the 51st Annual Yukon Geoscience Forum and Trade Show in Whitehorse from November 19-22. The sessions were informative, covering current industry issues and exploration project updates in the territory. Additionally, the Port provided an update during the conference and held meetings with the Yukon Chamber of Mines and Casino Mining Corp. Both groups expressed an interest in attending more PHAB meetings to stay up to date on developments in the Port.

2024 Berthing Agreements: The Port has initiated the process of securing berthing agreements for 2024, with agreements already sent out to cruise lines. Crystal Cruise Lines has responded with a signed agreement, and efforts are underway to finalize agreements with other cruise lines by the end of the year. There is also consideration for longer-term agreements extending into 2025 and beyond.

RAISE Grant: The Rebuilding American Infrastructure with Sustainability and Equity (RAISE) discretionary grant program has posted a Notice of Funding Opportunity (NOFO) for 2024. The Port intends to review the NOFO to assess its alignment with current projects. Although a submission for the 2023 RAISE Grant for the Ferry Terminal Relocation Project was made in March, the project was not selected for advancement. The deadline for applications for the 2024 RAISE Grant is set for February 28.



MUNICIPALITY OF SKAGWAY

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MEMORANDUM

**Date: November 29, 2023
To: Brad Ryan, Borough Manager
From: Susie Anderson, Tax Clerk**

Subject: State of Alaska Business License Requirements

A recent review of current Skagway businesses has revealed that many Municipal Business License holders either lack a State of Alaska business license or possess an expired one.

In accordance with Skagway Municipal Code (SMC) 5.01.050, businesses are required to adhere to all state and municipal laws, subject to corrective action if noncompliant. Alaska Statutes (AS) 43.70.020(a) mandates that a state business license is essential for engaging in business in the State of Alaska, with only a few exemptions outlined in AS 43.70.105.

Effective immediately, no Municipal licenses will be issued without confirming the business's possession of a current and valid state license or eligibility for a state license exemption.

For clarification on the necessity of a State of Alaska business license, please refer to the information available on the state's website:

<https://www.commerce.alaska.gov/web/cbpl/BusinessLicensing.aspx>.

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SOURCES AND USES OF FUNDS

Alaska Municipal Bond Bank Authority
General Obligation Bonds, 2023 Series Three
Municipality of Skagway - Port Revenue Bonds (AMT)
Rates as of 11/30/2023
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Sources:

Bond Proceeds:	
Par Amount	35,120,000.00
Premium	<u>1,645,577.15</u>
	36,765,577.15
Other Sources of Funds:	
Bond Bank Grant for COI	163,256.00
Cash Contribution for DSRF	<u>735,718.14</u>
	898,974.14
	<hr/>
	37,664,551.29
	<hr/> <hr/>

Uses:

Project Fund Deposits:	
Project Fund	35,000,000.00
Other Fund Deposits:	
Local Debt Service Reserve Fund	2,297,887.50
Delivery Date Expenses:	
Cost of Issuance	198,256.00
Underwriter's Discount	<u>168,407.79</u>
	366,663.79
	<hr/>
	37,664,551.29
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BOND SUMMARY STATISTICS

Alaska Municipal Bond Bank Authority
 General Obligation Bonds, 2023 Series Three
 Municipality of Skagway - Port Revenue Bonds (AMT)
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Dated Date	12/14/2023
Delivery Date	12/14/2023
First Coupon	06/01/2024
Last Maturity	12/01/2053
Arbitrage Yield	4.621093%
True Interest Cost (TIC)	4.779769%
Net Interest Cost (NIC)	4.911140%
All-In TIC	4.826449%
Average Coupon	5.130313%
Average Life (years)	19.191
Weighted Average Maturity (years)	19.005
Duration of Issue (years)	11.932
Par Amount	35,120,000.00
Bond Proceeds	36,765,577.15
Total Interest	34,576,863.78
Net Interest	33,099,694.42
Total Debt Service	69,696,863.78
Maximum Annual Debt Service	2,297,887.50
Average Annual Debt Service	2,326,028.64
Underwriter's Fees (per \$1000)	
Average Takedown	3.750000
Other Fee	1.045210
	4.795210
Total Underwriter's Discount	4.795210
Bid Price	104.206063

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bonds Through 2030	4,140,000.00	104.745	5.000%	4.167	1,601.40
Term Bond 2033	2,270,000.00	110.049	5.000%	8.997	1,974.90
Term Bond 2035	1,715,000.00	110.881	5.250%	11.477	1,492.05
Serial Bonds Through 2043	8,980,000.00	107.501	5.250%	16.738	7,530.30
Term Bond 2048	7,860,000.00	104.091	5.250%	23.068	6,288.00
Term Bond 2053	10,155,000.00	100.387	5.000%	28.064	7,920.90
	35,120,000.00			19.191	26,807.55

	TIC	All-In TIC	Arbitrage Yield
Par Value	35,120,000.00	35,120,000.00	35,120,000.00
+ Accrued Interest			
+ Premium (Discount)	1,645,577.15	1,645,577.15	1,645,577.15
- Underwriter's Discount	-168,407.79	-168,407.79	
- Cost of Issuance Expense		-198,256.00	
- Other Amounts			
	36,597,169.36	36,398,913.36	36,765,577.15
Target Value			
Target Date	12/14/2023	12/14/2023	12/14/2023
Yield	4.779769%	4.826449%	4.621093%

BOND PRICING

Alaska Municipal Bond Bank Authority
 General Obligation Bonds, 2023 Series Three
 Municipality of Skagway - Port Revenue Bonds (AMT)
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Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	Takedown
Serial Bonds Through 2030:										
	12/01/2024	505,000	5.000%	3.910%	101.019				5,145.95	3.750
	12/01/2025	530,000	5.000%	3.810%	102.229				11,813.70	3.750
	12/01/2026	560,000	5.000%	3.710%	103.587				20,087.20	3.750
	12/01/2027	590,000	5.000%	3.710%	104.713				27,806.70	3.750
	12/01/2028	620,000	5.000%	3.700%	105.844				36,232.80	3.750
	12/01/2029	650,000	5.000%	3.730%	106.733				43,764.50	3.750
	12/01/2030	685,000	5.000%	3.760%	107.533				51,601.05	3.750
		<u>4,140,000</u>							<u>196,451.90</u>	
Term Bond 2033:										
	12/01/2031	720,000	5.000%	3.780%	110.049				72,352.80	3.750
	12/01/2032	755,000	5.000%	3.780%	110.049				75,869.95	3.750
	12/01/2033	795,000	5.000%	3.780%	110.049				79,889.55	3.750
		<u>2,270,000</u>							<u>228,112.30</u>	
Term Bond 2035:										
	12/01/2034	835,000	5.250%	3.920%	110.881 C	4.091%	12/01/2033	100.000	90,856.35	3.750
	12/01/2035	880,000	5.250%	3.920%	110.881 C	4.091%	12/01/2033	100.000	95,752.80	3.750
		<u>1,715,000</u>							<u>186,609.15</u>	
Serial Bonds Through 2043:										
	12/01/2036	930,000	5.250%	4.040%	109.842 C	4.254%	12/01/2033	100.000	91,530.60	3.750
	12/01/2037	975,000	5.250%	4.160%	108.815 C	4.398%	12/01/2033	100.000	85,946.25	3.750
	12/01/2038	1,030,000	5.250%	4.240%	108.137 C	4.497%	12/01/2033	100.000	83,811.10	3.750
	12/01/2039	1,085,000	5.250%	4.290%	107.715 C	4.564%	12/01/2033	100.000	83,707.75	3.750
	12/01/2040	1,145,000	5.250%	4.340%	107.296 C	4.624%	12/01/2033	100.000	83,539.20	3.750
	12/01/2041	1,205,000	5.250%	4.400%	106.795 C	4.686%	12/01/2033	100.000	81,879.75	3.750
	12/01/2042	1,270,000	5.250%	4.440%	106.463 C	4.730%	12/01/2033	100.000	82,080.10	3.750
	12/01/2043	1,340,000	5.250%	4.490%	106.049 C	4.776%	12/01/2033	100.000	81,056.60	3.750
		<u>8,980,000</u>							<u>673,551.35</u>	
Term Bond 2048:										
	12/01/2044	1,410,000	5.250%	4.730%	104.091 C	4.962%	12/01/2033	100.000	57,683.10	3.750
	12/01/2045	1,490,000	5.250%	4.730%	104.091 C	4.962%	12/01/2033	100.000	60,955.90	3.750
	12/01/2046	1,570,000	5.250%	4.730%	104.091 C	4.962%	12/01/2033	100.000	64,228.70	3.750
	12/01/2047	1,650,000	5.250%	4.730%	104.091 C	4.962%	12/01/2033	100.000	67,501.50	3.750
	12/01/2048	1,740,000	5.250%	4.730%	104.091 C	4.962%	12/01/2033	100.000	71,183.40	3.750
		<u>7,860,000</u>							<u>321,552.60</u>	
Term Bond 2053:										
	12/01/2049	1,835,000	5.000%	4.950%	100.387 C	4.975%	12/01/2033	100.000	7,101.45	3.750
	12/01/2050	1,925,000	5.000%	4.950%	100.387 C	4.975%	12/01/2033	100.000	7,449.75	3.750
	12/01/2051	2,025,000	5.000%	4.950%	100.387 C	4.975%	12/01/2033	100.000	7,836.75	3.750
	12/01/2052	2,130,000	5.000%	4.950%	100.387 C	4.975%	12/01/2033	100.000	8,243.10	3.750
	12/01/2053	2,240,000	5.000%	4.950%	100.387 C	4.975%	12/01/2033	100.000	8,668.80	3.750
		<u>10,155,000</u>							<u>39,299.85</u>	
		<u>35,120,000</u>							<u>1,645,577.15</u>	

Dated Date	12/14/2023	
Delivery Date	12/14/2023	
First Coupon	06/01/2024	
Par Amount	35,120,000.00	
Premium	1,645,577.15	
Production	36,765,577.15	104.685584%
Underwriter's Discount	-168,407.79	-0.479521%
Purchase Price	36,597,169.36	104.206063%
Accrued Interest		
Net Proceeds	36,597,169.36	

BOND DEBT SERVICE

Alaska Municipal Bond Bank Authority
General Obligation Bonds, 2023 Series Three
Municipality of Skagway - Port Revenue Bonds (AMT)
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Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2024			836,107.53	836,107.53
06/30/2025	505,000	5.000%	1,789,762.50	2,294,762.50
06/30/2026	530,000	5.000%	1,763,887.50	2,293,887.50
06/30/2027	560,000	5.000%	1,736,637.50	2,296,637.50
06/30/2028	590,000	5.000%	1,707,887.50	2,297,887.50
06/30/2029	620,000	5.000%	1,677,637.50	2,297,637.50
06/30/2030	650,000	5.000%	1,645,887.50	2,295,887.50
06/30/2031	685,000	5.000%	1,612,512.50	2,297,512.50
06/30/2032	720,000	5.000%	1,577,387.50	2,297,387.50
06/30/2033	755,000	5.000%	1,540,512.50	2,295,512.50
06/30/2034	795,000	5.000%	1,501,762.50	2,296,762.50
06/30/2035	835,000	5.250%	1,459,968.75	2,294,968.75
06/30/2036	880,000	5.250%	1,414,950.00	2,294,950.00
06/30/2037	930,000	5.250%	1,367,437.50	2,297,437.50
06/30/2038	975,000	5.250%	1,317,431.25	2,292,431.25
06/30/2039	1,030,000	5.250%	1,264,800.00	2,294,800.00
06/30/2040	1,085,000	5.250%	1,209,281.25	2,294,281.25
06/30/2041	1,145,000	5.250%	1,150,743.75	2,295,743.75
06/30/2042	1,205,000	5.250%	1,089,056.25	2,294,056.25
06/30/2043	1,270,000	5.250%	1,024,087.50	2,294,087.50
06/30/2044	1,340,000	5.250%	955,575.00	2,295,575.00
06/30/2045	1,410,000	5.250%	883,387.50	2,293,387.50
06/30/2046	1,490,000	5.250%	807,262.50	2,297,262.50
06/30/2047	1,570,000	5.250%	726,937.50	2,296,937.50
06/30/2048	1,650,000	5.250%	642,412.50	2,292,412.50
06/30/2049	1,740,000	5.250%	553,425.00	2,293,425.00
06/30/2050	1,835,000	5.000%	461,875.00	2,296,875.00
06/30/2051	1,925,000	5.000%	367,875.00	2,292,875.00
06/30/2052	2,025,000	5.000%	269,125.00	2,294,125.00
06/30/2053	2,130,000	5.000%	165,250.00	2,295,250.00
06/30/2054	2,240,000	5.000%	56,000.00	2,296,000.00
	35,120,000		34,576,863.78	69,696,863.78

BOND DEBT SERVICE

Alaska Municipal Bond Bank Authority
 General Obligation Bonds, 2023 Series Three
 Municipality of Skagway - Port Revenue Bonds (AMT)
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Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2024			836,107.53	836,107.53	
06/30/2024					836,107.53
12/01/2024	505,000	5.000%	901,193.75	1,406,193.75	
06/01/2025			888,568.75	888,568.75	
06/30/2025					2,294,762.50
12/01/2025	530,000	5.000%	888,568.75	1,418,568.75	
06/01/2026			875,318.75	875,318.75	
06/30/2026					2,293,887.50
12/01/2026	560,000	5.000%	875,318.75	1,435,318.75	
06/01/2027			861,318.75	861,318.75	
06/30/2027					2,296,637.50
12/01/2027	590,000	5.000%	861,318.75	1,451,318.75	
06/01/2028			846,568.75	846,568.75	
06/30/2028					2,297,887.50
12/01/2028	620,000	5.000%	846,568.75	1,466,568.75	
06/01/2029			831,068.75	831,068.75	
06/30/2029					2,297,637.50
12/01/2029	650,000	5.000%	831,068.75	1,481,068.75	
06/01/2030			814,818.75	814,818.75	
06/30/2030					2,295,887.50
12/01/2030	685,000	5.000%	814,818.75	1,499,818.75	
06/01/2031			797,693.75	797,693.75	
06/30/2031					2,297,512.50
12/01/2031	720,000	5.000%	797,693.75	1,517,693.75	
06/01/2032			779,693.75	779,693.75	
06/30/2032					2,297,387.50
12/01/2032	755,000	5.000%	779,693.75	1,534,693.75	
06/01/2033			760,818.75	760,818.75	
06/30/2033					2,295,512.50
12/01/2033	795,000	5.000%	760,818.75	1,555,818.75	
06/01/2034			740,943.75	740,943.75	
06/30/2034					2,296,762.50
12/01/2034	835,000	5.250%	740,943.75	1,575,943.75	
06/01/2035			719,025.00	719,025.00	
06/30/2035					2,294,968.75
12/01/2035	880,000	5.250%	719,025.00	1,599,025.00	
06/01/2036			695,925.00	695,925.00	
06/30/2036					2,294,950.00
12/01/2036	930,000	5.250%	695,925.00	1,625,925.00	
06/01/2037			671,512.50	671,512.50	
06/30/2037					2,297,437.50
12/01/2037	975,000	5.250%	671,512.50	1,646,512.50	
06/01/2038			645,918.75	645,918.75	
06/30/2038					2,292,431.25
12/01/2038	1,030,000	5.250%	645,918.75	1,675,918.75	
06/01/2039			618,881.25	618,881.25	
06/30/2039					2,294,800.00
12/01/2039	1,085,000	5.250%	618,881.25	1,703,881.25	
06/01/2040			590,400.00	590,400.00	
06/30/2040					2,294,281.25
12/01/2040	1,145,000	5.250%	590,400.00	1,735,400.00	
06/01/2041			560,343.75	560,343.75	
06/30/2041					2,295,743.75
12/01/2041	1,205,000	5.250%	560,343.75	1,765,343.75	
06/01/2042			528,712.50	528,712.50	
06/30/2042					2,294,056.25
12/01/2042	1,270,000	5.250%	528,712.50	1,798,712.50	
06/01/2043			495,375.00	495,375.00	
06/30/2043					2,294,087.50
12/01/2043	1,340,000	5.250%	495,375.00	1,835,375.00	
06/01/2044			460,200.00	460,200.00	
06/30/2044					2,295,575.00
12/01/2044	1,410,000	5.250%	460,200.00	1,870,200.00	
06/01/2045			423,187.50	423,187.50	
06/30/2045					2,293,387.50
12/01/2045	1,490,000	5.250%	423,187.50	1,913,187.50	
06/01/2046			384,075.00	384,075.00	
06/30/2046					2,297,262.50

BOND DEBT SERVICE

Alaska Municipal Bond Bank Authority
 General Obligation Bonds, 2023 Series Three
 Municipality of Skagway - Port Revenue Bonds (AMT)
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 Reprice

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2046	1,570,000	5.250%	384,075.00	1,954,075.00	
06/01/2047			342,862.50	342,862.50	
06/30/2047					2,296,937.50
12/01/2047	1,650,000	5.250%	342,862.50	1,992,862.50	
06/01/2048			299,550.00	299,550.00	
06/30/2048					2,292,412.50
12/01/2048	1,740,000	5.250%	299,550.00	2,039,550.00	
06/01/2049			253,875.00	253,875.00	
06/30/2049					2,293,425.00
12/01/2049	1,835,000	5.000%	253,875.00	2,088,875.00	
06/01/2050			208,000.00	208,000.00	
06/30/2050					2,296,875.00
12/01/2050	1,925,000	5.000%	208,000.00	2,133,000.00	
06/01/2051			159,875.00	159,875.00	
06/30/2051					2,292,875.00
12/01/2051	2,025,000	5.000%	159,875.00	2,184,875.00	
06/01/2052			109,250.00	109,250.00	
06/30/2052					2,294,125.00
12/01/2052	2,130,000	5.000%	109,250.00	2,239,250.00	
06/01/2053			56,000.00	56,000.00	
06/30/2053					2,295,250.00
12/01/2053	2,240,000	5.000%	56,000.00	2,296,000.00	
06/30/2054					2,296,000.00
	35,120,000		34,576,863.78	69,696,863.78	69,696,863.78

FORM 8038 STATISTICS

Alaska Municipal Bond Bank Authority
 General Obligation Bonds, 2023 Series Three
 Municipality of Skagway - Port Revenue Bonds (AMT)
 Rates as of 11/30/2023
****Reprice****

Dated Date 12/14/2023
 Delivery Date 12/14/2023

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Serial Bonds Through 2030:						
	12/01/2024	505,000.00	5.000%	101.019	510,145.95	505,000.00
	12/01/2025	530,000.00	5.000%	102.229	541,813.70	530,000.00
	12/01/2026	560,000.00	5.000%	103.587	580,087.20	560,000.00
	12/01/2027	590,000.00	5.000%	104.713	617,806.70	590,000.00
	12/01/2028	620,000.00	5.000%	105.844	656,232.80	620,000.00
	12/01/2029	650,000.00	5.000%	106.733	693,764.50	650,000.00
	12/01/2030	685,000.00	5.000%	107.533	736,601.05	685,000.00
Term Bond 2033:						
	12/01/2031	720,000.00	5.000%	110.049	792,352.80	720,000.00
	12/01/2032	755,000.00	5.000%	110.049	830,869.95	755,000.00
	12/01/2033	795,000.00	5.000%	110.049	874,889.55	795,000.00
Term Bond 2035:						
	12/01/2034	835,000.00	5.250%	110.881	925,856.35	835,000.00
	12/01/2035	880,000.00	5.250%	110.881	975,752.80	880,000.00
Serial Bonds Through 2043:						
	12/01/2036	930,000.00	5.250%	109.842	1,021,530.60	930,000.00
	12/01/2037	975,000.00	5.250%	108.815	1,060,946.25	975,000.00
	12/01/2038	1,030,000.00	5.250%	108.137	1,113,811.10	1,030,000.00
	12/01/2039	1,085,000.00	5.250%	107.715	1,168,707.75	1,085,000.00
	12/01/2040	1,145,000.00	5.250%	107.296	1,228,539.20	1,145,000.00
	12/01/2041	1,205,000.00	5.250%	106.795	1,286,879.75	1,205,000.00
	12/01/2042	1,270,000.00	5.250%	106.463	1,352,080.10	1,270,000.00
	12/01/2043	1,340,000.00	5.250%	106.049	1,421,056.60	1,340,000.00
Term Bond 2048:						
	12/01/2044	1,410,000.00	5.250%	104.091	1,467,683.10	1,410,000.00
	12/01/2045	1,490,000.00	5.250%	104.091	1,550,955.90	1,490,000.00
	12/01/2046	1,570,000.00	5.250%	104.091	1,634,228.70	1,570,000.00
	12/01/2047	1,650,000.00	5.250%	104.091	1,717,501.50	1,650,000.00
	12/01/2048	1,740,000.00	5.250%	104.091	1,811,183.40	1,740,000.00
Term Bond 2053:						
	12/01/2049	1,835,000.00	5.000%	100.387	1,842,101.45	1,835,000.00
	12/01/2050	1,925,000.00	5.000%	100.387	1,932,449.75	1,925,000.00
	12/01/2051	2,025,000.00	5.000%	100.387	2,032,836.75	2,025,000.00
	12/01/2052	2,130,000.00	5.000%	100.387	2,138,243.10	2,130,000.00
	12/01/2053	2,240,000.00	5.000%	100.387	2,248,668.80	2,240,000.00
		35,120,000.00			36,765,577.15	35,120,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	12/01/2053	5.000%	2,248,668.80	2,240,000.00		
Entire Issue			36,765,577.15	35,120,000.00	19.0049	4.6211%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	366,663.79
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	1,562,169.36

COST OF ISSUANCE

Alaska Municipal Bond Bank Authority
General Obligation Bonds, 2023 Series Three
Municipality of Skagway - Port Revenue Bonds (AMT)
Rates as of 11/30/2023
Reprice

Cost of Issuance	\$/1000	Amount
Bond Counsel (Orrick)	1.02506	36,000.00
Financial Advisor (PFM)	0.99658	35,000.00
Financial Advisor (PFM) - Data Fee	0.05000	1,756.00
Rating Agency (S&P Global Ratings)	1.02506	36,000.00
Rating Agency (Moody's Investor Services)	0.79727	28,000.00
Rating Agency (Kroll)	0.56948	20,000.00
Printer (ImageMaster)	0.04271	1,500.00
Contingency	0.14237	5,000.00
Local Cost of Issuance	0.99658	35,000.00
	5.64510	198,256.00

FORMULA VERIFICATION

Alaska Municipal Bond Bank Authority
 General Obligation Bonds, 2023 Series Three
 Municipality of Skagway - Port Revenue Bonds (AMT)
 Rates as of 11/30/2023
 Reprice

Component	Formula	Value
EXP	36,000	36,000.00
EXP	35,000	35,000.00
EXP	1,756	1,756.00
EXP	36,000	36,000.00
EXP	28,000	28,000.00
EXP	20,000	20,000.00
EXP	1,500	1,500.00
EXP	5,000	5,000.00
EXP	$((200 + ((19 - 1) * 30))) + 35$	775.00
EXP	800	800.00
EXP	$(\text{Par Amount} * .01) / 360$	975.56
EXP	$((.07 * (\text{Par Amount} / 1,000)) + (60 + (30 * 2))) * 1.08875$	2,807.23
EXP	350	350.00
EXP	25,000	25,000.00
EXP	6,000	6,000.00
LOCAL	\$35,000	35,000.00
DSRF	Maximum annual Debt Service	2,297,887.50

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STATE OF ALASKA

THE REGULATORY COMMISSION OF ALASKA

Before Commissioners:

Robert A. Doyle, Chairman
John Espindola
Keith Kurber II
Robert M. Pickett
Janis W. Wilson

In the Matter of the Rate Case Designated as)
TA909-2 and the Tariff Revisions Designated as)
TA910-2 Filed by ALASKA POWER COMPANY)

U-23-054
ORDER NO. 4

**ORDER GRANTING PETITIONS TO INTERVENE
AND ADOPTING PROCEDURAL SCHEDULE**

BY THE COMMISSION:

Summary

We grant the petitions to intervene filed by the Municipality of Skagway Borough (Skagway) and Inside Passage Electric Cooperative, Inc. (IPEC). We adopt a procedural schedule.

Background

Alaska Power Company (APC) filed TA909-2, which includes a revenue requirement study based on a test year ending December 31, 2022, a lead-lag study, cost of service study, and rate design study.¹ We issued public notice of TA909-2 on

¹TA909-2, filed August 14, 2023.

1 August 16, 2023, with a comment period ending September 15, 2023. We received
2 approximately 100 comments.²

3 With Order U-23-054(1), we suspended TA909-2 into this docket for further
4 investigation, invited participation by the Office of the Attorney General, Regulatory Affairs
5 & Public Advocacy Section (RAPA), and invited petitions to intervene from interested
6 persons.³ RAPA elected to participate in this docket.⁴ We received petitions to intervene
7 from Skagway and IPEC.⁵

8 On September 11, 2023, APC filed TA910-2, which included quarterly
9 revisions to its cost-of-power adjustment surcharge, small facility power purchase rates,
10 net metering rates, and power cost equalization amounts. We suspended TA910-2 into
11 this docket for further investigation.⁶

12 We held a prehearing conference on October 31, 2023, to establish a
13 procedural schedule and address other matters as necessary. APC and RAPA presented

14 _____
15 ²Comments are available to view on our website:
<http://rca.alaska.gov/RCAWeb/home.aspx>.

16 APC filed a response to two of the comments. *Alaska Power Company's Notice*
17 *of Satisfaction Regarding the Municipality of Skagway Borough's Protest and Formal*
18 *Complaint and David Ross Gerlach's Formal Protest*, filed October 5, 2023. We
19 appreciate APC's thoroughness, however, the filings by Skagway and Gerlach were
20 submitted as comments to TA909-3 and remain as comments. We do not need to
21 address this issue further.

22 ³Order U-23-054(1), *Order Suspending TA909-2, Granting Request for Interim and*
23 *Refundable Rates, Establishing Interest Rate on Refunds, Approving Tariff Sheets,*
24 *Inviting Participation by the Attorney General and Intervention, Scheduling Prehearing*
25 *Conference, Addressing Timeline for Decision, Designating Commission Panel, ad*
26 *Appointing Administrative Law Judge*, dated September 28, 2023.

⁴*Notice of Election to Participate*, filed September 29, 2023; *Entry of Appearance*,
filed September 29, 2023; *Entry of Appearance*, filed September 29, 2023; *Entry of*
Appearance, filed September 29, 2023.

⁵*Petition to Intervene of Municipality of Skagway Borough*, filed October 25, 2023
(Skagway Petition); *Inside Passage Electric Cooperative, Inc.'s Petition to Intervene*, filed
October 31, 2023 (IPEC Petition).

⁶Order U-23-054(3), *Order Suspending TA910-2, Approving Interim and*
Refundable Surcharges and Rates, Approving Tariff Sheets, Granting Waiver, Denying
Waiver as Moot, and Amending Docket Caption, dated October 20, 2023.

1 a proposed procedural schedule, including proposed public hearing dates of July 26,
2 2024, through August 8, 2024 (10 hearing days). The petitions to intervene were pending
3 at the time of the prehearing conference, however, we allowed Skagway and IPEC to
4 participate as parties without approving or denying the petitions for intervention. IPEC
5 stated that it did not oppose the proposed schedule or the proposed dates for a public
6 hearing. Skagway stated that it did not oppose the proposed schedule except for the
7 public hearing dates. Citing to a pre-existing commitment, Skagway proposed to hold a
8 public hearing from August 23, 2024, to September 6, 2024.

9 After the prehearing conference, RAPA filed a non-opposition to the
10 petitions to intervene. RAPA's filing further confirmed agreement with both the originally
11 proposed public hearing dates and the alternative dates proposed by Skagway.⁷
12 Skagway filed a limited opposition to the proposed procedural schedule and explained
13 that a 6-week trial, beginning on July 8, 2023, and continuing through August 16, 2024,
14 created a conflict for its counsel.⁸ APC filed a response to Skagway's and IPEC's
15 petitions to intervene and to Skagway's Limited Opposition. APC did not oppose
16 intervention by Skagway or IPEC. APC identified witness unavailability on August 28
17 and 29, 2024, and agreed to Skagway's alternative hearing dates insofar as the
18 alternative hearing dates would still allow the Commission to satisfy the existing statutory
19 timeline of November 6, 2024.⁹

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23 ⁷*Office of the Attorney General's Non-Opposition to Petitions to Intervene and Proposed Procedural Schedules*, filed October 31, 2023.

24 ⁸*Municipality of Skagway Borough's Limited Opposition to Proposed Procedural Schedule*, filed November 1, 2023 (Limited Opposition), as corrected by *Errata to Municipality of Skagway Borough's Limited Opposition to Proposed Procedural Schedule*, filed November 15, 2023.

25 ⁹*Alaska Power Company's Response to Petitions to Intervene and Proposed Procedural Schedule*, filed November 1, 2023.

1 Discussion

2 Intervention

3 *Petitions to Intervene*

4 Skagway and IPEC seek intervention in this docket. Petitions to intervene
5 are reviewed under 3 AAC 48.110. A person with a statutory right to be made a party to
6 a proceeding will be permitted to intervene. Further, we have the discretion to permit
7 intervention by any person whose participation will be conducive to the ends of justice
8 and will not unduly delay the conduct of the proceeding.¹⁰ A person wishing to intervene
9 is required to file a petition setting out the facts and reasons why that person should be
10 granted permission to intervene and should make specific reference to the factors
11 identified in 3 AAC 48.110(b).¹¹ The factors identified in 3 AAC 48.110(b) are:

- 12 (1) the nature of the petitioner's right under statute to be made a party to the
13 proceeding;
- 14 (2) the nature and extent of the property, financial, or other interest of the
15 petitioner;
- 16 (3) the effect on petitioner's interest of the order which may be entered in the
17 proceeding;
- 18 (4) the availability of other means by which the petitioner's interest may be
19 protected;
- 20 (5) the extent to which petitioner's interest will be represented by existing
21 parties;
- 22 (6) the extent to which petitioner's participation may reasonably be expected
23 to assist in the development of a sound record, including the issues that
24 petitioner intends to address in the proceeding; and
- 25 (7) the extent to which participation of the petitioner will broaden the issue or
26 delay the proceeding.¹²

Neither Skagway nor IPEC claim a statutory right to be a party in this docket.
Skagway states that it is a significant APC ratepayer that utilizes substantial quantities of
electric power provided by APC and is adversely impacted by the rate revisions proposed

¹⁰3 AAC 48.110(a).

¹¹3 AAC 48.110(c).

¹²3 AAC 48.110(b).

1 by APC.¹³ IPEC states that it has a substantial financial interest that could be adversely
2 affected by any order entered in this matter and that its interests cannot be protected
3 except through participation.¹⁴

4 APC and RAPA do not oppose either of these petitions to intervene. We
5 find that the petitions to intervene filed by Skagway and IPEC comply with the
6 requirements of 3 AAC 48.110(c). We have reviewed these petitions to intervene based
7 on the factors set out in 3 AAC 48.110(b). We find that intervention by Skagway and
8 IPEC is conducive to the ends of justice and with the procedural schedule adopted below,
9 will not unduly delay the conduct of the proceeding. We grant Skagway's and IPEC's
10 petitions to intervene.

11 Procedural Schedule

12 We are required by AS 42.05.175(c) to issue a final decision in this docket
13 not later than November 6, 2024. It is our practice to hold a public hearing at least 90
14 days before the timeline to issue a final decision to provide us with sufficient time to
15 consider the record and publish our decision. Based on the November 6, 2024, date for
16 a final decision and our past practice, a public hearing in this docket should conclude no
17 later than August 8, 2024. This date is consistent with the procedural schedule proposed
18 by APC and RAPA.

19 Skagway identified a scheduling conflict impacting its counsel that extends
20 from July 8, 2024, to August 16, 2024. We make every effort to accommodate scheduling
21 conflicts and considered holding the hearing earlier than proposed, holding the public
22 hearing on the dates proposed by APC and RAPA, and holding the hearing after the dates
23 proposed by APC and RAPA. Skagway's proposal to hold a public hearing at a later date
24 from August 23, 2024, to September 6, 2024, shortens our time to review the hearing
25 transcript and publish our decision to 61 days.

26 ¹³Skagway Petition at 2.

¹⁴IPEC Petition at 3.

1 Given the complexity of the filings submitted by APC and the impact of the
2 filings to all five of APC’s rate groups, we find that Skagway’s proposed hearing dates will
3 not provide sufficient time to consider the record. Additionally, APC has identified witness
4 unavailability on August 28, 2024, and August 29, 2024. We, therefore, decline to hold a
5 public hearing at the date proposed by Skagway and adopt the schedule proposed by
6 APC and RAPA. We schedule a prehearing conference for Friday, July 26, 2024, with
7 the public hearing to immediately follow and continue, as needed, through Thursday,
8 August 8, 2024.

9 **ORDER**

10 THE COMMISSION FURTHER ORDERS:

11 1. The *Petition to Intervene of Municipality of Skagway Borough*, filed
12 October 25, 2023, by the Municipality of Skagway Borough is granted.

13 2. *Inside Passage Electric Cooperative, Inc.’s Petition to Intervene*, filed
14 October 31, 2023, by Inside Passage Electric Cooperative, Inc. is granted.

15 3. The procedural schedule is adopted as follows:

	Date	Procedural Matter
A.	November 21, 2023 – November 28, 2023	Discovery deadlines tolled.
B.	December 11, 2023 – January 1, 2024	Discovery deadlines tolled.
C.	April 12, 2024	Discovery closes on Alaska Power Company’s direct testimony (last day to propound discovery requests).
D.	April 22, 2024	Deadline for Office of the Attorney General, Regulatory Affairs & Public Advocacy Section and intervenors to file responsive testimony.
E.	April 22, 2024	Discovery opens on the Office of the Attorney General, Regulatory Affairs & Public Advocacy Section’s and intervenors’ responsive testimony.

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F.	May 31, 2024	Discovery closes on the Office of the Attorney General, Regulatory Affairs & Public Advocacy Section's and intervenors' responsive testimony (last day to propound discovery requests).
G.	June 14, 2024	Deadline for Alaska Power Company to file reply testimony.
H.	June 14, 2024	Discovery opens on Alaska Power Company's reply testimony.
I.	July 5, 2024	Discovery closes on Alaska Power Company's reply testimony (last day to propound discovery requests).
J.	July 8, 2024	Settlement discussion period.
K.	July 12, 2024	All dispositive and discovery motions due.
L.	July 19, 2024	Deadline for parties to file sequential witness list, statement of issues, and any errata.
M.	10:00 a.m. July 26, 2024	A prehearing conference shall convene in the East Hearing Room of the Regulatory Commission of Alaska, 701 West Eighth Avenue, Suite 300, Anchorage, Alaska and via Cisco Webex, unless other arrangements are ordered. ¹⁵

¹⁵Any parties that wish to participate in the prehearing conference or hearing via Cisco Webex should email our law office assistants at LOA.RCA@alaska.gov to request an invitation by 12 p.m., Wednesday, July 24, 2024.

If you are a person with a disability who may need a special accommodation, auxiliary aid, service, or alternative communication format in order to participate in the scheduled event, please contact Naomi Johnston at 907-276-6222, TTY/Alaska Relay at 7-1-1 or 1-800-770-8973, toll free at 1-800-390-2782, or send your request via electronic mail to rca.mail@alaska.gov, at least three business days before the scheduled event to make the necessary arrangements.

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N.	Immediately following conclusion of the prehearing conference on July 26, 2024, and continuing through August 8, 2024, as necessary.	A hearing shall convene in the East Hearing Room of the Regulatory Commission of Alaska, 701 West Eighth Avenue, Suite 300, Anchorage, Alaska and via Cisco Webex, unless other arrangements are ordered. ¹⁶
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DATED AND EFFECTIVE at Anchorage, Alaska, this 27th day of November, 2023.

BY DIRECTION OF THE COMMISSION



¹⁶Any parties that wish to participate in the prehearing conference or hearing via Cisco Webex should email our law office assistants at LOA.RCA@alaska.gov to request an invitation by 12 p.m., Tuesday, July 23, 2024.

If you are a person with a disability who may need a special accommodation, auxiliary aid, service, or alternative communication format in order to participate in the scheduled event, please contact Naomi Johnston at 907-276-6222, TTY/Alaska Relay at 7-1-1 or 1-800-770-8973, toll free at 1-800-390-2782, or send your request via electronic mail to rca.mail@alaska.gov, at least three business days before the scheduled event to make the necessary arrangements.