Southeast Conference Applauds A Milestone in the Kake-Petersburg Intertie Permitting Process

Juneau, ALASKA –

Southeast Conference is pleased to announce a major milestone in the development of an electrical power line that could eventually connect the communities of Kake and Petersburg. At 62 cents per kilowatt hour (kWh), Kake currently pays one of the higher electrical rates in the nation. The Forest Service has issued a Draft Environmental Impact Statement for the project, and a 45-day comment period on the document began on December 26th. A final decision on the project is expected in July. Efforts to link Kake to low cost hydropower via the nearby community of Petersburg have been underway for a long time.

Southeast Conference began focusing on a plan to implement a regional electrical intertie in earnest in 1997, and in 2002, the Kake-Petersburg intertie segment was prioritized by the Conference and its membership due to Kake’s close proximity to Petersburg, and the fact that Kake is 100% dependent on diesel-generated electricity. Businesses in Kake pay five to six times the amount for electricity that customers in Petersburg do. The power line between the communities would be between 52 and 60 miles long, depending on the route.

Shelly Wright, Executive Director of Southeast Conference credits Kake mayor Henrich Kadake with getting the project to this stage. “This project could bring such value to the residents of Kake and we are hopeful it will be completed. Without the perseverance and determination of Mayor Kadake this would not have happened.”

Mayor Kadake had this to say about the project. “I’ve been working on this project for at least 15 years, but I never gave up on it. In the last 10 to 12 years, we have really pushed hard on this. We need lower cost energy in Kake. Affordable energy would
make a big difference in this community. It would mean that people could create their own businesses. It would really help places like our cold storage that only operates for three months out of the year. We want to be able to afford to run it year round. This review process is one of the last steps of getting everything permitted and shovel ready. Hopefully one day it will be funded and we can build it."

The project represents agreements between a number of players from across the region, including the communities of Petersburg and Kake, the Southeast Alaska Power Agency, the Inside Passage Electric Cooperative, the Alaska Energy Authority, as well as the significant efforts of Robert Venables, the Southeast Alaska Energy Coordinator for Southeast Conference. “Joint efforts such as this is what living in Southeast Alaska is all about and truly embodies the mission of Southeast Conference. It speaks to the importance of taking care of each other in the region and making sure everyone has something to hang on to,” noted Ms. Wright.

Southeast Alaska’s hydropower resources are one of the region’s great strengths, because it is clean, “green,” inexpensive, and essentially unlimited in our rainforest climate. While the major population centers in Southeast Alaska have been well served by renewable hydroelectric power for more than a century in some cases, a few communities like Kake still rely on diesel generation to meet their energy needs. Lowering the cost of power in Kake will remove barriers to business development and expansion.

Jodi Mitchell, CEO of the Inside Passage Electric Cooperative (IPEC), which currently provides Kake its energy says that she is happy to see that the permitting process for this project is finally nearing completion after so many years of effort. However, she also expressed frustration at the difficulty in permitting projects such as these. “At the beginning of this project, the estimated cost was $17 million. However, the project price has ballooned, and current estimates now exceed $60 million. So the next challenge is to find funds for the development stage of the project, which may be difficult considering current fiscal realities and the decreasing price of oil,” she noted.

The Alaska Legislature provided funding for this project. IPEC has worked tirelessly to find renewable energy solutions for Kake and was also awarded funding for the NEPA process and necessary EIS. Together with contractors, Tetra Tech, Commonwealth and D. Hittle & Associates, the intertie project moved from the conference room to actual fieldwork. With facilitation from the Alaska Energy Authority, a MOU was signed between IPEC and SEAPA that moved the intertie project to the next level that would outline the scenarios by which SEAPA could become the owner and operator of the intertie. The SEAPA project website is http://seapahydro.org/Kake-Petersburg-Intertie.php. The EIS and preliminary design work continued by SEAPA, its contractors and the USFS has finally concluded with the issuance of the draft EIS.

A public hearing in Kake for the project will take place on January 13th. A copy of the
Draft EIS is available for review at the Petersburg Ranger District, other Tongass National Forest district offices, and the Forest Supervisor’s Office in Ketchikan. The document is also available for review online.

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The mission of Southeast Conference is to undertake and support activities that promote strong economies, healthy communities and a quality environment in Southeast Alaska. Southeast Conference began more than 50 years ago with a group of people supporting the establishment of a regional transportation system in Southeast Alaska. After that success Southeast Conference stayed together through more than a half-century to focus on transportation issues as well as many other concerns unique to the region. Its membership now includes nearly every community in Southeast Alaska.