

GVEA Past, Present and Future

By Gary Newman

I am running for re-election to the GVEA Board of Directors in District 4. While much has been accomplished in the 9 years I've served, the next few years will be critical in guiding the future course of providing safe, reliable and affordable energy to our members. The board's fiduciary responsibility requires us to look after the financial health of GVEA on behalf of our member-owners. We take that responsibility seriously.

Members are understandably concerned with the recent 3 month rate increase. We all feel it, being members too. The rate increase was due to extraordinary circumstances either outside GVEA's immediate control or from the poor legacy decision by GVEA and the State of Alaska in 1991 – Healy 2. This failed experimental coal plant was built by the state with huge cost overruns. GVEA purchased it in 2014 and it hasn't run reliably since, no fault of our dedicated employees. This is not an excuse, but an explanation. Reliability matters too, something I have successfully advocated for. Cheap electricity isn't worth much if not reliable. We must pay our bills.

The good news is - after years of extensive analysis and review by the board, management, and some very dedicated employees, GVEA adopted the Strategic Generation Plan, one big element of rate reduction and reliability. It telegraphs a significant change to alternate generation sources to reduce operating costs, risk, reduce volatile rates and seek sustainability for now and the future. We can do the right thing for both economic and environmental reasons.

The plan can be found at gvea.com Also look at the Strategic Directives to management - GVEA is more than just generating electricity. gvea.com

Looking back on my time on the board, significant strides in GVEA **have been** made

- Increased easement clearing to reduce outages
- Outage map and communicating with members when outages occur
- Increased transparency by including more info on the website
- More information on board meetings
- Able to attend meetings from home
- Providing members the ability to view their own usage in 15-minute increments

As my neighbors know, I have visibly been an effective catalyst for accomplishing more easement clearing, member communication, and transparency.

Yes, there are short term challenges with the natural gas supply we had counted on, falling back on our expensive 1970's pipeline-era diesel units. There is no silver bullet, but perhaps there are silver buckshot.

I'm advocating short term rate reduction opportunities.

- Conduct an operational and financial analysis adding a second naphtha generation unit next to our existing North Pole unit. It could save us money on generation, reduce the liability of PM 2.5 from our diesel units, and provide regulation of variable energy sources and backup for

when we might not have renewable resources available. I certainly don't want to waste members' money.

- A no cost solution would be messaging members by text and/or email when we do have to use our expensive diesel units, asking for voluntary consumption reduction for a short time, saving all members money.
- An expanded proactive outreach to high consumption members to explore where consumption is not understood or otherwise help on bills.
- Encourage more distributed generation from members to provide energy back to the grid. This is being done now with solar, but could include other devices like electric hot water heaters, electric vehicles and more.
- A pilot program for helping members invest in energy saving technologies called On-Bill-Financing is looking toward a rollout soon.
- A community solar system.
- Increase hydro and remove transmission constraints. This will take time. GVEA is very engaged and I actively stay informed on those efforts.

Off the table for short term solutions for either economic reasons or not commercially ready are nuclear, coal with carbon capture, tidal power, geothermal, hydrogen.

- Open to other specific ideas for short term rate reduction, but acknowledge that we all are subject to inflation, supply chain challenges, and don't control the availability of natural gas or the price of oil any more than we control the price of gas at the pump or the price of fuel oil to heat our homes.

Finally, GVEA is a not-for-profit cooperative owned by and serve all our members, not a partisan political entity.

With the support of my District 4 members in the upcoming director vote, I will continue to diligently put in the time and effort for GVEA to provide quality service to our members now and in the future.

Gary Newman is the incumbent District 4 director on the GVEA Board. He has lived in Fairbanks for over 50 years, with an extensive engagement about GVEA for decades, has a wide ranging technical background, and is diligent about exercising critical thinking especially where it impacts GVEA and the member-owners. He is speaking for himself.
