

Upper Tanana Energy

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Press Release

Tanacross, Inc., Native Village of Tanacross, and Alaska Power & Telephone Sign MOU for Development of the Yerrick Creek Hydropower Project.

Tanacross, Inc., the Native Village of Tanacross, and Alaska Power & Telephone (AP&T) are pleased to announce that they have executed a Memorandum of Agreement (MOU) for development of the Yerrick Creek Hydropower Project. The proposed 1.5 MW project would be located near Tanacross, in the Upper Tanana region of Alaska. Once developed, Yerrick Creek will supply clean, affordable energy to Tok and surrounding communities of interior Alaska as an alternative to diesel-fired generators currently supplying 100% of the region's electricity.

The three entities have formed a new energy business venture, named Upper Tanana Energy, to develop the Yerrick Creek project, and sell power to Alaska Power Company – the incumbent electrical utility, and a subsidiary of Alaska Power & Telephone – through a long-term power sales agreement.

Upper Tanana Energy's Yerrick Creek project is anticipated to supply 4.9 million kilowatt hours of clean energy per year – enough to replace 375,000 gallons of diesel fuel per year, or approximately 40% of the Tok and upper Tanana region's electrical load. Current engineer estimates indicate that Yerrick Creek has the potential to supply energy at 50% of the cost of diesel-fired generation. Total project cost is estimated at \$15 million. Communities benefitting from the project would include Tok, Tanacross, Tetlin, and Dot Lake.

The Yerrick Creek hydropower project's features are located entirely on private land owned by Tanacross, Inc. – an Alaska Native Claims Settlement Act (ANCSA) corporation -- and lands owned by the State of Alaska, eliminating the need for an expensive and time-consuming federal permitting process. Nearly \$1,000,000 in expenditures to date have brought the project very near to construction-ready status, thanks to grants provided by the Alaska Energy Authority and USDA Rural Development, and private investment supplied by AP&T.

Yerrick Creek is a small, low impact “run-of-river” hydro project with a minimal environmental footprint. The project will use a small diversion to collect water for energy production, before returning water back to the creek downstream. “Run-of-river” projects like Yerrick Creek avoid the need to build large dams to store water, and allow energy to be produced as conditions and river flows permit. The Yerrick Creek project’s useful lifespan is estimated at over 50 years, assuring a clean, reliable supply of affordable power to the Upper Tanana region for decades to come.

Tanacross, Inc. CEO Robert Brean stated: “Yerrick Creek offers an opportunity for our corporation to utilize our Alaska Native Claims Settlement Act lands to provide cleaner, more affordable power for the benefit of everyone in the region. We are excited for this project, which benefits our environment, our shareholders, and the many families which are currently struggling to afford high energy costs.”

Native Village of Tanacross representative Jeffery Weltzin stated: “Yerrick Creek will play an important role supporting Governor Sean Parnell’s goal of 50% of Alaska’s energy being supplied from renewable sources by 2025. Governor Parnell and our local legislators Senator Donald Olson, Senator Click Bishop and Representative Neal Foster have shown a longstanding commitment to replacing diesel-fired generation of electricity in rural Alaska with locally available renewable sources. We hope that through their leadership, we will gain state financial support for the benefit of the upper Tanana region’s ratepayers, families, and businesses.”

“Alaska Power & Telephone applauds Tanacross Inc. CEO Robert Brean and Tribal President Herbie Demit for this shared commitment to renewable energy development,” remarked AP&T President and CEO Robert Grimm. “Thanks to their leadership, and the vision of the Tribal Council and Tanacross Inc. Board, Upper Tanana Energy will provide an option for ‘home-sourcing’ energy from local, renewable sources. It is exciting to see Alaska Native entities entering as key participants within the Tok regional energy market, and bringing cleaner, more affordable energy options to consumers.”

AP&T has significant hydropower development experience, having licensed and developed four hydropower projects in Alaska since the mid-1990s, with a fifth project, Reynolds Creek, scheduled for near-term construction. These new projects have helped AP&T’s service areas transition from 90% dependency on costly diesel fuel, to 75% clean, renewable energy.

Point of Contact for Additional Questions:

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It's Renewable

It's Sustainable

It's Time Has Come...

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Upper Tanana Energy