



Homer Electric
Association, Inc.



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MYTHBUSTERS

This communication paid for by Homer Electric Association, Inc., 3977 Lake Street, Homer, AK 99603. Brad Janorschke, General Manager, approved this message.



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Myth #1

**HEA DOES NOT OWN THE
BATTERY ENERGY STORAGE SYSTEM (BESS).**

HEA'S BESS is a 93-MWh storage
system owned solely by HEA.

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Myth #2

HEA PLANS TO CLOSE THE FORT RAYMOND POWER PLANT.

The power plant is one of Seward's most valuable assets and ensures backup generation for Seward.

Myth #3

SEWARD'S \$14M - 18M INVESTMENT IN ASSETS WILL NOT BE RECOUPED.

HEA will pay for Seward's investments
and system assets.

Myth #4

THE SEWARD EMPLOYEES ARE NOT PROTECTED AFTER THREE YEARS.

HEA and IBEW have negotiated to preserve local jobs, employees pay, and benefits in Seward.

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Myth #5

SEWARD IS NOT SUBJECT TO THE PROVISIONS OF SB 123.

SB 123 mandated the creation of an electric reliability organization to establish uniform reliability, cybersecurity & other standards for all Railbelt utilities.

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Myth #6

HEA DOES NOT MAKE ITS OWN POWER.

HEA has generated power on the Kenai Peninsula since 2014.

Myth #7

HEA ENDED ITS CEA WHOLESAL AGREEMENT IN 2014 WITHOUT PROPER NOTIFICATION.

HEA provided sufficient notice to CEA for the switchover and today, produces its own power and generates electricity to assist other utilities.

Myth #8

HEA CANNOT GUARANTEE SEWARD A BOARD SEAT.

HEA's guarantee to Seward was to create a clear and more assured path to representation through the creation of a Seward district.

Myth #9

HEA SPENT \$700,000 CAMPAIGNING FOR THE SALE OF UTILITY IN THE MAY 2 ELECTION

- Any political expenditure or communication deemed to influence an election must be reported to Alaska Public Offices Commission (APOC).
- HEA reported all non-monetary contributions including employees time spent in Seward, use of a vehicle, paper, markers, ink, cookies, etc. to APOC as required by law.
- HEA staff time was double reported as required by law.

Myth #10

HEA WANTS SEWARD SO IT CAN TAKE ALL POTENTIAL HYDRO.

HEA has no hydro plans in the region beyond Grant Lake. HEA is not purchasing any hydro assets or locations from Seward. Building Hydro is not contingent on the sale as any utility can pursue a FERC hydro license.