

# LOW COST POWER ON WAY

## Tyonek Expects To Serve State's Metropolitan Areas

The village of Tyonek expects to become the biggest power producer in the state, according to Stanley McCutcheon, attorney for the oil-rich village near Anchorage.

In an interview with McCutcheon here Friday, he said that the village already has a firm commitment in writing from the Matanuska Valley Electric Corp. to buy power and was expect-

ing a firm commitment from the city of Anchorage in the near future.

Tyonek has formed a construction company and have already started work at the well head where a giant 10 megawatt plant will be built.

In northern climes and at sea level, McCutcheon explains that the plant will be able to produce at the 14 to 15 megawatt range.

In addition, Tyonek also has a 2500 K.W. plant which is in operation now. By utilizing natural gas, the attorney explains that the village will be able to generate power much more cheaply than is being generated now.

At present the Bureau of Reclamation is studying the feasibility of building transmission lines to Matanuska Valley, to Anchorage, and

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to Fairbanks, where the power is also slated to be sold. If the Bureau does not go through with the transmission line, McCutcheon said a non-profit corporation would do so. The sale of bonds would provide the financing for the transmission facilities, he explained.

The people in the Matanuska Valley are anxious to get the power, he said, because they have already lost industries because of expensive power and the forthcoming construction of a pipeline from Whittier to the military bases in Anchorage which is expected to adversely effect the coal mining industry there. Their present power costs 11 mills while the Tyonek power would cost 7 to 8 mills.

The Tyonek plant is going to be built so that additional increments can be added as needed to an ultimate capacity of 100 megawatts.

In addition to the big power project, the Tyonek people are moving full speed ahead in constructing a big office building in the heart of downtown Anchorage. The proposal for the building has been hanging fire for more than a year as the village has struggled to get the zoning

changed so the building could be erected. The zone change was approved and disapproved several times climaxed recently by the overriding of a veto by the Greater Anchorage Borough Chairman in favor of Tyonek.

The building to begin with will be built two stories high and will house the Bureau of Indian Affairs offices. The BIA has given Tyonek a firm commitment to rent the space for a period of years until it is paid for. It will contain between 20,000 and 25,000 square feet of space and will cost about \$750,000. It will be designed so additional floors can be added. Other federal agencies have indicated interest in obtaining space in the structure.