

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

CERTIFICATE OF NEED APPLICATION  
PUBLIC HEARING

PROVIDENCE ALASKA MEDICAL CENTER  
EMERGENCY POWER SUPPLY

Taken June 17, 2010  
Commencing at 5:25 p.m.

Volume I - Pages 1 - 9, inclusive

Taken at  
Frontier Building  
3601 C Street, Suite 880  
Anchorage, Alaska

Reported by:  
Mary A. Vavrik, RMR

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

A-P-P-E-A-R-A-N-C-E-S

For State of Alaska:

Karen Lawfer  
Health Planning and Systems Development  
Department of Health and Social Services  
P.O. Box 110660  
Juneau, AK 99811-0660  
(907) 465-8616  
Karen.Lawfer@alaska.gov

Taken by:

Mary A. Vavrik, RMR

BE IT KNOWN that the aforementioned proceedings were taken at the time and place duly noted on the title page, before Mary A. Vavrik, Registered Merit Reporter and Notary Public within and for the State of Alaska.

1 P-R-O-C-E-E-D-I-N-G-S

2 MS. KAREN LAWFER: So we will open  
3 this public meeting. This evening we are taking  
4 testimony on the Certificate of Need application  
5 submitted by Providence Alaska Medical Center for  
6 emergency power supply system.

7 We are in the public comment period for the  
8 Certificate of Need application. And all public  
9 comments need to be received in my office by 4:30  
10 June 28th. I have copies of the public notice  
11 available here if you would like to take one with  
12 you if you know of somebody that would like to  
13 submit a public comment. Otherwise, it is available  
14 on-line, as well. The application is available  
15 on-line for people to look at it.

16 And with that, I also want to let everybody  
17 that is here know that once you have provided your  
18 thoughts and your testimony regarding this CON  
19 application, it is perfectly acceptable for you to  
20 leave. I will not take it as a personal affront.  
21 And we will be here till 6:30, but you are more than  
22 welcome to leave.

23 And with that, I would like to introduce  
24 Robert Honeycutt with Providence Alaska Medical  
25 Center.

1           MR. ROBERT HONEYCUTT: Thank you. My  
2 name is Robert Honeycutt. I'm the Chief Operating  
3 Officer for Providence Alaska Medical Center, and we  
4 are seeking approval to build an emergency generator  
5 building and replacement switchgear for our current  
6 system.

7           Our current system is between 24 and 36  
8 years old, and instead of just a simple one-to-one  
9 replacement, we are also looking at increasing our  
10 capacity over our current system we have, to  
11 increase our functionality and the length of time  
12 that we can run the system. This is in answer to  
13 the Joint Commission on Accreditation of Health Care  
14 Organizations Sentinel Event Alert, Issue 37, which  
15 was dated September 6, 2006.

16           What we are proposing is to increase our  
17 capacity from the current 3.2 megawatts to four  
18 megawatts, as well as provide an additional  
19 generator, two-megawatt backup generator. That's so  
20 that if one of the primary generators goes down, it  
21 will kick in and still we will be able to provide  
22 the four megawatts of power.

23           In addition to that, we are looking to  
24 triple our fuel storage from our current capacity of  
25 30,000 gallons to 90,000 gallons. This will allow

1 us to operate the system the 96 hours that the Joint  
2 Commission is recommending we be able to do.

3 In order to do this, what we are looking to  
4 build is a 19,278-square-foot building that will be  
5 located adjacent to our existing facilities building  
6 and will house the generators and the switchgear.

7 The reason we are having to build a separate  
8 building instead of just replace the generators  
9 where they are currently located is, number one, the  
10 new equipment is larger, takes up more space than  
11 what we have.

12 And two, we are required to continually  
13 provide the emergency generator capabilities to the  
14 campus so, therefore, we can't take out what we have  
15 now and replace it because during that we would be  
16 down and not be able to provide the required  
17 emergency power generation. So this is forcing us  
18 to build a separate building, put all the equipment  
19 in it, run it up and make sure it's operational,  
20 hook it into the hospital, and then we can remove  
21 the old equipment. That way we will continuously  
22 have the emergency generator power capability.

23 And third, we are building the building  
24 large enough so that in the future, as Providence  
25 grows, we will be able to add additional generator

1 sets to provide emergency power generation to the  
2 new buildings.

3 And it's important to note that this  
4 building and generators will provide power only to  
5 the campus, Providence Alaska Medical Center campus.  
6 It will not provide power to the attached and  
7 associated medical office buildings.

8 The decision to do this, aside from the  
9 fact that the current equipment is old and is  
10 needing replacement is, as I mentioned earlier, the  
11 requirement of the Joint Commission that states that  
12 a hospital must be able to operate for 96 hours in  
13 the event of an emergent or disastrous event when  
14 electrical power is unavailable from external  
15 sources; in other words, the utility power coming in  
16 from ML&P.

17 What it doesn't do is define the level of  
18 operations, leaving the hospital some flexibility to  
19 respond to the immediate and predicted patient care  
20 needs of the community. By having these generator  
21 sets, as well as the expanded capacity of our fuel  
22 storage, we will be able to meet this new  
23 requirement.

24 And as the largest health care provider and  
25 the only tertiary care provider facility in Alaska,

1 we must have this project in order to both have an  
2 adequate and reliable supply of electrical power in  
3 the event of a natural disaster or anything else  
4 that interrupts utility power to the hospital, as  
5 well as appropriately size it to provide and sustain  
6 this power over the required amount of time.

7 We will very carefully phase in this power.  
8 As I mentioned, we have to continually provide  
9 emergency power generation capability during the  
10 construction, and then as we build it and phase it  
11 in, we will take the old equipment out and then we  
12 will be completely on the new equipment.

13 The total cost associated with this is  
14 \$36,102,750. Construction will be final no later  
15 than March of 2013. And that's it. Any questions?

16 MS. KAREN LAWFER: All right. Thank  
17 you. Is there anyone else who would like to speak  
18 as -- in regard to the Certificate of Need?

19 MR. DONALD LONG: No.

20 MS. JANE GRIFFITH: No.

21 MS. KAREN LAWFER: With that, we will  
22 go off the record. And now you can talk amongst  
23 yourselves.

24 (Off the record.)

25 MS. KAREN LAWFER: It is now 6:30.

1 There was no other testimony provided during the  
2 public hearing. And with that, we will adjourn.

3 (Proceedings adjourned at 6:30 p.m.)  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

REPORTER'S CERTIFICATE

I, MARY A. VAVRIK, RMR, Notary Public in  
and for the State of Alaska do hereby certify:

That the foregoing proceedings were taken  
before me at the time and place herein set forth;  
that the proceedings were reported stenographically  
by me and later transcribed under my direction by  
computer transcription; that the foregoing is a true  
record of the proceedings taken at that time; and  
that I am not a party to nor have I any interest in  
the outcome of the action herein contained.

IN WITNESS WHEREOF, I have hereunto  
subscribed my hand and affixed my seal this \_\_\_\_\_  
day of \_\_\_\_\_ 2010.

\_\_\_\_\_  
MARY A. VAVRIK,  
Registered Merit Reporter  
Notary Public for Alaska

My Commission Expires: November 5, 2012

	<b>addition (1)</b> 4:23	<b>capacity (4)</b> 4:10,17,24;6:21	<b>6:10</b>	<b>4:20</b>
<b>\$</b>	<b>additional (2)</b> 4:18;5:25	<b>Care (4)</b> 4:13;6:19,24,25	<b>electrical (2)</b> 6:14;7:2	<b>GRIFFITH (1)</b> 7:20
<b>\$36,102,750 (1)</b> 7:14	<b>adequate (1)</b> 7:2	<b>carefully (1)</b> 7:7	<b>else (2)</b> 7:3,17	<b>grows (1)</b> 5:25
<b>1</b>	<b>adjacent (1)</b> 5:5	<b>Center (4)</b> 3:5,25;4:3;6:5	<b>emergency (7)</b> 3:6;4:4;5:13,17,22; 6:1;7:9	<b>H</b>
<b>19,278-square-foot (1)</b> 5:4	<b>adjourn (1)</b> 8:2	<b>Certificate (3)</b> 3:4,8;7:18	<b>emergent (1)</b> 6:13	<b>Health (2)</b> 4:13;6:24
<b>2</b>	<b>adjourned (1)</b> 8:3	<b>Chief (1)</b> 4:2	<b>enough (1)</b> 5:24	<b>hearing (1)</b> 8:2
<b>2006 (1)</b> 4:15	<b>affront (1)</b> 3:20	<b>coming (1)</b> 6:15	<b>equipment (6)</b> 5:10,18,21;6:9;7:11, 12	<b>Honeycutt (3)</b> 3:24;4:1,2
<b>2013 (1)</b> 7:15	<b>Alaska (5)</b> 3:5,24;4:3;6:5,25	<b>comment (2)</b> 3:7,13	<b>evening (1)</b> 3:3	<b>hook (1)</b> 5:20
<b>24 (1)</b> 4:7	<b>Alert (1)</b> 4:14	<b>comments (1)</b> 3:9	<b>Event (4)</b> 4:14;6:13,13;7:3	<b>hospital (4)</b> 5:20;6:12,18;7:4
<b>28th (1)</b> 3:10	<b>allow (1)</b> 4:25	<b>Commission (3)</b> 4:13;5:2;6:11	<b>everybody (1)</b> 3:16	<b>hours (2)</b> 5:1;6:12
<b>3</b>	<b>amongst (1)</b> 7:22	<b>community (1)</b> 6:20	<b>existing (1)</b> 5:5	<b>house (1)</b> 5:6
<b>3.2 (1)</b> 4:17	<b>amount (1)</b> 7:6	<b>completely (1)</b> 7:12	<b>expanded (1)</b> 6:21	<b>I</b>
<b>30,000 (1)</b> 4:25	<b>application (4)</b> 3:4,8,14,19	<b>CON (1)</b> 3:18	<b>external (1)</b> 6:14	<b>immediate (1)</b> 6:19
<b>36 (1)</b> 4:7	<b>appropriately (1)</b> 7:5	<b>construction (2)</b> 7:10,14	<b>F</b>	<b>important (1)</b> 6:3
<b>37 (1)</b> 4:14	<b>approval (1)</b> 4:4	<b>continually (2)</b> 5:12;7:8	<b>facilities (1)</b> 5:5	<b>increase (2)</b> 4:11,16
<b>4</b>	<b>aside (1)</b> 6:8	<b>continuously (1)</b> 5:21	<b>facility (1)</b> 6:25	<b>increasing (1)</b> 4:9
<b>4:30 (1)</b> 3:9	<b>associated (2)</b> 6:7;7:13	<b>copies (1)</b> 3:10	<b>fact (1)</b> 6:9	<b>instead (2)</b> 4:8;5:8
<b>6</b>	<b>attached (1)</b> 6:6	<b>cost (1)</b> 7:13	<b>final (1)</b> 7:14	<b>interrupts (1)</b> 7:4
<b>6 (1)</b> 4:15	<b>available (3)</b> 3:11,13,14	<b>current (6)</b> 4:5,7,10,17,24;6:9	<b>flexibility (1)</b> 6:18	<b>into (1)</b> 5:20
<b>6:30 (3)</b> 3:21;7:25;8:3	<b>B</b>	<b>currently (1)</b> 5:9	<b>forcing (1)</b> 5:17	<b>introduce (1)</b> 3:23
<b>9</b>	<b>backup (1)</b> 4:19	<b>D</b>	<b>four (2)</b> 4:17,22	<b>Issue (1)</b> 4:14
<b>90,000 (1)</b> 4:25	<b>both (1)</b> 7:1	<b>dated (1)</b> 4:15	<b>fuel (2)</b> 4:24;6:21	<b>J</b>
<b>96 (2)</b> 5:1;6:12	<b>build (5)</b> 4:4;5:4,7,18;7:10	<b>decision (1)</b> 6:8	<b>functionality (1)</b> 4:11	<b>JANE (1)</b> 7:20
<b>A</b>	<b>building (8)</b> 4:5;5:4,5,8,18,23,23; 6:4	<b>define (1)</b> 6:17	<b>future (1)</b> 5:24	<b>Joint (3)</b> 4:13;5:1;6:11
<b>able (6)</b> 4:21;5:2,16,25;6:12, 22	<b>buildings (2)</b> 6:2,7	<b>disaster (1)</b> 7:3	<b>G</b>	<b>June (1)</b> 3:10
<b>acceptable (1)</b> 3:19	<b>C</b>	<b>disastrous (1)</b> 6:13	<b>gallons (2)</b> 4:25,25	<b>K</b>
<b>Accreditation (1)</b> 4:13	<b>campus (3)</b> 5:14;6:5,5	<b>DONALD (1)</b> 7:19	<b>generation (3)</b> 5:17;6:1;7:9	<b>KAREN (4)</b> 3:2;7:16,21,25
<b>add (1)</b> 5:25	<b>can (3)</b> 4:12;5:20;7:22	<b>down (2)</b> 4:20;5:16	<b>generator (7)</b> 4:4,19,19;5:13,22,25; 6:20	<b>kick (1)</b> 4:21
	<b>capabilities (1)</b> 5:13	<b>during (3)</b> 5:15;7:9;8:1	<b>generators (4)</b> 4:20;5:6,8;6:4	<b>L</b>
	<b>capability (2)</b> 5:22;7:9	<b>E</b>	<b>goes (1)</b>	<b>large (1)</b>
		<b>earlier (1)</b>		

<p>5:24  <b>larger (1)</b>                      5:10  <b>largest (1)</b>                      6:24  <b>later (1)</b>                      7:14  <b>LAWFER (4)</b>                      3:2;7:16,21,25  <b>leave (2)</b>                      3:20,22  <b>leaving (1)</b>                      6:18  <b>length (1)</b>                      4:11  <b>level (1)</b>                      6:17  <b>located (2)</b>                      5:5,9  <b>LONG (1)</b>                      7:19  <b>look (1)</b>                      3:15  <b>looking (3)</b>                      4:9,23;5:3</p>	<p><b>notice (1)</b>                      3:10  <b>number (1)</b>                      5:9</p>	<p>3:6;4:22;5:17,22;6:1,                      4,6,14,15;7:2,4,6,7,9  <b>predicted (1)</b>                      6:19  <b>primary (1)</b>                      4:20</p>	<p><b>S</b></p>	<p>7:13  <b>triple (1)</b>                      4:24  <b>two (1)</b>                      5:12  <b>two-megawatt (1)</b>                      4:19</p>
<p><b>M</b></p>	<p><b>O</b></p>	<p><b>Proceedings (1)</b>                      8:3  <b>P-R-O-C-E-E-D-I-N-G-S (1)</b>                      3:1  <b>project (1)</b>                      7:1  <b>proposing (1)</b>                      4:16  <b>provide (9)</b>                      4:18,21;5:13,16;6:1,4,                      6;7:5,8  <b>provided (2)</b>                      3:17;8:1  <b>Providence (5)</b>                      3:5,24;4:3;5:24;6:5  <b>provider (2)</b>                      6:24,25  <b>public (6)</b>                      3:3,7,8,10,13;8:2  <b>put (1)</b>                      5:18</p>	<p><b>seeking (1)</b>                      4:4  <b>Sentinel (1)</b>                      4:14  <b>separate (2)</b>                      5:7,18  <b>September (1)</b>                      4:15  <b>sets (2)</b>                      6:1,21  <b>simple (1)</b>                      4:8  <b>size (1)</b>                      7:5  <b>somebody (1)</b>                      3:12  <b>sources (1)</b>                      6:15  <b>space (1)</b>                      5:10  <b>speak (1)</b>                      7:17  <b>states (1)</b>                      6:11  <b>still (1)</b>                      4:21  <b>storage (2)</b>                      4:24;6:22  <b>submit (1)</b>                      3:13  <b>submitted (1)</b>                      3:5  <b>supply (2)</b>                      3:6;7:2  <b>sure (1)</b>                      5:19  <b>sustain (1)</b>                      7:5  <b>switchgear (2)</b>                      4:5;5:6  <b>system (6)</b>                      3:6;4:6,7,10,12;5:1</p>	<p><b>U</b></p>
<p><b>March (1)</b>                      7:15  <b>Medical (5)</b>                      3:5,24;4:3;6:5,7  <b>meet (1)</b>                      6:22  <b>meeting (1)</b>                      3:3  <b>megawatts (3)</b>                      4:17,18,22  <b>mentioned (2)</b>                      6:10;7:8  <b>ML&amp;P (1)</b>                      6:16  <b>more (2)</b>                      3:21;5:10  <b>must (2)</b>                      6:12;7:1</p>	<p><b>off (2)</b>                      7:22,24  <b>office (2)</b>                      3:9;6:7  <b>Officer (1)</b>                      4:3  <b>old (4)</b>                      4:8;5:21;6:9;7:11  <b>once (1)</b>                      3:17  <b>one (3)</b>                      3:11;4:20;5:9  <b>one-to-one (1)</b>                      4:8  <b>on-link (2)</b>                      3:14,15  <b>only (2)</b>                      6:4,25  <b>open (1)</b>                      3:2  <b>operate (2)</b>                      5:1;6:12  <b>Operating (1)</b>                      4:2  <b>operational (1)</b>                      5:19  <b>operations (1)</b>                      6:18  <b>order (2)</b>                      5:3;7:1  <b>Organizations (1)</b>                      4:14  <b>Otherwise (1)</b>                      3:13  <b>out (2)</b>                      5:14;7:11  <b>over (2)</b>                      4:10;7:6</p>	<p><b>R</b></p>	<p><b>reason (1)</b>                      5:7  <b>received (1)</b>                      3:9  <b>recommending (1)</b>                      5:2  <b>record (2)</b>                      7:22,24  <b>regard (1)</b>                      7:18  <b>regarding (1)</b>                      3:18  <b>reliable (1)</b>                      7:2  <b>remove (1)</b>                      5:20  <b>replace (2)</b>                      5:8,15  <b>replacement (3)</b>                      4:5,9;6:10  <b>required (3)</b>                      5:12,16;7:6  <b>requirement (2)</b>                      6:11,23  <b>respond (1)</b>                      6:19  <b>right (1)</b>                      7:16  <b>Robert (3)</b>                      3:24;4:1,2  <b>run (2)</b>                      4:12;5:19</p>	<p><b>W</b></p>
<p><b>N</b></p>	<p><b>P</b></p>	<p><b>years (1)</b>                      4:8</p>	<p><b>T</b></p>	<p><b>Y</b></p>
<p><b>name (1)</b>                      4:2  <b>natural (1)</b>                      7:3  <b>Need (4)</b>                      3:4,8,9;7:18  <b>needing (1)</b>                      6:10  <b>needs (1)</b>                      6:20  <b>new (4)</b>                      5:10;6:2,22;7:12  <b>note (1)</b>                      6:3</p>	<p><b>patient (1)</b>                      6:19  <b>people (1)</b>                      3:15  <b>perfectly (1)</b>                      3:19  <b>period (1)</b>                      3:7  <b>personal (1)</b>                      3:20  <b>phase (2)</b>                      7:7,10  <b>pm (1)</b>                      8:3  <b>power (14)</b></p>	<p><b>talk (1)</b>                      7:22  <b>tertiary (1)</b>                      6:25  <b>testimony (3)</b>                      3:4,18;8:1  <b>therefore (1)</b>                      5:14  <b>third (1)</b>                      5:23  <b>thoughts (1)</b>                      3:18  <b>till (1)</b>                      3:21  <b>total (1)</b></p>	<p><b>way (1)</b>                      5:21  <b>welcome (1)</b>                      3:22  <b>words (1)</b>                      6:15</p>	<p><b>Y</b></p>