

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

BOARD MEETING SUMMARY
AGENDA ITEM SUMMARY

May 21, 2003

ACTION REQUIRED

AGENDA ITEM NO. IX.G.

Information only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

2003-2007 Business Plan Update

DISCUSSION

The 2003-2007 Business Plan is developed under the guidelines of Board Policy 126, Business Planning and Financial Management. The Business Plan has been updated to reflect Order No. 30 issued by the Regulatory Commission of Alaska and has been briefed to the Finance Committee on May 14, 2003.

CEO'S RECOMMENDATION(S)

1. Move to waive the seven-day rule.
2. Move that the Board of Directors approve the updated 2003-2007 Business Plan as presented.

2003 – 2007 Business Plan Updated Targets



- 1. MFI/I goal of not less than 1.15 in accordance with the CEO's goals
- 2. Projected achieved MFI/I of approximately 1.20
- 3. Rate increase of 1.5% implemented in the third quarter of 2004
- 4. Rate increase of 3.5% implemented in the third quarter of 2006

2003 – 2007 Business Plan

	2003	2003*	2004	2005	2006	2007
Margins (In Millions)	\$10.3	\$5.8	\$6.6	\$6.1	\$5.5	\$6.5
MFII	1.43	1.24	1.26	1.23	1.2	1.24
Equity Ratio	26.3%	25.7%	26.9%	26.9%	27.0%	27.7%

*Without the impact of the provision for rate refund adjustment

Update reflects changes due to RCA Order 30