

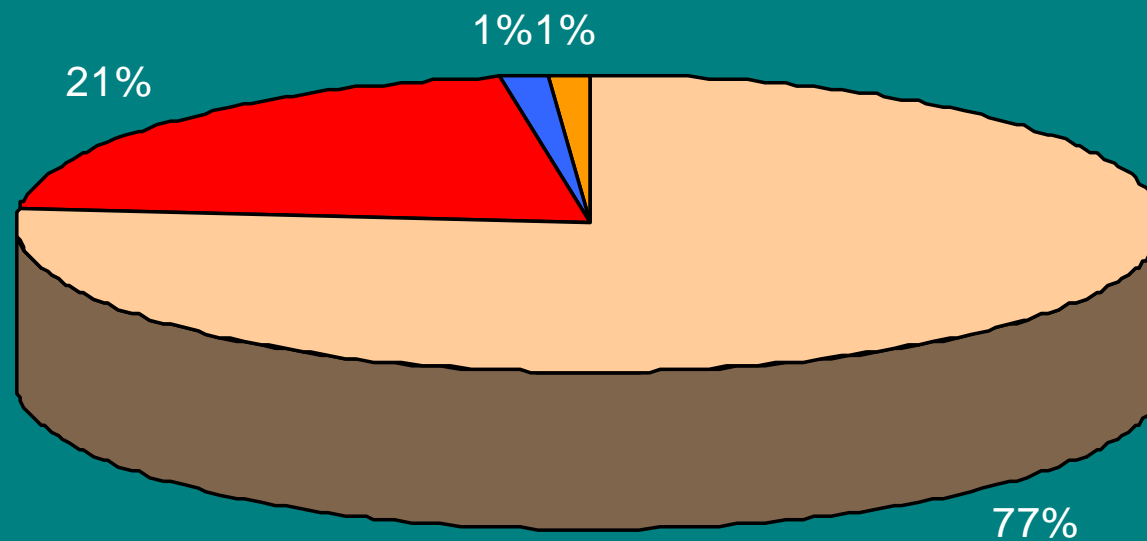
CHUGACH ELECTRIC ASSOCIATION, INC.
2006 Budget Review
Power Delivery

Finance Committee Meeting
September 27, 2006

Power Delivery

- ❖ Sr. VP Power Delivery
- ❖ Engineering
- ❖ Operations
- ❖ Technical Services

Sr. VP Power Delivery 2006 Budget



■ Labor ■ Professional Services ■ Travel & Education ■ Material & Supplies/Other

Sr. VP Power Delivery

	<u>2006 Budget</u>	<u>Capital/Deferred</u>	<u>Expense</u>	<u>2005 Budget</u>	<u>2005 Actuals</u>
Labor (2 regular positions)	\$218,860	\$0	\$218,860	\$237,254	\$229,052
Labor Including Fringe Benefits (22K - 165K)					
Material & Supplies	1,900	0	1,900	3,356	379
Other	900	0	900	1,200	1,117
Professional Services	60,000	0	60,000	50,000	59,200
Travel & Education	4,100	0	4,100	22,450	906
Total	\$285,760	\$0	\$285,760	\$314,260	\$290,654

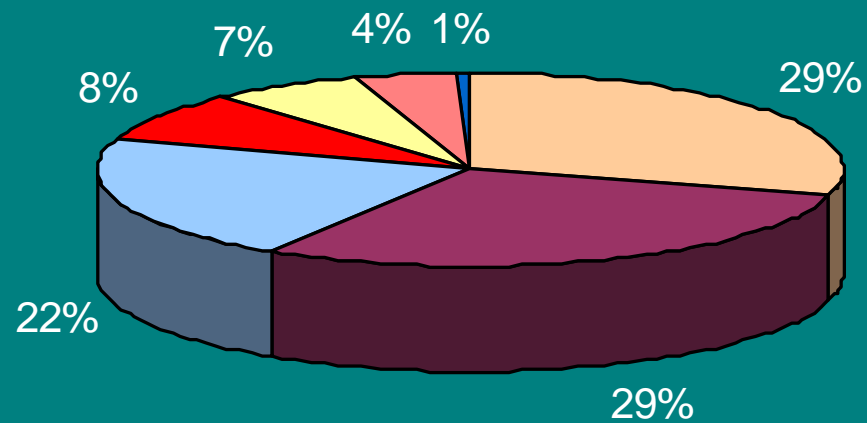
Sr. VP Power Delivery (Unbundled)

	2006 Budget	2006 Unbundled Budget G&T	2006 Unbundled Budget Distribution
Labor	\$218,860	\$44,398	\$174,462
Material & Supplies	1,900	240	1,660
Other	900	432	468
Professional Services	60,000	28,800	31,200
Travel & Education	4,100	1,968	2,132
Total	\$285,760	\$75,838	\$209,922

Sr. VP Power Delivery 2006 YTD Budget vs Actual

	<u>YTD Budget August-06</u>	<u>YTD Actuals August-06</u>
Labor	\$149,331	\$168,675
Material & Supplies	1,400	3,506
Other	600	2,047
Professional Services	50,000	0
Transportation & Freight	0	0
Travel & Education	4,100	6,117
Total	<u>\$205,431</u>	<u>\$180,345</u>

Engineering 2006 Budget



- Labor
- Materials & Supplies
- Other
- Travel & Education/Transportation
- Field Contractual Services
- Professional Services
- Applicant Construction

Engineering

	<u>2006 Budget</u>	<u>Capital/Deferred</u>	<u>Expense</u>	<u>2005 Budget</u>	<u>2005 Actuals</u>
Labor (46 regular and 2 temporary positions)	\$5,083,269	\$3,546,278	\$1,536,991	\$4,928,649	\$4,750,215
Labor Including Fringe Benefits (20K - 172K)					
Applicant Construction	767,000	767,000	0	1,142,425	839,173
Field Contractual Services	5,035,425 ¹	5,035,425	0	10,430,096	10,586,364
Material & Supplies	3,711,525	3,674,310	37,215	5,282,582	6,000,274
Other	1,129,915	950,800	179,115	203,065	329,776
Professional Services	1,385,901 ¹	1,066,401	319,500	1,610,015	1,274,186
Transportation & Freight	65,050	40,500	24,550	63,700	31,368
Travel & Education	25,285	0	25,285	29,255	14,366
Total	\$17,203,370	\$15,080,714	\$2,122,656	\$23,689,787	\$23,825,722

¹ See additional information provided

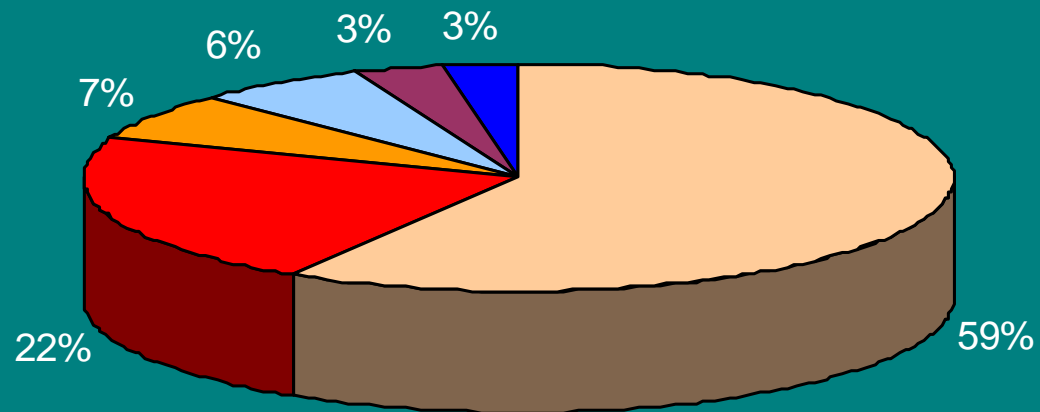
Engineering (Unbundled)

	2006 Budget	2006 Unbundled Budget G&T	2006 Unbundled Budget Distribution
Labor	\$5,083,269	\$894,194	\$4,189,075
Applicant Construction	767,000	0	767,000
Field Contractual Services	5,035,425	495,000	4,540,425
Materials & Supplies	3,711,525	259,696	3,451,829
Other	1,129,915	912,098	217,817
Professional Services	1,385,901	915,500	470,401
Transportation & Freight	65,050	53,600	11,450
Travel & Education	25,285	12,028	13,257
Total	\$17,203,370	\$3,542,116	\$13,661,254

Engineering YTD Budget vs Actual

	<u>YTD Budget August-06</u>	<u>YTD Actuals August-06</u>
Labor	\$3,405,136	\$3,007,254
Applicant Construction	390,000	-12,238
Field Contractual Services	2,982,194	2,934,631
Material & Supplies	2,879,631	1,071,520
Other	625,162	-26,595
Professional Services	1,008,606	805,371
Transportation & Freight	44,678	7,198
Travel & Education	18,885	4,079
Total	<u>\$11,354,292</u>	<u>\$7,791,220</u>

Operations 2006 Budget



- Labor
- Professional Services
- Material & Supplies
- Other
- Field Contractual Services
- Transportation/Travel & Education

Operations

	<u>2006 Budget</u>	<u>Capital/Deferred</u>	<u>Expense</u>	<u>2005 Budget</u>	<u>2005 Actuals</u>
Labor (53 regular and 4.5 temporary positions)	\$7,196,481	\$1,196,101	\$6,000,380	\$7,758,759	\$7,480,201
Labor Including Fringe Benefits (71K - 175K)					
Field Contractual Services	405,000 ¹	405,000	0	430,000	912,328
Material & Supplies	880,954	200,000	680,954	870,892	1,051,607
Other	758,806	0	758,806	911,410	340,949
Professional Services	2,665,354 ¹	71,000	2,594,354	2,963,817	3,094,138
Transportation/Travel & Education	354,761	5,000	349,761	395,520	424,486
Total	\$12,261,356	\$1,877,101	\$10,384,255	\$13,330,398	\$13,303,709 ²

¹ See additional information provided

² Includes approximately \$260,000 of reimbursable costs

Operations (Unbundled)

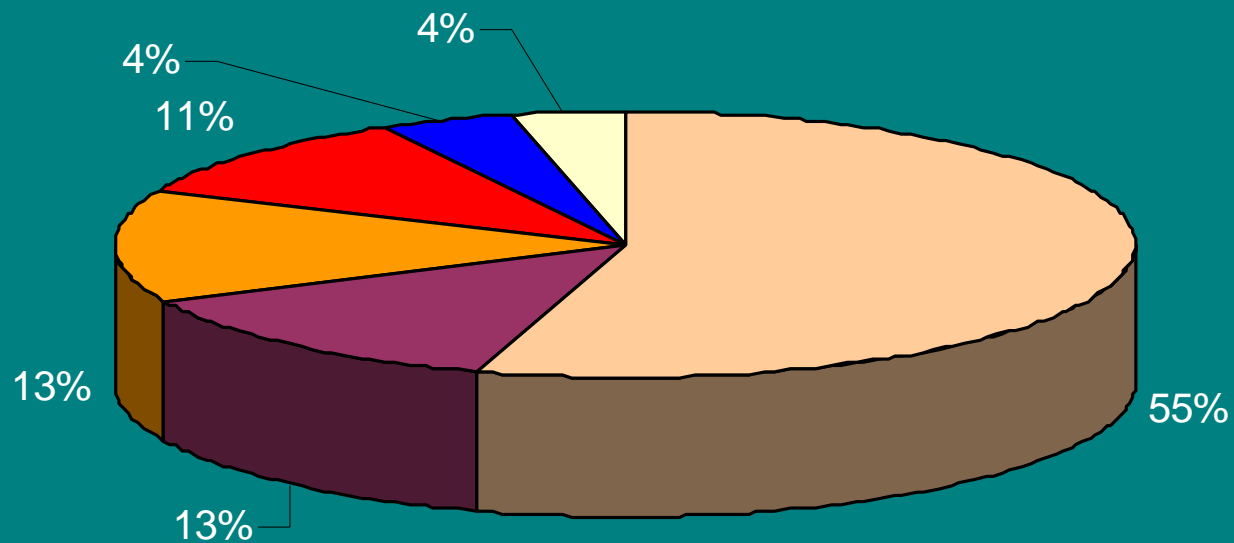
	2006 Budget	2006 Unbundled Budget G&T	2006 Unbundled Budget Distribution
Labor	\$7,196,481	\$291,700	\$6,904,781
Field Contractual Services	405,000	0	405,000
Materials & Supplies	880,954	17,500	863,454
Other	758,806	268,921	489,885
Professional Services	2,665,354	324,410	2,340,944
Transportation/Travel & Education	354,761	233,681	121,080
Total	\$12,261,356	\$1,136,212	\$11,125,144

Operations YTD Budget vs Actual

	<u>YTD Budget August-06</u>	<u>YTD Actuals August-06</u>
Labor	\$4,833,180	\$5,023,244
Field Contractual Services	270,000	419,618
Material & Supplies	591,816	627,177
Other	507,726	752,590
Professional Services	1,812,170	1,310,361
Transportation/Travel & Education	<u>236,594</u>	<u>279,946</u>
Total	\$8,251,486	\$8,412,936 ¹

¹ Includes approximately \$130,000 of reimbursable costs

Transmission Technical Services 2006 Budget



- Labor
- Material & Supplies
- Travel & Education/Transportation
- Field Contractual Services
- Professional Services
- Other

Technical Services

	<u>2006 Budget</u>	<u>Capital/Deferred</u>	<u>Expense</u>	<u>2005 Budget</u>	<u>2005 Actuals</u>
Labor (25 regular and 2 temporary positions)	\$3,486,320	\$941,372	\$2,544,948	\$3,564,944	\$3,344,204
Labor Including Fringe Benefits (77K - 187K)					
Field Contractual Services	857,410 ¹	857,410	0	107,700	0
Material & Supplies	853,925 ¹	525,225	328,700	980,990	605,723
Other	230,400	0	230,400	221,100	183,491
Professional Services	676,900 ¹	57,000	619,900	836,602	679,635
Transportation & Freight	237,660	60,600	177,060	362,250	286,727
Travel & Education	32,520	0	32,520	31,500	33,866
Total	\$6,375,135	\$2,441,607	\$3,933,528	\$6,105,086	\$5,133,646

¹ See additional information provided

Technical Services (Unbundled)

	2006 Budget	2006 Unbundled Budget G&T	2006 Unbundled Budget Distribution
Labor	\$3,486,320	\$2,273,530	\$1,212,790
Field Contractual Services	857,410	510,996	346,414
Materials & Supplies	853,925	606,038	247,887
Other	230,400	116,552	113,848
Professional Services	676,900	451,649	225,251
Transportation & Freight	237,660	217,702	19,958
Travel & Education	32,520	18,870	13,650
Total	\$6,375,135	\$4,195,337	\$2,179,798

Technical Services 2006 YTD Budget vs Actual

	<u>YTD Budget August-06</u>	<u>YTD Actuals August-06</u>
Labor	\$2,327,648	\$2,140,777
Field Contractual Services	790,910	41,785
Material & Supplies	693,112	500,393
Other	164,364	129,912
Professional Services	599,250	390,290
Transportation & Freight	172,919	109,765
Travel & Education	19,820	5,067
Total	<u>\$4,768,023</u>	<u>\$3,317,989</u>



DISCUSSION

Engineering 2006 Contract Services Budget

	Total
Capital construction projects	
Municipal Undergrounding Requirements	\$1,000,000
Line Extensions	\$890,000
APA to Baxter Substation	\$700,000
Postmark Substation	\$500,000
Other projects (17)	\$1,945,425
Grand Total	\$5,035,425

Engineering 2006 Professional Services Budget

	Total
Project related for design, land services, survey, environmental and other services	
New 138kV Line, University to South Anchorage	\$460,000
Postmark Substation	\$220,000
State and Municipal Relocation Projects	\$70,000
Other projects (18)	\$252,400
Grand Total	\$1,002,400

	Total
Non project related services	
Transmission line assessment	\$200,000
Drafting	\$89,000
NESC Code Training	\$25,500
Transmission System Maintenance Program	\$25,000
Other Services	\$44,000
Grand Total	\$383,500

Operations 2006 Contract Services Budget

		Total
Capital and Maintenance Construction by Contractors	Capital	\$405,000
Grand Total		\$405,000

Operations 2006 Professional Services Budget

		Total
Contractor construction of new Commercial and Residential Services	Capital	\$71,000
Vegetation Management & ROW Clearing	Expense	\$1,970,704
Locating Contract and One Call Membership	Expense	\$310,000
Other Professional Services - Total of 17 (Example - Avalanche Control - \$33,000)	Expense	\$313,650
Grand Total		\$2,665,354

Operations 2006 Materials and Supplies Budget

		Total
Materials for New Service Installations	Capital	\$160,000
Fuel, Parts and Supplies for Fleet Shop	Expense	\$345,000
Tools and Tool Repair	Expense	\$58,500
Distribution Facility Upgrades	Expense	\$40,000
All other material and supplies	Expense/Capital	\$228,154
Materials relating to the Meter Shop	Expense/Capital	\$49,300
Grand Total		\$831,654

Technical Services 2006 Contract Services Budget

Category	Capital	Deferred	Grand Total
Contract Maintenance		\$30,000	\$30,000
Generator Construction	\$130,000		\$130,000
Maintenance Replacement	\$667,410		\$667,410
Station Construction	\$30,000		\$30,000
Grand Total	\$827,410	\$30,000	\$857,410

Technical Services 2006 Professional Services Budget

Category	Total
Consulting	\$149,000.00
Design	\$41,000.00
Environmental Compliance	\$15,000.00
Maintenance Testing	\$274,000.00
Minor Yard Building & Fence Design	\$11,000.00
Software Consulting	\$10,000.00
Software User Fees	\$3,400.00
Training	\$110,500.00
Vegetation Control	\$63,000.00
Grand Total	\$676,900.00

Technical Services 2006 Materials Budget

Financial Category	Budget
CAPTL	\$513,025
DEFER	\$12,200
EXPNS	\$328,700
Grand Total	\$853,925