

Chugach Electric Association
2005 - 2009 CAPITAL IMPROVEMENT PROGRAM (CIP)
MAJOR PROJECT TRACKING REPORT
As of September 30, 2005

| CIP Ref # | Project Name | BOD Project Approval Date | Estimate | | | Actuals | | | Variance | | Comments |
|-----------|--------------|---------------------------|----------|-----------------------|------------------|------------------|------------------------|---------------------------------|---|---|----------|
| | | | Estimate | Revisions to Estimate | Revised Estimate | Spending to Date | Forecast to Completion | Total Estimated Completion Cost | Total Estimated Cost vs. Revised Estimate | | |
| | | | | | | | | | Amount | % | |

MAJOR PROJECTS

SYSTEM IMPROVEMENT PROJECTS

Reliability

| | | | | | | | | | | | |
|---------|--|------------|-------------|-----|-------------|-------------|-------------|-------------|-----------|------|--|
| 02.0145 | Alternate 35kV Supply to Baxter Substation | 04/21/2004 | \$3,255,000 | \$0 | \$3,255,000 | \$1,088,114 | \$2,928,886 | \$4,017,000 | \$762,000 | 123% | On track for 2005/06 construction. Total estimated cost reflects cost updates based on recent equipment and construction bids. |
|---------|--|------------|-------------|-----|-------------|-------------|-------------|-------------|-----------|------|--|

Deferred Studies

| | | | | | | | | | | | |
|---------|-------------------------|------------------------------------|-------------|-----|-------------|-------------|-------------|-------------|-----|------|---|
| 20.0108 | Cooper Lake Relicensing | Previously Approved ⁽¹⁾ | \$7,000,000 | \$0 | \$7,000,000 | \$5,627,308 | \$1,372,692 | \$7,000,000 | \$0 | 100% | FERC has begun their review of the license application and solicited comments from interested parties on their NEPA Scoping Document. |
|---------|-------------------------|------------------------------------|-------------|-----|-------------|-------------|-------------|-------------|-----|------|---|

⁽¹⁾ Originally approved in the 2000 budget. Subsequent approval in 2001-2005 budgets and 2005-2009 Capital Improvement Plan.

REQUIRED PROJECTS

New Services/Load Growth

| | | | | | | | | | | | |
|---------|--|------------|--------------|-----------|--------------|--------------|-------------|--------------|-------------|------|---|
| 05.0746 | Postmark Substation | 04/21/2004 | \$4,770,371 | \$0 | \$4,770,371 | \$289,162 | \$4,939,838 | \$5,229,000 | \$458,629 | 110% | In preliminary design and permitting. On schedule for 2006/07 construction. Total estimated cost reflects cost updates based on recent equipment and construction bids. |
| 08.0475 | 138kV International Sub to South Anchorage Sub | 12/17/2003 | \$4,436,000 | \$490,000 | \$4,926,000 | \$4,822,803 | \$0 | \$4,822,803 | (\$103,197) | 98% | Construction complete. |
| 09.0452 | South Anchorage Bulk Substation | 12/17/2003 | \$13,014,500 | \$0 | \$13,014,500 | \$10,232,776 | \$2,940,724 | \$13,173,500 | \$159,000 | 101% | Overall construction is 75% complete with substantial completion scheduled for December 2005. Commissioning of one transformer and associated switchgear has been accelerated to allow energization of one 34.5kV feeder by year end 2005 in case of a system emergency. Remaining commissioning will take place in 2006 with energization planned by mid year. |
| 10.0727 | 138kV T/L South Substation to University | 04/21/2004 | \$6,066,000 | \$0 | \$6,066,000 | \$285,404 | \$7,531,496 | \$7,816,900 | \$1,750,900 | 129% | Route selection complete. Applied for amendment to MOA's Utility Corridor Plan to include selected route. Total estimated cost reflects cost updates based on recent equipment and construction bids. |
| 11.0487 | 35kV Feeders from South Anchorage Sub | 04/21/2004 | \$1,033,600 | \$250,000 | \$1,283,600 | \$1,364,677 | \$0 | \$1,364,677 | \$81,077 | 106% | All feeders have been completed. Variance is primarily due to costs for additional easements. |

Capitalized Maintenance

| | | | | | | | | | | | |
|---------|---|-----------|-------------|-----|-------------|-------------|-----------|-------------|------------|------|--|
| 12.0620 | Beluga Unit 7 Annual - SRU (LCI & Hex Rings Net of Refurbished) | 5/11/2005 | \$1,190,650 | \$0 | \$1,190,650 | \$94,500 | \$670,500 | \$765,000 | -\$425,650 | 64% | Outage completed in September. Lower combustion chamber insert (LCI) was replaced. Good condition of hex rings and labor cost below estimates resulted in cost reductions. |
| 12.0626 | Beluga Unit 5 Major Overhaul | 5/11/2005 | \$1,504,479 | \$0 | \$1,504,479 | \$1,350,983 | \$0 | \$1,350,983 | -\$153,496 | 90% | Project complete. Labor costs below estimate. |
| 12.0650 | Beluga Unit 3 Turbine Controls | 1/19/2005 | \$1,395,000 | \$0 | \$1,395,000 | \$778,661 | \$616,339 | \$1,395,000 | \$0 | 100% | Equipment installation is almost complete. Commissioning to begin last week of October with estimated release of unit in the second week of November (approximately one week ahead of schedule). |