

Chugach Electric Association, Inc.
Anchorage, Alaska

Third Quarter 2006 Line Loss Report

- Line losses represent the difference between energy put into the system and energy taken out of the system at the customer's meter. Energy or capacity is lost in the normal operation of an electric system due primarily to heat dissipation.
- Chugach has losses at both the transmission and distribution level. In general, Chugach's transmission losses average approximately 3 percent, distribution losses average 5 percent, and system losses average about 6 percent.
- Primary factors that impact distribution losses include system load, system operation, and unaccounted for kWh sales.
- Below is a preliminary summary of Chugach's losses, by quarter, throughout 2006. Final loss factors will be calculated and submitted to the Regulatory Commission of Alaska during first quarter 2007.

Quarter	System	G&T	Distribution
Q1, 2006	6.1%	3.4%	5.2%
Q2, 2006	5.2%	2.7%	4.9%
Q3, 2006	5.4%	2.9%	4.9%