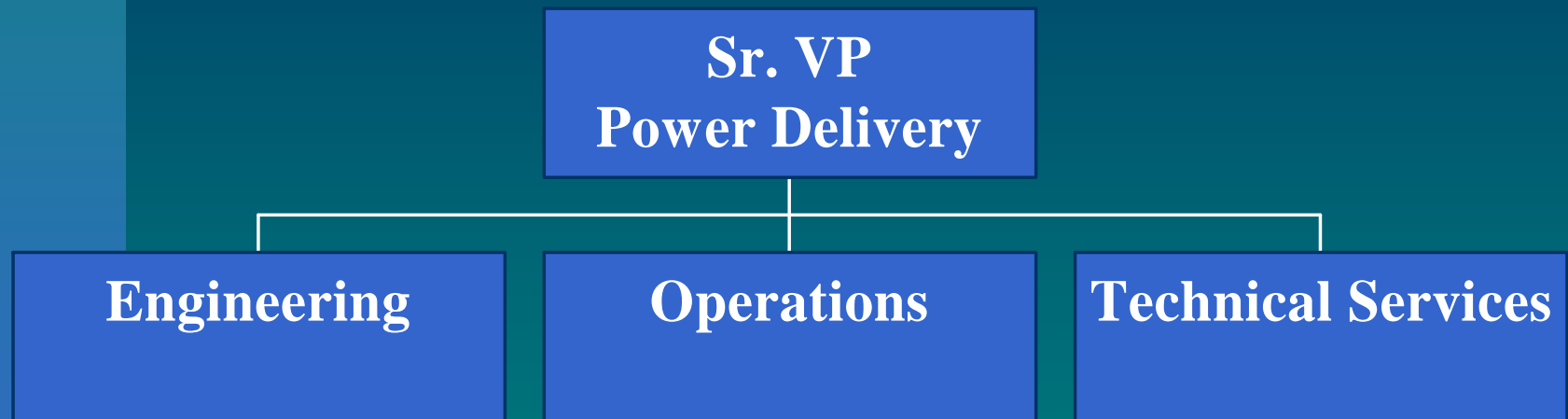


2007 Power Delivery Operating Budget

Lee Thibert

Power Delivery Organizational Structure



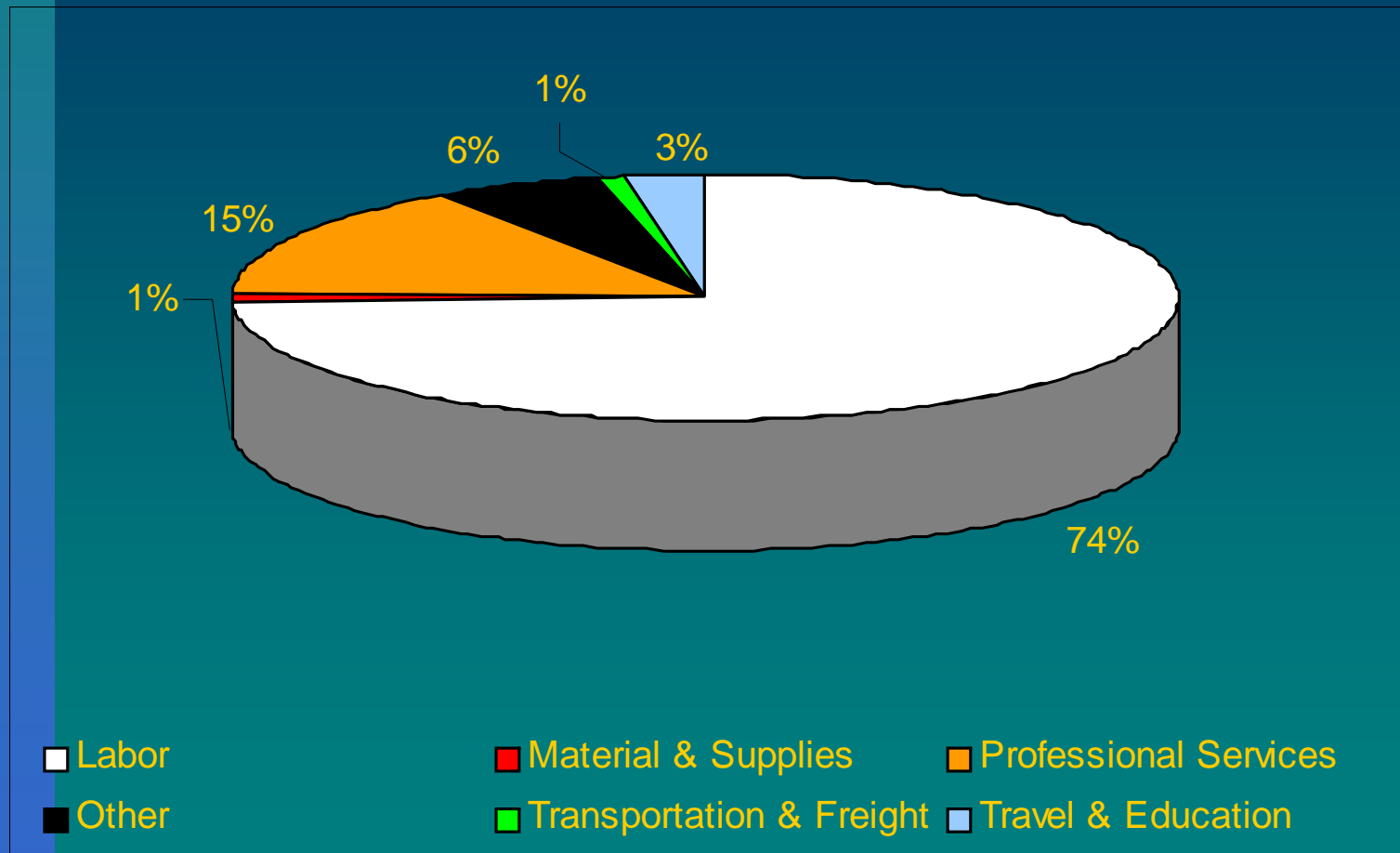
2006 Accomplishments

- ❖ APA to Baxter upgrade project
- ❖ South Anchorage Bulk Substation
- ❖ Design and contracts for Postmark Substation
- ❖ Dynamite Slough Transmission Repairs
- ❖ Aerial survey of transmission facilities
- ❖ Five-year undergrounding plan
- ❖ BZO breaker replacements
- ❖ Negotiated modifications to the MOA's Title 21 and Transmission Tower Ordinance
- ❖ Outside Plant Labor Negotiations
- ❖ Expanded and improved Reliability Centered Maintenance (RCM) program

2007 Operational/Strategic Challenges

- ❖ Address backlog of undergrounding projects to comply with UG ordinance
- ❖ Staff attrition and manpower shortages
- ❖ Secure easement and permits for University to South Anchorage transmission line
- ❖ Secure substation site for Abbot Loop Sub
- ❖ Expand RCM program

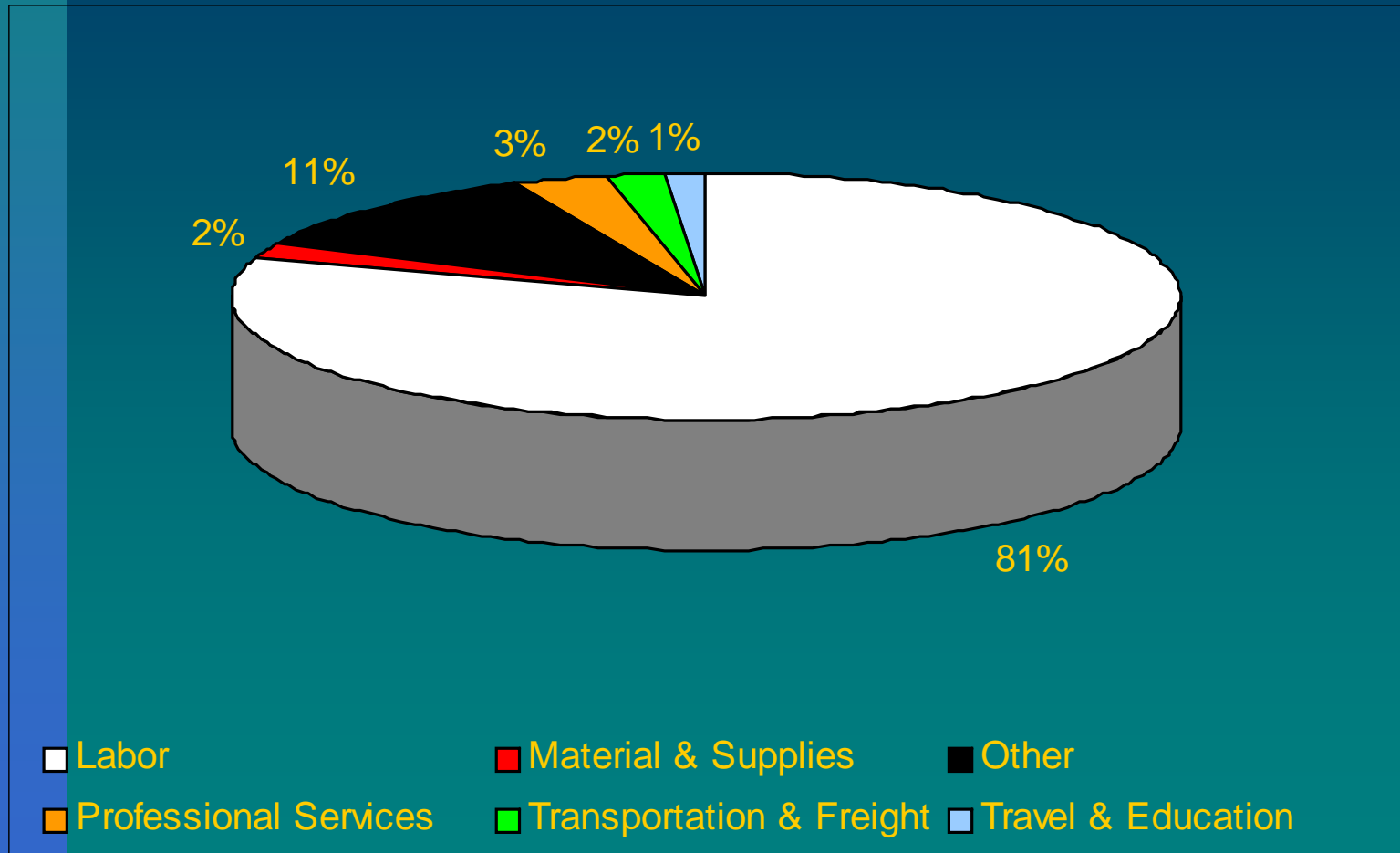
Sr. VP Power Delivery 2007 Expense Budget



Sr. VP Power Delivery Expense Budget Comparison

	<u>2007 Budget</u>	<u>2006 Revised Budget</u>	<u>% Variance</u>
Labor	100,378	218,860	
Material & Supplies	2,000	1,900	
Professional Services	0	60,000	
Other	7,900	900	
Transportation & Freight	1,200	0	
Travel & Education	3,800	4,100	
Total	\$115,278	\$285,760	-59.7%

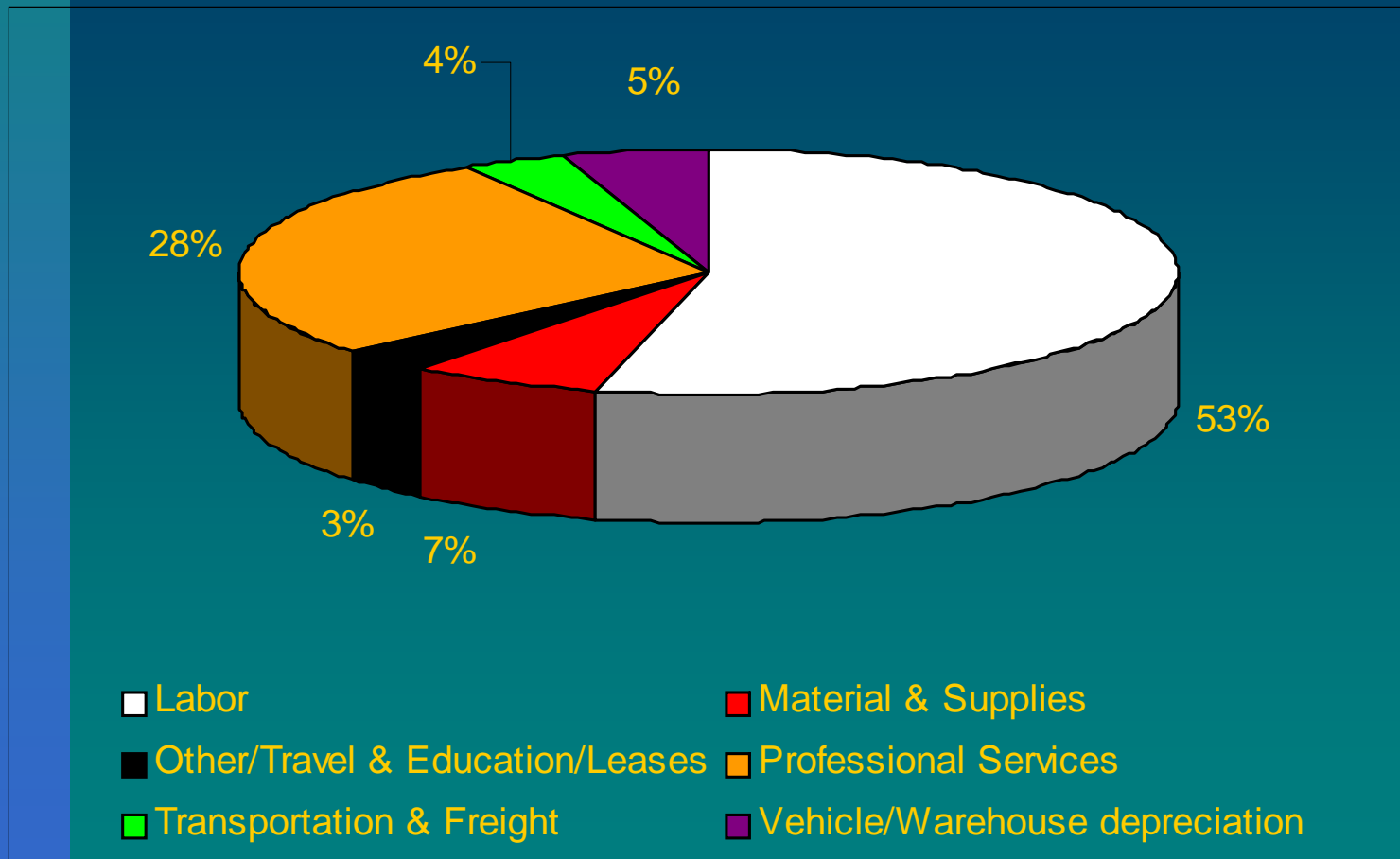
Engineering 2007 Expense Budget



Engineering Expense Budget Comparison

	<u>2007 Budget</u>	<u>2006 Revised Budget</u>	<u>% Variance</u>
Labor	1,464,771	1,536,991	
Material & Supplies	39,095	37,215	
Other	205,155	179,115	
Professional Services	61,500	319,500	
Transportation & Freight	34,550	24,550	
Travel & Education	26,940	25,285	
Total	\$1,832,011	\$2,122,656	-13.7%

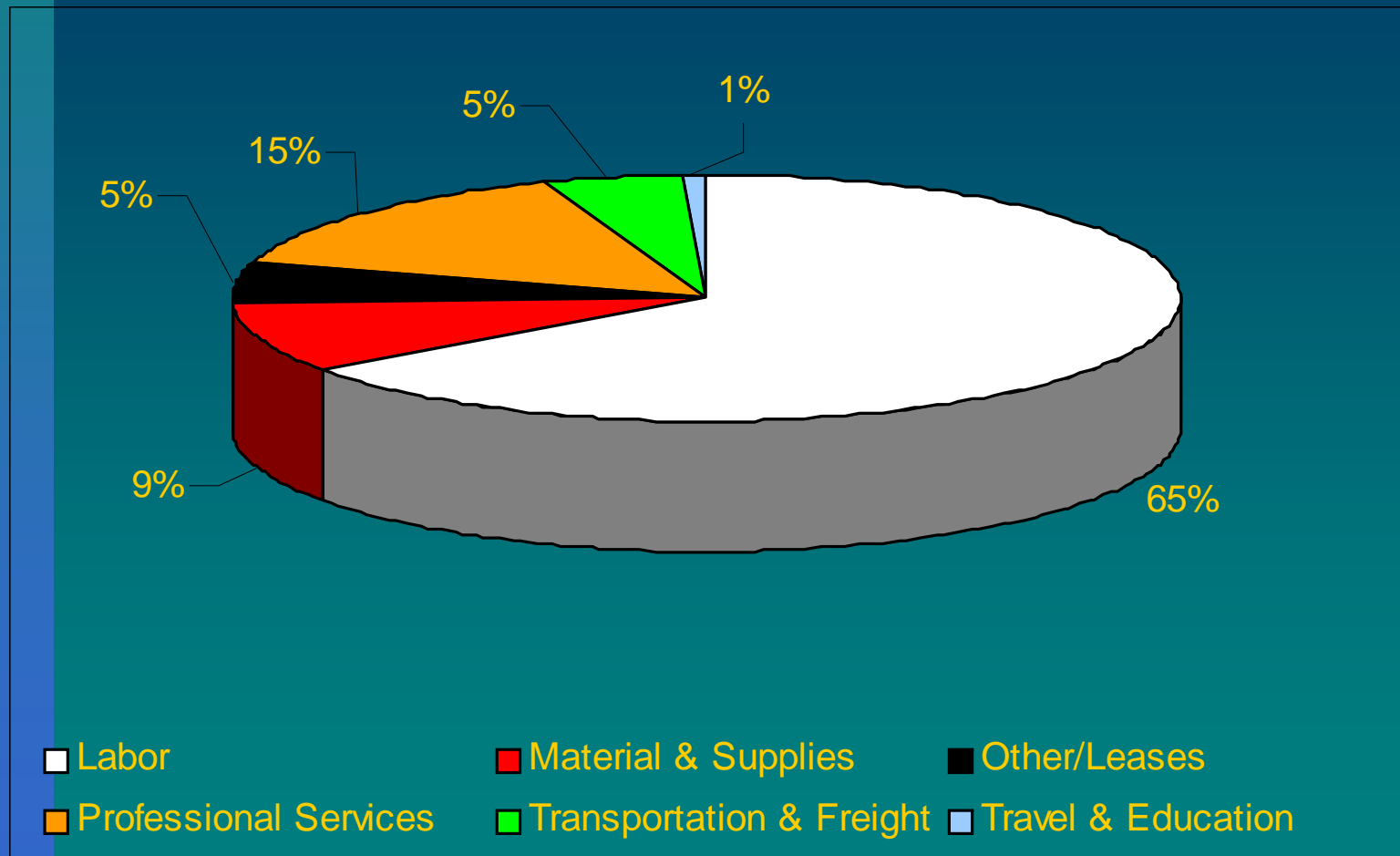
Operations 2007 Expense Budget



Operations Expense Budget Comparison

	<u>2007 Budget</u>	<u>2006 Revised Budget</u>	<u>% Variance</u>
Labor	5,940,860	6,000,380	
Material & Supplies/Other	772,221	487,970	
Professional Services	3,089,234	2,594,354	
Transportation & Freight	387,268	332,621	
Travel & Education	10,300	17,140	
Leases	297,997	297,997	
Vehicle/Warehouse depreciation	<u>554,760</u>	<u>653,792</u>	
Total	\$11,052,640	\$10,384,254	6.4%

Technical Services 2007 Expense Budget



Technical Services Expense Budget Comparison

	<u>2007 Budget</u>	<u>2006 Revised Budget</u>	<u>% Variance</u>
Labor	2,759,190	2,544,948	
Material & Supplies	391,900	328,700	
Other/Leases	229,750	230,400	
Professional Services	615,300	619,900	
Transportation & Freight	200,060	177,060	
Travel & Education	39,940	32,520	
Total	\$4,236,140	\$3,933,528	7.7%



DISCUSSION