

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

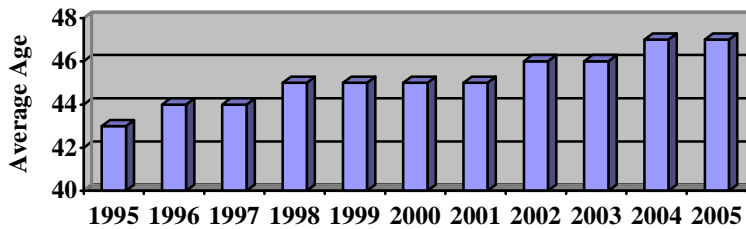
October 31, 2005

TO: Board of Directors
FROM: William R. Stewart, Interim Chief Executive Officer
SUBJECT: 2006 Operating Budget Additional Information

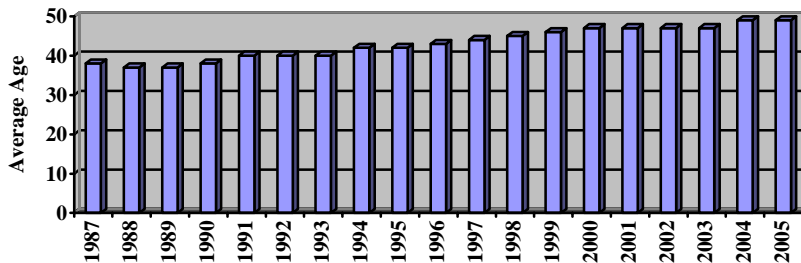
This memo is in response to additional information requested regarding the 2006 operating budget, which was presented to the Finance Committee on Wednesday, October 26, 2005.

Below are two graphs illustrating the average age trend for our represented and non-represented workforce.

Average Age of Represented Employees



Average Age of Non-Represented Employees



The 2006 operating budget includes a reduction of 10.5 regular full time equivalents. The positions eliminated include three non-represented positions in General Counsel, Finance & Business Planning and Regulatory Affairs & Pricing and seven and one half represented positions in Information Services, Finance & Business Planning, Transmission Technical Services, Environmental Engineering, Member & Community Relations and Operations.