



**Chugach Electric Association
2006 Generation Plan Update**

**Comparison of Results
Sensitivity Analysis**

Appendix 3

Corporate Planning & Analysis

May 2007

Chugach Electric Association
2006 Generation Plan Update

Comparison of Results - Sensitivities
2009-2040 30-Year Net Present Value of Costs - \$ in Millions

	20% Higher Capital Costs for New Generation	10% Lower Capital Costs for New Generation	Higher Load Growth	Lower Load Growth	50-Year Life for Coal Generation	Lower Natural Gas Prices			Higher Natural Gas Prices				
						Gas Prices \$/MMBTU = \$3.00	Gas Prices \$/MMBTU = \$4.00	Gas Prices \$/MMBTU = \$5.00	Gas Prices \$/MMBTU = \$6.00	Gas Prices \$/MMBTU = \$7.00	Gas Prices \$/MMBTU = \$8.00	Gas Prices \$/MMBTU = \$9.00	
Plan 1 - Status Quo - No New Generation	~\$4.50	~\$4.50	~\$4.50	~\$4.50	~\$4.50	\$1,732	\$1,732	\$1,732	\$1,850	\$2,143	\$2,436	\$2,729	\$3,022
Plan 2 - Flexibility Plan - add 180MW (3x1 LM6000)	\$1,729	\$1,655	\$1,829	\$1,584	\$1,679	\$1,729	\$1,264	\$1,456	\$1,729	\$1,865	\$2,001	\$2,138	\$2,274
Plan 3 - Current FMP - 130MW (106FA)	\$1,718	\$1,657	\$1,840	\$1,530	\$1,677	\$1,718	\$1,401	\$1,570	\$1,739	\$1,908	\$2,077	\$2,246	\$2,415
Plan 4 - 5-Year Deferral - 50MW gas (LM6000 SC) + 130MW Coal	\$1,954	\$1,837	\$2,052	\$1,730	\$1,853	\$1,954	\$1,636	\$1,783	\$1,929	\$2,076	\$2,222	\$2,368	\$2,515
Plan 5 - 10-Year Deferral - add 100MW of gas (LMS100) + 130MW Coal	\$2,054	\$1,939	\$2,108	\$1,898	\$1,955	\$2,054	\$1,743	\$1,888	\$2,032	\$2,177	\$2,322	\$2,467	\$2,612
Plan 6 - Joint Utility - add 130MW ((Chugach Owns 1/2 206FA)	\$1,631	\$1,592	\$1,768	\$1,460	\$1,605	\$1,631	\$1,317	\$1,494	\$1,671	\$1,848	\$2,025	\$2,202	\$2,378
Plan 7 - Build Simple Cycle - add 150MW (3 LM6000 SC)	\$1,803	\$1,756	\$1,939	\$1,618	\$1,772	\$1,803	\$1,509	\$1,671	\$1,833	\$1,995	\$2,156	\$2,318	\$2,480
Plan 8 - Entire 260MW - Add 260MW (206FA)	\$1,671	\$1,594	\$1,754	\$1,504	\$1,620	\$1,671	\$1,453	\$1,552	\$1,650	\$1,749	\$1,847	\$1,946	\$2,044
Plan 9 - Coal Only - add 130MW Coal	\$1,978	\$1,878	\$2,081	\$1,767	\$1,877	\$1,978	\$1,583	\$1,785	\$1,987	\$2,189	\$2,391	\$2,593	\$2,795