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Chairman's Message

By Jeff Lipscomb

Value for your dollar and keeping cost down:

Chugach bylaws require full and open competitive bidding for much of the goods and services we need to ensure that qualified bidders are not excluded and Chugach receives the greatest value for you, its member/owners. Currently, construction activity is great and contractors and workers are in high demand.

Chugach is reinforcing its desire to encourage and seek bids among the broadest range of suppliers. Annually, Chugach solicits electrical contractors to prequalify to bid on Chugach's distribution, transmission and substation work. Chugach has extended the deadline for electrical contractor prequalification this year and is exploring ways in which to broaden the pool of potential eligible bidders.

In addition to distribution, transmission and substation work, Chugach bids a broad range of work at its headquarters and power plants. General building, mechanical, piping, insulation, and inside wiring projects make up the balance of our work. A recent review of Chugach's bidding procedures indicates that out of the roughly 250 bids put out in the past five years, more than 85 percent were open to both union and non-union contractors alike. This represents over \$55 million in overall construction and maintenance activities.

We encourage all contractors and members to review our website (www.chugachelectric.com/inside/bids.html) and keep an eye out for bidding opportunities.

Your elected Board of Directors is committed to taking affirmative steps to ensure that members are receiving the best value for their energy dollar. 🇺🇸

Efficiency at work: Chugach's predictive maintenance program prevents costly outages to members and avoids breakdown maintenance. A recent analysis performed with help from the Electric Power Research Institute (EPRI) indicates that Chugach's predictive maintenance program has saved more than \$1.7 million in costly equipment failure and subsequent replacement. Scott Girard, Senior Substation Technician, was a guest speaker at the TechCon 2005 Asia Pacific Conference in Sydney, Australia. The all-expense paid trip was in recognition of Chugach's efforts in using predictive technologies to improve substation performance. 🇺🇸



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Safety First *School Buses and Children*

While school buses are safe, students are killed or injured in incidents involving schoolbuses. Usually these deaths and injuries don't occur in a crash, but as the pupils are entering and exiting the bus. Here are some tips to share with your children:

- Choose a safe place to wait for the bus, away from traffic and the street.
- Stay away from the bus until it comes to a complete stop and the driver signals that it is okay to approach and enter the bus.
- When being dropped off, exit the bus and walk 10 giant steps away from the bus. Keep a safe distance between you and the bus. Also, remember that the bus driver can see you best when you are back away from the bus.
- Use the handrail to enter and exit the bus.
- Be aware of the street traffic around you. Drivers are required to follow certain rules of the road concerning school buses; however, not all do. Protect yourself and watch out. 🚗

Underground compliance

Chugach members are seeing a new component on their monthly bills. The Municipality of Anchorage has an ordinance that requires Chugach to spend 2 percent annually of its retail revenues to convert existing overhead power lines to underground lines.

The charge on the bill reflects the cost of complying with that ordinance. This figure also includes Chugach's requirement under state statute to do similar work.

The revised Municipal ordinance went into effect June 1. Beginning with its June billings, Chugach began collecting the 2 percent State/Muni Underground Compliance charge to be in compliance with the Municipal ordinance.

As part of the ordinance, utilities will provide a report to the Municipal Planning Department following the end of the year detailing the projects for the previous year. 📄

Is there a check for you?

Chugach recently placed an insert in the Anchorage Daily News looking for about 23,000 former and current members who were owed a share of capital credits from the year 1985 and had not cashed their capital credits checks.

When the Chugach Board approves a retirement and Chugach completes payment of capital credits for a certain year, it advertises to find those who have not claimed their capital credits. In fact, while Chugach mails checks or notices to the addresses on file for those members of record entitled to a share of these retirements, thousands are either not cashed or are returned as undeliverable.



Capital credits are a benefit of being a member of Chugach. They are a share of the cooperative's margins for a year in which revenues and other operating income exceed fixed and variable expenses.

You may view the list on Chugach's website at www.chugachelectric.com and complete and submit the claim form.

As always, be sure Chugach has your forwarding address until all accumulated capital credits have been returned. 📄



SIT BACK, RELAX,
IT'S AUTOMATIC

Contact us

Main number	563-7494
Toll free	(800) 478-7494
Customer service	563-7366
Customer service fax	762-4678
Business and commercial	762-7876
Credit	563-5060
Power theft hotline	762-4731
Danger tree hotline	762-7227
Regulatory Commission of Alaska	(800) 390-2782 or 276-6222
To report a power outage	
In Anchorage	762-7888
Outside Anchorage	(800) 478-7494

Board activity

June meeting 2005

- Approved renewal of the CoBank short term line of credit
- Approved amending Board Policy 115 – Director Vacancy
- Approved directors' expenses

If you would like to review Board of Director meeting minutes or contact Board members, visit Chugach's web site at www.chugachelectric.com.

Corporate Mission

Through superior service, safely provide reliable and competitively priced energy.

Hours

Service center:
5601 Minnesota Drive

Monday-Friday
8 a.m. - 6 p.m.

Switchboard:
Monday - Friday
8 a.m. - 9 p.m.

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