Chugach Electric Association's

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Deadline for Board nominations





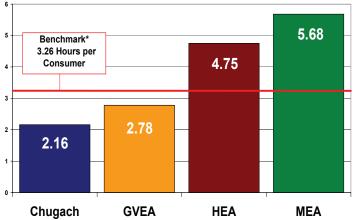
www.chugachelectric.com

Challenges facing Chugach Understanding what the membership wants

January brings a new year and several challenges for our cooperative to face. Challenges – such as rising fuel prices that we have little control over – will increase the price you pay for electric service in 2006. What Chugach can control are other costs of operation. There are multiple benchmarking programs underway to determine efficiency initiatives that Chugach can implement to help offset the rising cost of fuel.

Chugach can implement change; however, <u>Chugach</u> needs to understand its members' needs, and continues to survey the membership to find out what is important. Based on the most recent survey performed by Dittman Research, members continue to rate reliability first, followed

2004 Outage Statistics Average Annual Outage Hours per Consumer (As reported to Regulatory Commission of Alaska)



* Median value for cooperative utilities as published by the Cooperative Finance Corporation

by cost and customer service. The graph is a report card based on Regulatory Commission of Alaska data that shows how our cooperative performs compared to other cooperatives in the Railbelt. In addition, Chugach will embark on several cost-saving measures that will be highlighted in future Outlet issues. As a member, you can also help by implementing energy conservation measures. Tips to assist you will be available in the Outlet and on Chugach's web page at www.chugachelectric.com.

While Chugach realizes how important reliability is to you, <u>concerns about cost are rising</u>, and your Board of Directors and management are working together to improve the value you receive for your energy dollar.

To help improve communications to our members, Chugach asked what the membership wanted to see in Outlet issues. Here's what the survey results indicated:

- Energy-saving/cost reducing tips
- Cost improvement programs
- Safety tips
- Future large-scale economic considerations
- Reliability issues

The Outlet is our primary communication tool with our membership, and in 2005 we introduced an energy tip column. We will continue that column (see Page 2) as well as introduce the other four areas in future columns that will be related to costs, safety, economic impact and reliability. If you have further recommendations for us, please let us know.

And have a happy, healthy and safe 2006.

Nominations for board deadline and annual meeting reminders

If you are interested in running for the Chugach Board of Directors in the 2006 election, and wish to submit a resume to the Nominating Committee, the deadline is 5 p.m., Friday, Jan. 27. The deadline for petition candidates to submit a petition is 5 p.m., Friday, Feb. 24.

In February, Chugach will send letters and signature cards to non-natural entities, such as corporations and associations. Signature cards showing the authorized signers should be returned to Chugach prior to the record date as these cards will determine who is eligible to vote

for these entities in the election or to participate in floor voting at the annual meeting.

The Chugach Board will set a record date for about mid-March. The records in place at the close of business on the record date will determine who is eligible to vote in the election or at the annual meeting.

The Chugach annual membership meeting will be held Thursday, April 27, at the Egan Civic & Convention Center.
Registration will start at 6 p.m.
The meeting will begin at 7 p.m.

Energy tips – How much does it cost?

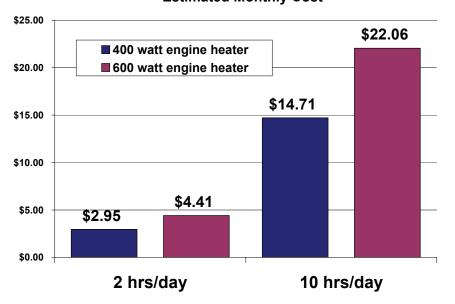
Using a car engine heater during the winter is important, not only for the health of your vehicle, but to help improve air quality. However, at a time when costs are rising, you should use an engine heater only as long as necessary.

It is recommended that you use a timer for your engine heater and

plug in for two hours when the temperature is 20 degrees or colder.

When determining how much it costs, the chart below will help you figure out how much money you can save when plugging in.

Estimated Monthly Cost





Contact us

Main number	563-/494
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 Alas	ska
(800) 390-2782 or	276-6222

To report a power outage

In Anchorage 762-7888

Outside Anchorage (800) 478-7494

Residential service costs

(based on 700 kWh)

Customer charge/month \$ 8.42 Energy charge $$0.09282 \times kWh = 64.97 Fuel adjustment/ $$0.02933 \times kWh = 20.53 Sub-total \$93.92 2% MOA Underground Charge = \$1.88 RCC charge $$0.000433 \times kWh = 0.30 Total bill \$96.10

Corporate Mission

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

Hours

Member Service lobby:

5601 Electron Drive Monday - Friday 8 a.m. - 6 p.m.

Member Service phone:

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

Main office:

Monday - Friday 8 a.m. - 5 p.m.

The Chugach Outlet

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