

Chugach Electric Association's

April 2007

Number 231

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www.chugachelectric.com

Four members run for the Chugach board

Four Chugach members are running for two seats on the cooperative's board of directors in this spring's election. Each seat is for a 3-year term.

The candidates are David J. Cottrell, Alex Gimarc, P. J. Hill and Mark Wiggin. Cottrell is an incumbent.



David J. Cottrell

Cottrell is founding member and past managing partner of Mikunda, Cottrell & Co., Certified Public Accountants. Currently he is the president and managing



Alex Gimarc



P. J. Hill

director of Mikunda, Cottrell, Accountants and Consultants. He has been a Chugach member since 1973.

Gimarc is a systems analyst with the Municipality of Anchorage. He has been a member since 1992.

Hill is an associate professor of economics and a com-

mercial fisherman. He has been a member of Chugach off and on for 30 years.



Mark Wiggin

Wiggin is a project manager with ASRC Energy Services and a commissioner for Anchorage Municipal Light & Power. He has been a Chugach member since 2001, and from 1983 to 1994.

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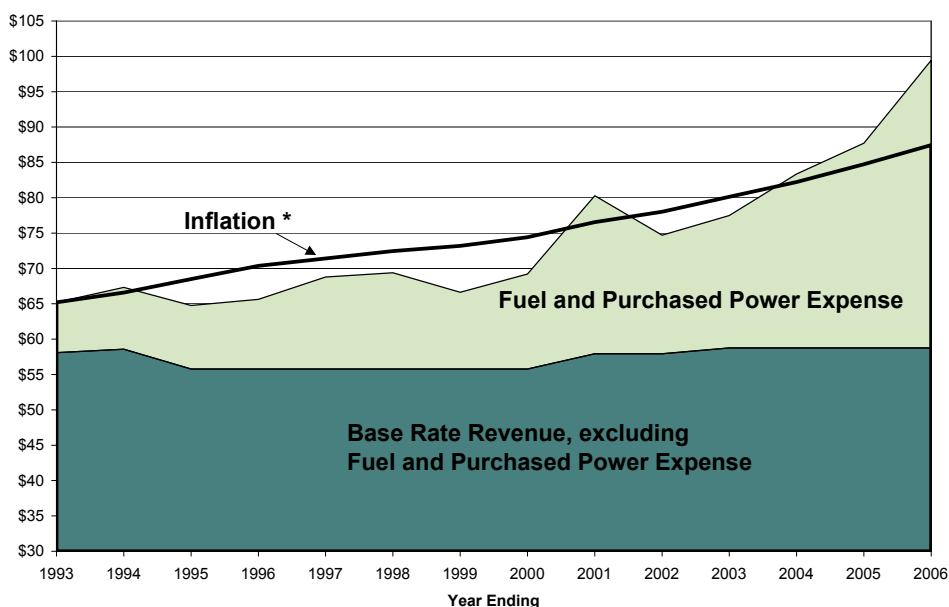
Electric bills driven by fuel increases

As the accompanying chart shows, for more than a decade, the monthly bills of Chugach customers have been driven by fuel prices.

Natural gas is the primary fuel used to make power at Chugach power plants. In 2006, 90 percent of the kilowatt-hours Chugach sold were produced by burning natural gas; the other 10 percent came from hydro power.

Chugach buys natural gas from four separate suppliers under four separate contracts – each indexed to changes in three different commodities over a rolling 12-month period of time. Bills rise and fall as the price of the three commodities – natural gas, heating fuel and crude oil – changes on the national market.

Residential Bill by Component Based on 700 kWh Consumption
1993 - 2006



* 1993 Residential Bill, adjusted for inflation. Source: US Dept. of Labor, Bureau of Labor Statistics (BLS), CPI-U Anchorage.

Chugach adjusts the fuel surcharge each quarter to reflect the costs of fuel and purchased power. Beginning in April,

the bill for a residential customer using 700 kwh in a month will drop by \$2.34 due to a decrease in the fuel surcharge.

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Members will also be voting on two proposed bylaw amendments.

Mail-voting packets were mailed to 64,348 Chugach members of record the week of March 26. Members have until noon on Monday, April 23 to return mail ballots. Voting will also be

allowed at the cooperative's annual meeting April 26 at the Egan Civic & Convention Center. Registration starts at 6 p.m. The meeting begins at 7 p.m. Members should bring a photo I.D. to the annual meeting to help speed up their registration. Results of the election will be announced at the annual meeting.

2007 overhead-to-underground projects planned

Chugach annually spends about 2 percent of its 3-year average of gross retail revenues derived from sales within the Municipality of Anchorage on overhead to underground conversion projects in Anchorage.

In 2007 Chugach expects to spend about \$2.7 million to complete conversion projects that include:

- a 3-year \$2.25 million project to convert a 3-phase circuit along the east side of Muldoon Road between DeBarr Road and East 32nd and along East 32nd to Patterson Street;
- a 2-year \$1.9 million project on John's Road to retire 14 spans of older 3-phase overhead facilities
- and a 2-year \$1.25 million project

to retire and replace 5,000 feet of line along Jewel Lake Road south of the Raspberry Road intersection.

More information on conversion projects can be found on the utility's web site at www.chugachelectric.com.

Chugach currently estimates it will spend nearly \$18 million on conversion projects in the next five years. Projects are selected taking into account Chugach's overall system needs and consideration of designated target areas.

The projects are funded by the 2 percent underground charge on bills for service in Anchorage. The charge is a result of an MOA ordinance adopted March 1, 2005.

2004 Capital credits allocations

In December 2006 Chugach completed allocating more than \$6.4 million in retail and wholesale capital credits for 2004. In March Chugach notified 49,874 current retail members of their share of the allocation on their electric bills, while 19,152 former members were mailed a certificate showing their allocation.

Chugach does not earn profits. Instead, any revenues and other income over and above the cost of doing busi-

ness during a given year are considered "margins" and are returned to members through capital credit retirements that are approved by the Chugach board. Capital credit balances may also be checked on the Chugach web site at www.chugachelectric.com.

Notifying current members by providing their information for them on their bills saved Chugach and its members nearly \$25,000 in postage, printing, materials and mailing costs.

Avoid spikes in your monthly bill using LevelPay

Those highs and lows on your electric bill during the winter months can make you wonder what your payment will be each month. Using LevelPay can smooth the way for you. Using

your utility's LevelPay option, Chugach will average your 12-month usage and you will pay the same amount each month. For more information, call 563-7366.



SIT BACK, RELAX,
IT'S AUTOMATIC

Contact us

Main number	563-7494
Toll free	(800) 478-7494
Member service	563-7366
Member service fax	762-4678
Business and commercial	762-7876
Credit	563-5060
Power theft hotline	762-4731
Danger tree hotline	762-7227
Underground locates	278-3121
Regulatory Commission of Alaska	
(800) 390-2782 or	276-6222
To report a power outage	
In Anchorage	762-7888
Outside Anchorage	(800) 478-7494

Monthly residential service costs (based on 700 kwh)

Customer charge/month	\$ 8.42
Energy charge \$0.09282 x kwh =	\$64.97
Fuel adjustment \$0.03415 x kwh =	<u>\$23.91</u>
Fuel surcharge effective 4/1/07	
Sub-total	\$97.30
2% MOA Underground Charge =	\$ 1.95
RCC charge \$0.000364 x kwh =	<u>\$ 0.25</u>
Total bill	\$99.50

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

A Publication of Chugach Electric
Association, Inc.
5601 Electron Drive
P.O. Box 196300
Anchorage, Alaska 99519-6300

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