

# Chugach Electric Association's

October 2005

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Powering Alaska's Future

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[www.chugachelectric.com](http://www.chugachelectric.com)

## Board Message

Cost savings – everybody's business



Chair  
Alan Christopherson



Secretary  
Dave Cottrell



Treasurer  
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Director  
Bruce Davison



Interim CEO  
Bill Stewart



Director  
Uwe Kalenka



Director  
Jeff Lipscomb



Director  
Ray Kreig

As we have said before, safety and reliability are our top priorities; however, following close behind are cost savings. Our members want and deserve to have a utility that looks for the greatest efficiencies and lowest cost while providing good customer service.

The board has directed staff to look at how Chugach can reduce costs. In past Outlets we have written about cost-saving projects that have saved you, the member, millions of dollars. In addition, Chugach staff is benchmarking its performance against Railbelt utilities and utilities throughout the world. Using best practices from these other utilities, we can innovate and adopt new methods that can deliver savings to you our members.

As we approach the 4th quarter, Chugach is looking at potential savings to the 2005 budget. Each division has been asked to look closely at its budget for savings in programs and projects. As an immediate step, Interim CEO Bill Stewart has implemented a hiring and travel freeze.

The board is scrutinizing all costs of opera-

tion. To ensure that projects are built at a reasonable price, we are intensifying our emphasis on open and competitive bidding so that all qualified contractors can participate and provide the best value to our member-owners. We have already begun active communication to notify contractors they can pre-qualify to compete for Chugach contracts.

Working to reduce costs also includes working with wholesale customers to benefit both retail and wholesale customers. Chugach board members have attended the monthly meetings of Homer Electric and Matanuska Electric to hear their concerns face-to-face. In fact, Chugach and Matanuska Electric held a joint board meeting, the first in many, many years. Building good relationships will help us all to deal with the generation and infrastructure opportunities that lie ahead.

Cost savings are an uphill battle with fuel costs skyrocketing. Although the base rates have not changed, you can see the aggregate bill going up as Chugach passes through the increased fuel costs. Although we have little control over gas costs, we use our lowest cost generation on a routine basis.

In working to cut costs the board will continue to highlight what we believe is part of our mandate to lower costs at Chugach. ☐



## Safety First *Back to School Safety Tips*

**C**hildren walking and biking to school need to be reminded about safety as young pedestrians can face a wide variety of decisions that can create some dangerous situations. Here are a few basic safety tips:

**M**ind all traffic signals and/or the crossing guard.

**N**ever cross the street against a light, even if you don't see any traffic coming.

**W**alk your bike through intersections.

**W**alk with a buddy.

**W**ear reflective materials as it

makes you more visible to street traffic.

**I**n addition, children as well as adults riding in a car should be protected as most traffic crashes occur close to home

**E**veryone needs to be buckled up properly as you are four times more likely to be seriously injured or killed if ejected from the vehicle in a crash. That means older kids should be using seat belts, younger children should be in booster seats and small kids in child safety seats. Safety belts are the best form of protection passengers have in the event of a crash as they can lower the risk of injury by 45 percent.



October is national cooperative month, and each year co-ops across the nation celebrate the roles, accomplishments and contributions of the nation's cooperatives. What does that mean to you as a member of Chugach Electric's services?

It means that you are not just a consumer or a number; it means you are a member and an owner of Chugach.

When you signed up for electrical service, you paid a \$5 membership fee. In return, you receive the benefits of being a part-owner

in your electrical cooperative. That means you can vote in elections, including for members of the board of directors and changes to the bylaws. In addition, you receive a share of margins (or profits as other businesses call them).

Chugach incorporated in March 1948 as a Rural Electrification Administration cooperative and has grown from nine members in November of that year to a membership of 63,398 as of August of this year. The fee to become a member in 1948 was \$5, the same as it is today.



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## 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

August and September meetings

- Approved the Cooper Lake Power Plant relicensing settlement agreement
- Selected a new Board Chairman

If you would like to review Board of Director meeting minutes or contact Board members, visit Chugach's web site at [www.chugachelectric.com](http://www.chugachelectric.com).

## 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.

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