

ALASKA LEGISLATURE SPECIAL COMMITTEE/SUBJECT FILES 8672

2508 SCOMM 109: JNT. COMM. ELEC. UTILITY RESTRUCTURING, 1998

insurance coverage, two different dental plans, nine levels of life insurance, and five levels of short term disability. Long term disability is a mandatory coverage.

2. Annual leave if any. How many days?

Consistent with the Municipal Personnel Rules, Mr. Stahr accrues 40.625 days of annual leave per year.

3. Holidays. If any. How many days?

11 days

4. Retirement/savings if any.

Mr. Stahr participates in the State of Alaska Public Employee's Retirement Plan. The employee contributes 6.25% of pay and the MOA currently contributes 11.14% of pay.

5. Life insurance premiums paid by MOA if any. Approximate average % per year coverage.

See answer to question 1.

6. Health insurance premiums paid by MOA if any. Approximate average % per year coverage.

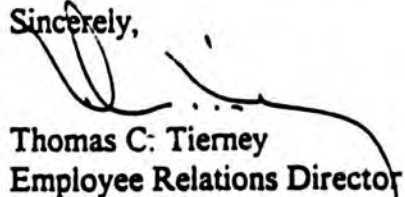
See answer to question 1.

7. Long term disability premiums paid if any by MOA. Approximate average % per year. Benefit level % of base salary, social security integrated after ____ weeks.

See answer to question 1. LTD premium is \$88.92 per year. LTD benefit is 60% of monthly salary to maximum of \$3,000 per month.

I trust this is responsive to your needs.

Sincerely,


Thomas C. Tierney
Employee Relations Director

cc: Thomas Stahr, General Manager, ML&P



EMPLOYMENT AGREEMENT

Employment Agreement dated as of this 15th day of February, 1995, by and between WAYNE D. CARMONY ("Carmony") and MATANUSKA ELECTRIC ASSOCIATION, INC. ("MEA"), its successors or assigns.

Recitals

- A. MEA desires to retain the services of Carmony as its General Manager.
- B. Carmony has a great deal of experience in managing electrical cooperatives.
- C. Carmony is willing to be employed by MEA, and MEA is willing to employ Carmony, on the terms and conditions set forth below.

NOW, THEREFORE, it is agreed:

1. Employment: MEA hereby employs, engages and hires Carmony as its General Manager and Carmony hereby accepts and agrees to such hiring, engagement and employment subject to the general supervision and pursuant to the orders and direction of the majority of MEA's Board of Directors.
2. Best Effort: Carmony agrees that he will at all times faithfully, industriously and to the best of his ability, experience and talents perform all the duties that may be required of and from him pursuant to the express and implicit terms of this Agreement.

3. Term of Employment: The term of this Agreement shall be a period of five (5) years, commencing February 14, 1995, and shall be automatically extended in one (1) year increments unless the Board takes formal action negating such automatic extension on or before February 14 of each year. Notwithstanding anything in this Agreement to the contrary, this Agreement shall terminate no later than February 14, 2015.

4. Compensation:

(a) MEA shall pay Carmony in full payment of Carmony's services under this Agreement compensation at the rate of Ninety Thousand and no/100 Dollars (^{125,000}~~\$90,000~~) per year, payable in regular installments on the dates and times that other employees of MEA are paid. In addition, Carmony shall be entitled to any additional benefits under any wage and salary administration plan as may be adopted by MEA for its other non-union employees or as may otherwise be mutually agreed in writing between the Board and Carmony.

(b) On or before October 31 of each year during which this Agreement is in effect, the Board shall in good faith review Carmony's performance and may increase his salary for merit, cost of living and/or other factors by amending paragraph 4(a) above. The Board may elect to provide Carmony additional forms of compensation from time to time including but not limited to bonuses and benefit packages. Such additional forms of compensation shall be in addition to the compensation identified in Section 4(a) above.

5. Relocation Allowance: MEA will in good faith consider any additional expenses incurred by Carmony in connection with his relocation to Alaska.

6. Benefits:

(a) Carmony shall be entitled to participate or otherwise be a party to any retirement plan, or any other MEA-employee benefit program such as group medical insurance, by way of example. MEA shall reimburse Carmony for all necessary expenses incurred by Carmony while travelling in the normal course of the business interests of MEA.

(b) In lieu of reimbursing Carmony on a per mile basis for the use of his vehicle in connection with MEA business, MEA shall pay Carmony a vehicle allowance of Five Hundred and no/100 Dollars (\$500) per month. In addition, MEA shall reimburse Carmony, or pay directly on his behalf, all operating costs, including fuel and maintenance costs, incurred by Carmony in connection with the use of his vehicle, whether for personal or business purposes. Prior to using his vehicle for MEA business, Carmony shall provide MEA with such certificate of insurance as MEA may reasonably require.

7. Insurance; Indemnification: MEA shall add Carmony as an additional insured under its managers, officers and directors liability insurance policy. In addition, MEA shall indemnify, defend and hold Carmony harmless from all claims, actions and damages arising out of or otherwise resulting from Carmony's performance of his duties hereunder except for any claims, actions or damages arising out of or resulting from Carmony's willful misconduct.

8. Vacation: Carmony shall earn paid annual leave at the rate of forty-five (45) working days per year, the entirety of which shall be credited to his vacation reserve account on February 15 of each year during which this Agreement is in effect, except that in connection with Carmony's termination, such 45 days shall be prorated between

Carmony's termination date and the last February 15 during which this Agreement is in effect. Except upon termination, Carmony shall not be paid or otherwise compensated for unused annual leave time. During each calendar year for which this Agreement is in effect, Carmony shall be required to take a minimum of five (5) consecutive working days as vacation. Example: If Carmony has 100 days in his vacation reserve account on February 14, 2010 and his last day of employment is June 15, 2010, then Carmony would be paid for 115 days, less any days used subsequent to February 15, 2010.

9. Termination:

(a) Carmony may terminate this Agreement upon one hundred eighty (180) days advance written notice to the Board. To the extent Carmony's schedule reasonably so allows, Carmony will work with the Board in good faith to facilitate the transition of a successor to his position as general manager of MEA.

(b) MEA may terminate this Agreement with or without cause upon thirty (30) days advance written notice to Carmony provided if MEA terminates this Agreement without cause, Carmony shall be paid, as severance pay, an amount equal to his salary for the remainder of the term of this Agreement, plus an amount equal to the value of any accrued annual leave and all other normal benefits of which he would otherwise be deprived for the remainder of his term.

The phrase "with cause", shall mean Carmony has (i) willfully and in bad faith, refused or neglected to carry out the reasonable duties or instructions which may have been assigned to him by the Board, or (ii) willfully and substantially failed to comply with the

express written policies of MEA or state or federal laws with the effect of injuring MEA's business interests, and

such refusal, negligence, or failure shall have continued, after written notice, authorized by a vote of a majority of the entire Board, to Carmony, for a period of ten (10) days in which time Carmony shall have had the opportunity to cure such failure. "With cause" shall also include the conviction of a felony or a crime involving grave infringement of the moral sentiment of the community.

(c) In no event shall "with cause" be deemed to include circumstances surrounding, or arising out of, directly or indirectly, disputes between MEA and any organization with which MEA is negotiating or signatory to an agreement.

10. Board Policy: Notwithstanding anything in this Agreement to the contrary, Carmony may authorize staff, on a case-by-case basis, to depart from established Board policy if, in his judgment, such departure:

- (a) Advances the best interests of MEA; and
- (b) Does not substantially or materially increase MEA's potential liability.

11. Modification Agreement: Any modification of this Agreement shall be binding only if in writing and signed by each party.

12. Choice of Laws: This Agreement shall be construed and enforced in accordance with the laws of the State of Alaska.

13. Place of Suit: Any action at law, suit in equity, or other judicial proceeding for the enforcement of this Contract or any provision thereof shall be instituted only in the Superior Court for the State of Alaska, Third Judicial District.

14. Assignment: This is a personal agreement. Carmony may not assign or transfer any of his rights under this Agreement.

15. Successors and Assigns: The rights, obligations, and liabilities set forth in or arising under this Agreement shall extend to, be binding upon, and inure to the benefit of the successors and assigns of the respective parties.

16. Entire Agreement: This Agreement contains the entire agreement between the parties and shall, as of the effective date hereof, supersede all other agreements between the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement at Palmer, Alaska on the 15th day of January, 1994.

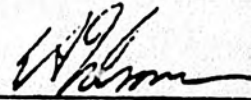
EMPLOYEE:

MATANUSKA ELECTRIC ASSOCIATION,
INC.
P.O. Box 2929
Palmer, AK 99645

Wayne D. Carmony
Wayne D. Carmony
General Manager

Barbara J. Miller
Barbara J. Miller
President

ATTEST:



William A. Folsom
Secretary-Treasurer

(CORPORATE SEAL)



MEA

MEMORANDUM

DATE: November 3, 1995

TO: Jim Woodcock
Director of Administration

FROM: Debbi Wiles
Accounting Services Manager

SUBJECT: Legal Expenses

Below is the detail on the legal expense for 1994, year-to-date for 1995 and the 1996 budget:

1994	Actuals	MEA	\$355,435	
		AEG&T	\$ 74,550	Total \$429,985
1995	Actuals- YTD 9/30	MEA	\$340,733	
		AEG&T	\$ 16,409	Total \$357,142
1996	Budget	MEA	\$278,000	
		AEG&T	\$ 26,750	Total \$304,750

Delaney, Wiles, Hayes, Gerety & Ellis Inc.

1994 Actuals \$ 59,028

1995 Actuals \$172,247 year-to-date 9/30/95

(these dollars are included in above numbers)

word\data\budget\legal



**Matanuska Electric
Association, Inc.**

P.O. Box 2929
Palmer, Alaska 99645
Telephone: (907) 745-3221
Fax: (907) 745-9328
April 11, 1996

Mr. Thomas Staudenmaier
PO Box 140170
Anchorage, AK 99514-0170

Dear Mr. Staudenmaier:

The updated information which you requested regarding insurance benefits for directors is as follows:

1. Non-profit Liability

Coverage provides protection for wrongful acts of directors, officers, and employees including breach of duty, neglect, misstatement, omission, and other acts done or wrongfully attempted. The policy includes coverage for employment practices, non-monetary claims and duty to defend. Limit of liability is \$5 million.

2. General Liability

Coverage for injuries or damages to a third party when MEA is responsible for the loss. The policy also provides coverage for employee benefits liability. Limit of liability is \$1 million.

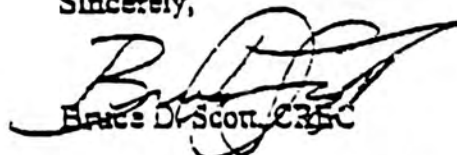
3. Twenty-four Hour Accident/Business Travel Accident Insurance

Provides directors with \$25,000 of financial reimbursement for accidental death, dismemberment or disability resulting from an accident. \$100,000 of coverage if accident occurs during a business trip.

Non-profit Liability coverage and General Liability coverage are included in our general liability insurance package and do not cost MEA additional premium dollars to insure its directors. We pay approximately \$200.00 in order to provide Twenty-four Hour Accident and Business Travel Accident coverage while our directors are traveling on MEA business.

If you have additional questions, please submit those to me by FAX at 907-745-9328 or by mail at the address listed above.

Sincerely,


Bruce D. Scott, ESQ.



Tom Staudenmaier's

ELECTRIC MERGER COMMITTEE

1303 West 33rd Street, Suite 206 • P.O. Box 140170, Anchorage, Alaska 99514-0170 •
Phone 1-907-276-2212 • Fax 1-907-276-0245



FOR IMMEDIATE NEWS RELEASE DATED SEPTEMBER 19, 1997

ATTN: SEWARD ELECTRIC USERS -

WHY ARE YOU BEING RIPPED OFF BY THE SEWARD CITY COUNCIL?

WHY NOT BUY DIRECT FROM CHUGACH ELECTRIC?

HOW? VOTE on a successful merger and your monthly savings could be ...

Chugach Electric Association, Inc. Anchorage, Alaska

Retail Rate Comparison: Chugach vs. City of Seward

September 17, 1997

Class	Retail Class Rates		Total Bill		
	Chugach	Seward	Chugach	Seward	Percent
Residential					
Customer Charge	\$6.50	\$15.00	—	—	
Energy Charge	\$0.07727	\$0.09170	—	—	
Fuel Surcharge	\$0.01207	\$0.010025	\$73.51	\$92.21	25.44%
Small General Service					
Customer Charge	\$12.50	\$30.00	—	—	
Energy Charge	\$0.07829	\$0.11200	—	—	
Fuel Charge	\$0.01207	\$0.01125	\$100.15	\$149.55	49.33%
Large General Service					
Customer Charge	\$31.00	\$30.00	—	—	
Energy Charge (1 at 200 kWh)	\$0.03043	\$0.07510	—	—	
Energy Charge (> 200 kWh)	\$0.03043	\$0.04340	—	—	
Fuel Surcharge	\$0.01207	\$0.01125	—	—	
Demand Charge	\$11.74	\$13.83	\$1,353.48	\$1,677.37	23.93%

Note: Total bill comparison based on 750 kWh for Residential; 970 kWh for Small General Service; and, 18,134 kWh/47 kW for Large General Service 52% load factor.

A Positive Solution to Reduce Your Monthly Electric Bill!

The Best and Brightest Ideas Energizing in the State of Alaska!



CHUGACH ELECTRIC ASSOCIATION, INC.

March 31, 1997

Thomas G. Staudenmaier
P.O. Box 140170
Anchorage, Alaska 99514

Dear Mr. Staudenmaier:

Following is a recapitulation of Chugach's net average cost to generate a kilowatt hour (average of all power plants):

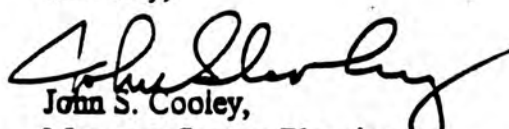
1981	1.574 cents	1989	1.867 cents
1982	1.748 cents	1990	1.996 cents
1983	1.894 cents	1991	2.059 cents
1984	1.910 cents	1992	2.406 cents
1985	1.908 cents	1993	2.651 cents
1986	1.749 cents	1994	2.295 cents
1987	1.780 cents	1995	2.553 cents
1988	1.806 cents	1996	2.591 cents

Based on the information in the Department Energy report EIA-411 for 1995, the following table summarizes the energy generated in Southcentral Alaska. The information in our March 28 letter had percentages for the total Railbelt including Fairbanks.

	GWh	Percentage
Anchorage Municipal Light and Power (AML&P)	734.8	22.34%
Chugach Electric Assoc.	1886.6	57.35%
Alaska Energy Authority (AEA)	442.4	13.45%
Alaska Power Administration (APAdmin)	179.3	5.45%
Alaska Electric Generation and Transmission (AEG&T)	46.6	1.42%
Total Southcentral Alaska	3289.7	100.00%

The average revenue for wholesale power sold to Seward Electric System (SES) and AEG&T is 4.28¢ per kWh.

Sincerely,


John S. Cooley,
Manager, System Planning

Municipality
of
Anchorage



P.O. Box 196650
Anchorage, Alaska 99519-6650
Telephone: (907) 321-4000
Fax: (907) 321-4583

Rick Mustrom, Mayor

OPERATIONS MANAGER

March 17, 1997

Mr. Thomas G. Staudenmaier

P.O. Box 140170

Anchorage, Alaska 99514

Dear Mr. Staudenmaier:

Following is the information you requested about ML&P:

1. The average cost to generate a KWH for ML&P (production expense excluding purchased power and depreciation):

1990 3.58

1991 3.98

1992 3.14

1993 3.61

1994 3.03

1995 3.14

1996 2.89

2. Number of customers December 1996: 29,166

3. Total number of employees, by class, for year end 1996:

Non-Rep: 69

IBEW: 155

4. Copy of approved 1997 budget is attached.

5. Total operational payroll and benefits budgeted for 1997:

Personnel Costs \$10,026,000

Benefits \$ 4,019,000

6. The minimum monthly residential customer charge as of 12/31/96:
\$6.56

The minimum monthly small general service customer charges as of 12/31/96:
\$12.38

7. The cost per residential single phase KWH as of 12/31/96 is:
8.803 cents per KWH plus \$6.56/month customer charge.

The cost for the first 750 KWH (residential): \$70.07 including COPA and RCC
as of 12/31/96.

The cost for the first 750 KWH (commercial): \$74.34 including COPA and RCC
as of 12/31/96.

8. COPA was (.00367) as of 12/31/96 and (.00329) as of 1/1/97.

- | | | | |
|----|----|--|-----|
| 9. | A) | The total miles of transmission line: | 25 |
| | B) | Total miles of distribution overhead: | 144 |
| | C) | Total miles of distribution underground: | 205 |
| | D) | Total miles of energized line: | 374 |

10. ML&P long-term debt (including unamortized discount):

<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>
178,830,861	173,365,450	323,189,260	314,616,384	305,319,125

11. ML&P long term debt interest:

<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>
11,982,274	11,658,483	12,556,907	18,442,717	18,018,738

12. ML&P long term principal maturing current year:

<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>
5,200,000	5,490,000	6,105,000	8,105,000	8,340,000

Mr. Thomas G. Staudenmaier
Page 3

13. During 1996, the operating costs for purchased electricity were as follows:

APA - Eklutna	1,345,667
AEA - Bradley	3,372,054
CEA	3,693
GVEA	214
MEA - Eklutna	<u>77,675</u>
	4,799,303

14. 1996 Billings:

	<u>Revenue</u>
Municipality of Anchorage	\$ 3,984,250
Anchorage School District	\$ 2,180,876

The information regarding how much electrical power the Municipality purchased in 1996 from electrical utilities is not available at this time. I will send you this information as soon as it becomes available.

If you have further questions, do not hesitate to contact us.

Sincerely,


George J. Vakalis
Operations Manager



GOLDEN VALLEY ELECTRIC ASSOCIATION INC. PO Box 71249 • Fairbanks, Alaska 99707-1249 • 907-452-1151

**GVEA'S Net Average Cost
to Generate a Kilowatt Hour***

1982	7.660 cents
1983	6.873 cents
1984	6.770 cents
1985	5.089 cents
1986	3.577 cents
1987	5.413 cents
1988	5.541 cents
1989	5.854 cents
1990	5.441 cents
1991	5.746 cents
1992	6.027 cents
1993	5.049 cents
1994	5.243 cents
1995	5.245 cents
1996	5.546 cents
1997	5.336 cents

*Includes insurance, depreciation, interest, operations & maintenance

Power Generation

<u>Fairbanks/ Year</u>	<u>North Pole</u>	<u>Healy</u>	<u>Purchased</u>
1982	33%	55%	12%
1983	42%	51%	7%
1984	52%	44%	4%
1985	44%	41%	15%
1986	53%	33%	14%
1987	25%	34%	41%
1988	27%	34%	39%
1989	22%	34%	44%
1990	16%	35%	49%
1991	23%	34%	43%
1992	21%	30%	49%
1993	29%	36%	35%
1994	26%	29%	45%
1995	24%	30%	46%
1996	40%	17%	43%
1997	43%	16%	41%

12/31/97

\$ 73.52
\$102.07

12/31/96

\$ 71.42
\$ 104.17

R
GS1

750 kWh includes customer charge
750 kWh includes customer charge

CHUGACH ELECTRIC ASSOCIATION, INC.

Retail Rate Comparison: Chugach vs. Anchorage Municipal Light Power
November 26, 1997

CLASS	RETAIL CLASS RATES		TOTAL BILL		
	Chugach	ML&P	Chugach	ML&P	Variance
Residential					
Customer Charge (monthly)	\$ 6.25	\$ 6.56	\$ 6.25	\$ 6.56	
Energy Charge (per kwh)	\$ 0.07727	\$ 0.08803	\$ 57.95	\$ 66.02	
Fuel Surcharge (per kwh)	\$ 0.01207	\$ (0.00284)	\$ 9.05	\$ (2.13)	
			\$ 73.25	\$ 70.45	-4%
Small General Service					
Customer Charge (monthly)	\$ 12.50	\$ 12.88	\$ 12.50	\$ ~~12.88~~	
Energy Charge (per kwh)	\$ 0.07829	\$ 0.08530	\$ 75.94	\$ 82.74	
Fuel Surcharge (per kwh)	\$ 0.01207	\$ (0.00284)	\$ 11.71	\$ (2.75)	
			\$ 100.15	\$ 92.87	-7%
Large General Service*					
Customer Charge (monthly)	\$ 31.00	\$ 44.15	\$ 31.00	\$ 44.15	
Energy Charge (per kwh)	\$ 0.03043	\$ 0.04970	\$ 551.82	\$ 901.26	
Fuel Surcharge (per kwh)	\$ 0.01207	\$ (0.00284)	\$ 218.88	\$ (51.50)	
Demand Charge (per kilowatt)	\$ 11.74	\$ 11.01	\$ 551.78	\$ 517.47	
* At secondary voltage.			\$ 1,353.48	\$ 1,411.38	4%

Notes: 1) Total bill comparison based on 750 kwh for Residential; 970 kwh for Small General Service; and 18,134 kwh/47 kw for Large General Service (52% load factor).

2) On Nov. 21, 1997, Chugach filed for a proposed increase to its retail fuel surcharge from \$0.01207/kwh to \$0.01747/kwh. Chugach submitted the filing with a proposed effective date of Jan. 1, 1998.

CHUGACH ELECTRIC ASSOCIATION, INC.
Retail Rate Comparison: Chugach vs. Anchorage Municipal Light Power
November 26, 1997

WITH PROPOSED JAN. 1, 1998 FUEL SURCHARGE INCREASE

CLASS	RETAIL CLASS RATES		TOTAL BILL		
	Chugach	ML&P	Chugach	ML&P	Variance
Residential					
Customer Charge (monthly)	\$ 6.25	\$ 6.56	\$ 6.25	\$ 6.56	
Energy Charge (per kwh)	\$ 0.07727	\$ 0.08803	\$ 57.95	\$ ~~65.92~~	
Fuel Surcharge (per kwh)	\$ 0.01747	\$ (0.00284)	\$ 13.10	\$ (2.13)	
			\$ 77.30	\$ 70.45	-9%
Small General Service					
Customer Charge (monthly)	\$ 12.50	\$ 12.88	\$ 12.50	\$ 12.88	
Energy Charge (per kwh)	\$ 0.07829	\$ 0.08530	\$ 75.94	\$ 82.74	
Fuel Surcharge (per kwh)	\$ 0.01747	\$ (0.00284)	\$ 16.95	\$ (2.75)	
			\$ 105.39	\$ 92.87	-12%
Large General Service*					
Customer Charge (monthly)	\$ 31.00	\$ 44.15	\$ 31.00	\$ 44.15	
Energy Charge (per kwh)	\$ 0.03043	\$ 0.04970	\$ 551.82	\$ 901.26	
Fuel Surcharge (per kwh)	\$ 0.01747	\$ (0.00284)	\$ 316.80	\$ (51.50)	
Demand Charge (per kilowatt)	\$ 11.74	\$ 11.01	\$ 551.78	\$ 517.47	
* At secondary voltage.			\$ 1,451.40	\$ 1,411.38	-3%

Notes: 1) Total bill comparison based on 750 kwh for Residential; 970 kwh for Small General Service; and 18,134 kwh/47 kw for Large General Service (52% load factor).

2) On Nov. 21, 1997, Chugach filed for a proposed increase to its retail fuel surcharge from \$0.01207/kwh to \$0.01747/kwh. Chugach submitted the filing with a proposed effective date of Jan. 1, 1998.



Metanuska Electric Association
PO Box 2929 Palmer Alaska 99645-2929
745-3231 • 994-2161 • 376-7237 •
Toll-free 800-478-5150

MEMBER INFORMATION BULLETIN *RATES 98-01*

January 8, 1998

To: All MEA Members/Customers
From: Member and Public Relations Office
Subject: *APUC-Approved Rates effective January 8, 1998*

Understanding Bills for SINGLE-PHASE SERVICE (mostly Residential customers)

On your MEA bill you will find previous balance and payment received below the account information boxes. The account information boxes will have the account number, member number, customer's name, service location phone number and meter number.

ADJUSTMENTS

This box shows any adjustments to your account. These could be a charge or credit to your account such as records fee, deposit reimbursement, estimating adjustments and so on. These will be totaled, if any, and carried to the right side of the bill.

CURRENT MONTH'S CHARGES

Facility Charge: \$7.00 (lowered from \$10.00 Feb. 96)
First Step: kwh up to 1,300 @ (times) \$0.09596
Next Step: kwh over 1,300 @ (times) \$0.07797
WPCRA²: total kwh @ (times) \$0.01283
Regulatory Charge²: total kwh @ (times) \$0.000280
Annual Minimum for Seasonal Service \$84.00

Three Phase Charge: (For Three Phase customers only)

Facility Charge: \$25.00
Demand Charge: \$4.93/kW
Energy Charge: \$0.06101/kWh
WPCRA: \$0.01283/kWh
Regulatory Charge: \$0.000280/kWh

These will be totaled and carried to the right side of the bill.

MESSAGES

Messages for MEA members can be found in this box. The messages can be specific to certain areas or general messages about rate changes, scholarship announcements, or community events.

ACCOUNT STATUS

This box gives a list of your account status. If the account is past due, it will say that. The right side of this box also tells how much of a late fee can be saved if the bill is paid by the listed due date. To the far right of this box is the total amount due on your account.

HISTORICAL INFORMATION

This box gives a list of the number of days in each month's billing cycle. It also lists the kilowatt hours used for that billing period, the daily average of kilowatt hours used for that billing period and the average temperature that month.

Streetlights installed before December 1981: \$17.03 per lamp/month

Other Streetlights:

150 Watts \$15.09 per lamp/month
250 Watts \$18.97 per lamp/month

[MEA MPR Rates.98-01rate.doc]

¹ **Facilities Charge:** A flat monthly charge designed to cover the costs of customer accounting, issuing your monthly bill, maintaining and reading meters, and capital costs associated with metering equipment.

² **WPCRA or Wholesale Power Cost Rate Adjustment:** An adjustment to reflect fluctuations in the cost of purchased power. This may be

To: All Matanuska Electric Association Members/Customers

From: Member Relations Office

Subject: Comparison for example KWH for the 1st year

Formula = \$7.00 + [kwh x (.Base + WPCRA + APUC)] = Actual Bill



Date	Base	WPCRA	RCC	Total Rate + Facility C	Example of 500 kwh	Example of 750 kwh	Example of 1,000 kwh
Jan-88	0.09001	-0.000500		= 0.08951 \$10.00	\$ 54.76	\$ 77.13	\$ 99.51
Apr-88	0.09001	-0.000390		= 0.08962 \$10.00	\$ 54.81	\$ 77.22	\$ 99.62
Jul-88	0.09078	-0.005140		= 0.08564 \$10.00	\$ 52.82	\$ 74.23	\$ 95.64
Oct-88	0.09078	-0.005090		= 0.08569 \$10.00	\$ 52.85	\$ 74.27	\$ 95.69
Jan-89	0.09078	-0.002440		= 0.08834 \$10.00	\$ 54.17	\$ 76.26	\$ 98.34
Apr-89	0.08719	0.002050		= 0.08924 \$10.00	\$ 54.62	\$ 76.93	\$ 99.24
Jul-89	0.08573	0.002040		= 0.08777 \$10.00	\$ 53.89	\$ 75.83	\$ 97.77
Oct-89	0.08573	0.002110		= 0.08784 \$10.00	\$ 53.92	\$ 75.88	\$ 97.84
Jan-90	0.08573	0.004390		= 0.09012 \$10.00	\$ 55.06	\$ 77.59	\$ 100.12
Apr-90	0.08573	0.003740		= 0.08947 \$10.00	\$ 54.74	\$ 77.10	\$ 99.47
Jul-90	0.08912	0.004290		= 0.09341 \$10.00	\$ 56.71	\$ 80.06	\$ 103.41
Oct-90	0.08912	0.002400		= 0.09152 \$10.00	\$ 55.76	\$ 78.64	\$ 101.52
Jan-91	0.08912	0.009270		= 0.09839 \$10.00	\$ 59.20	\$ 83.79	\$ 108.39
Apr-91	0.08912	0.004000		= 0.09312 \$10.00	\$ 56.56	\$ 79.84	\$ 103.12
Jul-91	0.08418	0.006530		= 0.09071 \$10.00	\$ 55.36	\$ 78.03	\$ 100.71
Oct-91	0.08418	0.005990		= 0.09017 \$10.00	\$ 55.09	\$ 77.63	\$ 100.17
Jan-92	0.08418	0.006760		= 0.09094 \$10.00	\$ 55.47	\$ 78.21	\$ 100.94
Apr-92	0.08418	0.013410		= 0.09759 \$10.00	\$ 58.80	\$ 83.19	\$ 107.59
Jul-92	0.08884	0.007610		= 0.09645 \$10.00	\$ 58.23	\$ 82.34	\$ 106.45
Nov-92	0.08991	0.007350		= 0.09726 \$10.00	\$ 58.63	\$ 82.95	\$ 107.26
Oct-92	0.08991	0.009480		= 0.09939 \$10.00	\$ 59.70	\$ 84.54	\$ 109.39
Jan-93	0.08901	0.010890	0.000626	= 0.100526 \$10.00	\$ 60.26	\$ 85.39	\$ 110.53
Apr-93	0.08724	0.011110	0.000626	= 0.098976 \$10.00	\$ 59.49	\$ 84.23	\$ 108.98
Jul-93	0.08724	0.010190	0.000626	= 0.098056 \$10.00	\$ 59.03	\$ 83.54	\$ 108.06
Oct-93	0.08724	0.010000	0.000626	= 0.097866 \$10.00	\$ 58.93	\$ 83.40	\$ 107.87
Aug-93	0.08724	0.009040	0.000386	= 0.096666 \$10.00	\$ 58.33	\$ 82.50	\$ 106.67
Jan-94	0.08812	0.010730	0.000386	= 0.099236 \$10.00	\$ 59.62	\$ 84.43	\$ 109.24
May-94	0.08812	0.016210	0.000386	= 0.104716 \$10.00	\$ 62.36	\$ 88.54	\$ 114.72
Jul-94	0.08812	0.014870	0.000386	= 0.103376 \$10.00	\$ 61.69	\$ 87.53	\$ 113.38
Oct-94	0.08812	0.006880	0.000386	= 0.095386 \$10.00	\$ 57.69	\$ 81.54	\$ 105.39
Nov-94	0.08812	0.006880	0.000412	= 0.095412 \$10.00	\$ 57.71	\$ 81.56	\$ 105.41
Jan-95	0.08812	0.012600	0.000412	= 0.101132 \$10.00	\$ 60.57	\$ 85.85	\$ 111.13
Apr-95	0.08629	0.011330	0.000412	= 0.098032 \$10.00	\$ 59.02	\$ 83.52	\$ 108.03
Jul-95	0.08629	0.007460	0.000000	= 0.09375 \$10.00	\$ 56.88	\$ 80.31	\$ 103.75
Oct-95	0.08703	0.005220	0.000322	= 0.092572 \$10.00	\$ 56.29	\$ 79.43	\$ 102.57
Jan-96	0.08703	0.009280	0.000322	= 0.096632 \$10.00	\$ 58.32	\$ 82.47	\$ 106.63
Feb-96	0.0996	0.000780	0.000322	= 0.100702 \$7.00	\$ 57.35	\$ 82.53	\$ 107.70
Apr-96	0.0996	0.001190	0.000322	= 0.101112 \$7.00	\$ 57.56	\$ 82.83	\$ 108.11
Jun-96	0.09855	0.002370	0.000322	= 0.101242 \$7.00	\$ 57.62	\$ 82.93	\$ 108.24
Jul-96	0.09855	0.002650	0.000322	= 0.101522 \$7.00	\$ 57.76	\$ 83.14	\$ 108.52
Oct-96	0.09855	0.002930	0.000322	= 0.101802 \$7.00	\$ 57.90	\$ 83.35	\$ 108.80
Jan-97	0.09855	0.002930	0.000297	= 0.101777 \$7.00	\$ 57.89	\$ 83.33	\$ 108.78
Apr-97	0.09644	0.002240	0.000297	= 0.098977 \$7.00	\$ 56.49	\$ 81.23	\$ 105.98
Jul-97	0.09596	0.002600	0.000297	= 0.098857 \$7.00	\$ 56.43	\$ 81.14	\$ 105.86
Oct-97	0.09596	0.005930	0.000297	= 0.102187 \$7.00	\$ 58.09	\$ 83.64	\$ 109.19
Jan-98	0.09596	0.012830	0.000280	= 0.10907 \$7.00	\$ 61.54	\$ 88.80	\$ 116.07

Date Base WPCRA APUC Total Rate + Facility C 500 kwh 750 kwh 1,000 kwh

Note: Monthly electric bills are based on kilowatt-hours (kwh) used - your electric bill may vary.

GOLDEN VALLEY ELECTRIC ASSOCIATION, INC.

P.O. Box 71249

753 ILLINOIS STREET

FAIRBANKS, AK 99707-1249

(907) 452-1151

(907) 451-5633 (FAX)

C O V E R

S H E E T

FAX

To: Tom Staudenmaier

From: Teresa A. Thompson
Administrative Assistant to Robert Hansen

Fax No: 276-0245

Re: Estimated Electric Savings in 1997

Date: November 5, 1997

Pages: 2, including this cover sheet.

COMMENTS:

Tom: Following is the information you requested. Robert wanted me to convey that these figures are based on a whole year's worth of savings. If you have any questions, please call.

If you have any trouble receiving this fax, please call Teresa at 458-5721.

May 8, 1996

Wayne Graham
Pacific Telecom Inc.
805 Broadway
Vancouver, WA 98660

RE: Information Request

Estimated Electric Savings in 1997

City of Fairbanks	\$ 25,000
Churches & Non-Profits	\$125,000
Fairbanks North Star Borough- School District	\$200,000
Fairbanks North Star Borough-Other	\$300,000
Fairbanks Memorial Hospital	\$350,000
State of Alaska	\$300,000

Gross Revenue Tax

1997	\$36,000 (1/2 year)
1998	\$73,000
1999	\$74,000
2000	\$74,000
2001	\$74,000

Service Area Map

Attached

Logo

Attached

Comments on Draft

Sometime on Friday. Please send latest draft on Thursday afternoon.

To: Tom Staudenmaier
 FROM: Mayor Hayes

10/7/97

75-3503-00-2 CITY OF FAIRBANKS CLOSING RECDROM

DLD/DLD/ / / / /

S

97100700231 143
 CASH DEPOSIT
 WIRE FROM BANK OF AMERICA- FROM
 PACIFIC TELECOM, INC.

83,860,216.00

97100700232 143
 CASH DEPOSIT
 WIRE FROM BANK OF AMERICA / FROM
 PACIFIC TELECOM INC

1,500,000.00

97100700234 143
 CASH DEPOSIT
 FROM RRA ACCT. #17311009- GOLDEN
 VALLEY ELECTRIC

25,810,215.01

97100700236 143
 CASH DEPOSIT
 WIRE FROM FIRST NATIONAL BANK OF
 ANCHORAGE/ FAIRBANKS SEWER

1,436,407.00

111,187,490.00

97100700238 646
 DISBURSEMENT
 OUTGOING WIRE TO FIRST TRUST NA

39,210,000.00-

97100700249 646
 DISBURSEMENT
 WIRE TO KEY BANK

1,500,000.00-

97100700230 619
 TRANSFER TO ANOTHER TRUST ACCOUNT
 TO ACCT. #753504000

8,450,000.00-

97100700239 619
 TRANSFER TO ANOTHER TRUST ACCOUNT
 TO ACCT. #753509553

1,000,000.00-

97100700240 619
 TRANSFER TO ANOTHER TRUST ACCOUNT

60,951,898.71-

CORRECTION

**THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
ASSURE LEGIBILITY OR PAGINATION**



Rev. 6/98

Central Microfilm Services
Department of Education
State of Alaska

To: Tom Staudenmaier
 FROM: Mayor Hayes

11/7/97

75-3503-00-2 CITY OF FAIRBANKS CLOSING ESCROW

DLD/DLD/ / / / /

S

97100700231 143
 CASH DEPOSIT
 WIRE FROM BANK OF AMERICA - FROM
 PACIFIC TELECOM, INC.

83,860,216.00

97100700232 143
 CASH DEPOSIT
 WIRE FROM BANK OF AMERICA / FROM
 PACIFIC TELECOM INC

1,500,000.00

97100700234 143
 CASH DEPOSIT
 FROM RDA ACCT. #17311809- GOLDEN
 VALLEY ELECTRIC

25,810,215.11

97100700236 143
 CASH DEPOSIT
 WIRE FROM FIRST NATIONAL BANK OF
 ANCHORAGE / FAIRBANKS SEWER

1,436,407.00

111,187,490.00

97100700238 646
 DISBURSEMENT
 OUTGOING WIRE TO FIRST TRUST NA

39,210,000.00-

97100700249 646
 DISBURSEMENT
 WIRE TO KEY BANK

1,500,000.00-

97100700338 619
 TRANSFER TO ANOTHER TRUST ACCOUNT
 TO ACCT. #753504000

0,450,000.00-

97100700339 619
 TRANSFER TO ANOTHER TRUST ACCOUNT
 TO ACCT. #753509553

1,000,000.00-

97100700340 619
 TRANSFER TO ANOTHER TRUST ACCOUNT

60,951,890.71-

CITY OF SEWARD - ELECTRIC BILLING BREAKDOWN FOR FY95

JUL 1994 ADMIN 4,372.34
ST LTS - MTRD 965.83
ST LTS - NONMTRD 2,156.30
PARKS & REC 2,749.63
E UTIL 5,127.70
W&S UTIL 18,137.23
HARBOR 9,074.25
\$ 42,533.78

AUG 1994 ADMIN 5,956.37
ST LTS - MTRD 1,555.61
ST LTS - NONMTRD 2,156.30
PARKS & REC 641.65
E UTIL 5,438.39
W&S UTIL 25,897.56
HARBOR 9,887.35
\$ 51,533.23

SEP 1994 ADMIN 5,407.25
ST LTS - MTRD 1,131.72
ST LTS - NONMTRD 2,156.30
PARKS & REC 630.67
E UTIL 5,200.35
W&S UTIL 19,698.94
HARBOR 6,174.35
\$ 40,377.53

OCT 1994 ADMIN 5,930.64
ST LTS - MTRD 1,746.72
ST LTS - NONMTRD 2,156.30
PARKS & REC 504.28
E UTIL 3,873.45
W&S UTIL 15,432.76
HARBOR 16,448.71
\$ 46,092.86

NOV 1994 ADMIN 7,258.45
ST LTS - MTRD 2,022.98
ST LTS - NONMTRD 2,156.30
PARKS & REC 463.61
E UTIL 4,834.37
W&S UTIL 15,924.71
HARBOR 18,063.10
\$ 46,679.05

DEC 1994 ADMIN 7,394.18
ST LTS - MTRD 2,405.65
ST LTS - NONMTRD 2,156.30
PARKS & REC 378.04
E UTIL 5,756.87
W&S UTIL 16,459.68
HARBOR 16,716.77
\$ 51,267.47

JAN 1995 ADMIN 7,178.77
ST LTS - MTRD 2,307.45
ST LTS - NONMTRD 2,156.30
PARKS & REC 293.25
E UTIL 3,525.18
W&S UTIL 13,944.89
HARBOR 23,169.66
\$ 52,575.50

FEB 1995 ADMIN 8,353.21
ST LTS - MTRD 2,412.00
ST LTS - NONMTRD 2,156.30
PARKS & REC 319.63
E UTIL 4,122.73
W&S UTIL 14,377.76
HARBOR 21,932.84
\$ 53,674.47

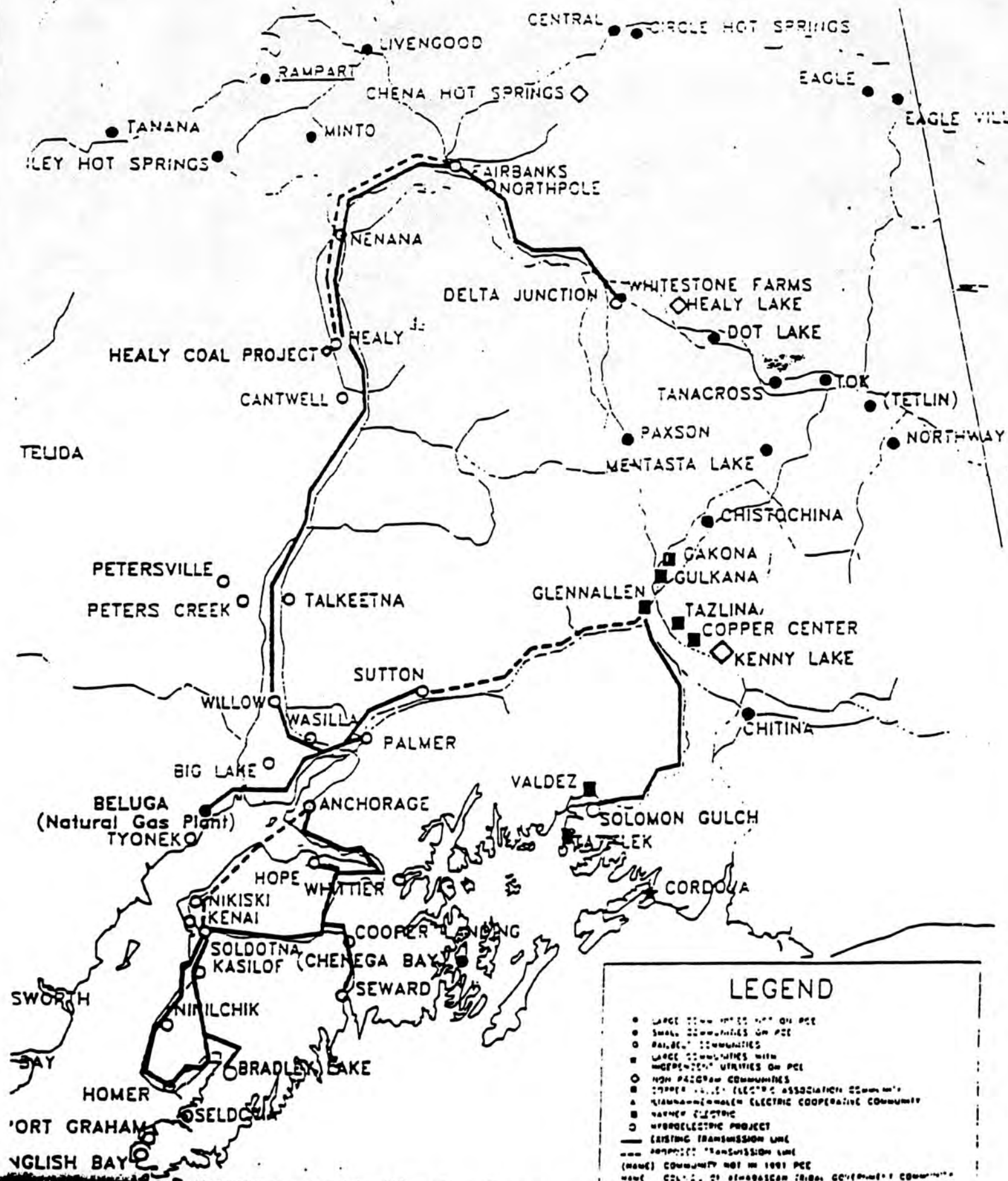
MAR 1995 ADMIN 7,083.19
ST LTS - MTRD 1,657.44
ST LTS - NONMTRD 2,156.30
PARKS & REC 265.18
E UTIL 4,756.25
W&S UTIL 12,695.61
HARBOR 25,297.60
\$ 53,911.57

APR 1995 ADMIN 7,501.69
ST LTS - MTRD 1,510.60
ST LTS - NONMTRD 2,156.30
PARKS & REC 283.22
E UTIL 4,665.24
W&S UTIL 15,082.76
HARBOR 26,000.06
\$ 68,368.46

MAY 1995 ADMIN 7,447.49
ST LTS - MTRD 1,234.53
ST LTS - NONMTRD 2,156.30
PARKS & REC 532.64
E UTIL 3,250.40
W&S UTIL 18,421.88
HARBOR 22,593.37
\$ 55,636.61

JUN 1995 ADMIN 6,078.87
ST LTS - MTRD 882.54
ST LTS - NONMTRD 2,156.30
PARKS & REC 678.37
E UTIL 3,592.98
W&S UTIL 18,925.24
HARBOR 16,748.32
\$ 49,062.62

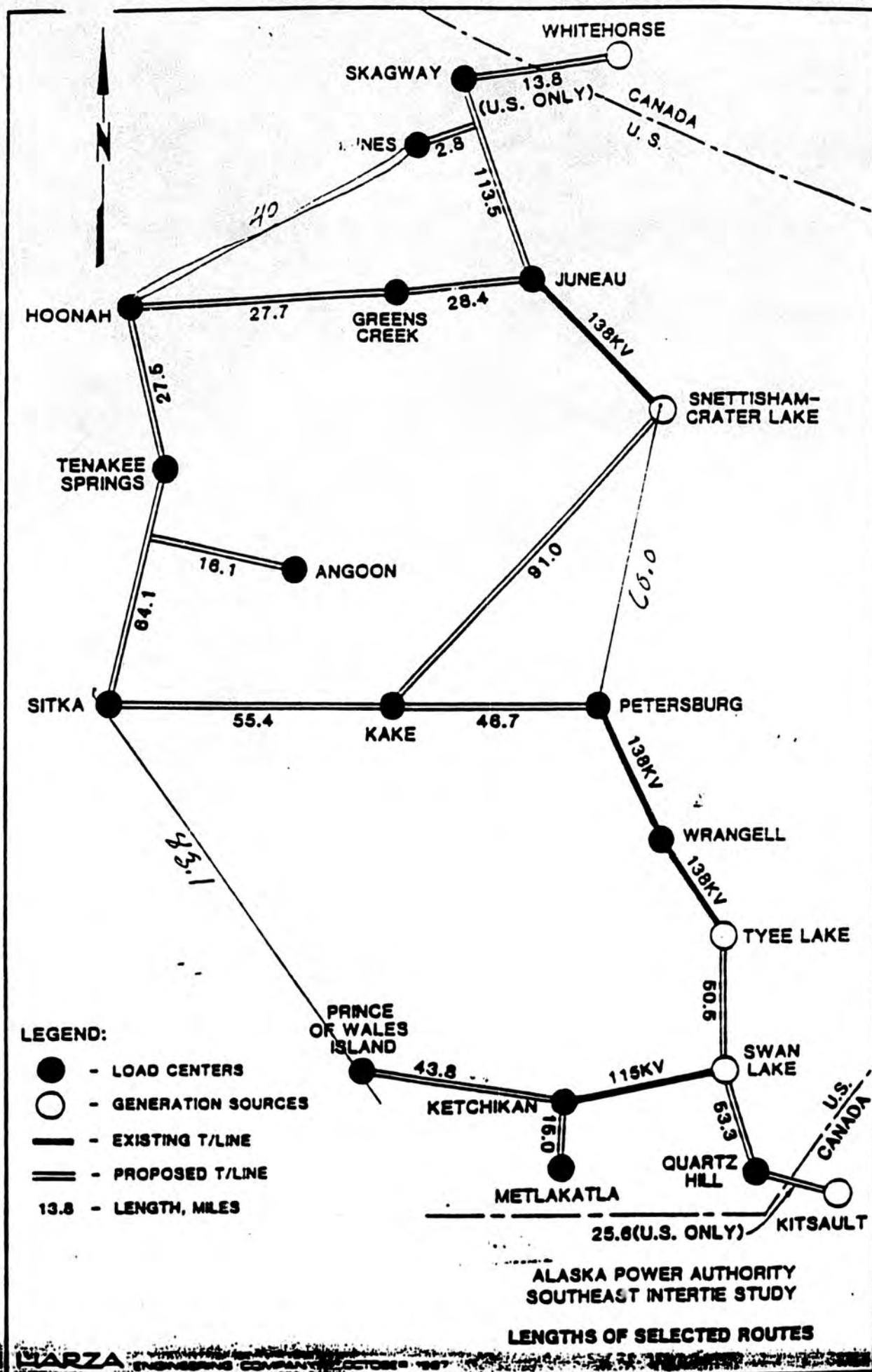
TOTAL COST. \$ 597,785.22



LEGEND

- LARGE COMMUNITIES NOT ON PGE
- SMALL COMMUNITIES ON PGE
- ◻ RAILROAD COMMUNITIES
- ◻ LARGE COMMUNITIES WITH INDEPENDENT UTILITIES ON PGE
- HIGH PRIORITY COMMUNITIES
- ◻ COOPERATIVE ELECTRIC ASSOCIATION COMMUNITIES
- ◻ KIMBERLY-CLARK ELECTRIC COOPERATIVE COMMUNITY
- ◻ WARMER ELECTRIC
- ◻ HYDROELECTRIC PROJECT
- EXISTING TRANSMISSION LINE
- - - PROPOSED TRANSMISSION LINE
- (NAME) COMMUNITY NOT IN 1991 PGE
- NAME COUNCIL OF ALASKAN TRIBAL GOVERNMENT COMMUNITY
- NAME TUNGLIT-NANA REGIONAL ELECTRIC AUTHORITY COMMUNITY

FIGURE 6-16



CH2M HILL

725 MILES



Tom Staudenmaier's

ELECTRIC MERGER COMMITTEE

1303 West 33rd Street, Suite 206 • P.O. Box 140170, Anchorage, Alaska 99514-0170 •
Phone 1-907-276-2212 • Fax 1-907-276-0245

224-8912



FOR IMMEDIATE NEWS RELEASE DATED SEPTEMBER 19, 1997

ATTN: SEWARD ELECTRIC USERS -

WHY ARE YOU BEING RIPPED OFF BY THE SEWARD CITY COUNCIL?

WHY NOT BUY DIRECT FROM CHUGACH ELECTRIC?

HOW? VOTE on a successful merger and your monthly savings could be . . .

Chugach Electric Association, Inc. Anchorage, Alaska

Retail Rate Comparison: Chugach vs. City of Seward

September 17, 1997

Class	Retail Class Rates		Total Bill		
	Chugach	Seward	Chugach	Seward	Percent
Residential					
Customer Charge	\$6.50	\$15.00	—	—	
Energy Charge	\$0.07727	\$0.09170	—	—	
Fuel Surcharge	\$0.01207	\$0.010025	\$73.51	\$92.21	25.44%
Small General Service					
Customer Charge	\$12.50	\$30.00	—	—	
Energy Charge	\$0.07829	\$0.11200	—	—	
Fuel Charge	\$0.01207	\$0.01125	\$100.15	\$149.55	49.33%
Large General Service					
Customer Charge	\$31.00	\$30.00	—	—	
Energy Charge (1 at 200 kWh)	\$0.03043	\$0.07510	—	—	
Energy Charge (> 200 kWh)	\$0.03043	\$0.04340	—	—	
Fuel Surcharge	\$0.01207	\$0.01125	—	—	
Demand Charge	\$11.74	\$13.83	\$1,353.48	\$1,677.37	23.93%

Note: Total bill comparison based on 750 kWh for Residential; 970 kWh for Small General Service; and, 18,134 kWh/47 kW for Large General Service 52% load factor.

A Positive Solution to Reduce Your Monthly Electric Bill!

The Best and Brightest Ideas Energizing in the State of Alaska!



CHUGACH ELECTRIC ASSOCIATION, INC.

March 31, 1997

Thomas G. Staudenmaier
P.O. Box 140170
Anchorage, Alaska 99514

Dear Mr. Staudenmaier:

Following is a recapitulation of Chugach's net average cost to generate a kilowatt hour (average of all power plants):

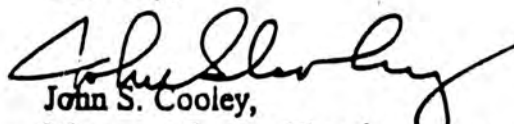
1981	1.574 cents	1989	1.867 cents
1982	1.748 cents	1990	1.996 cents
1983	1.894 cents	1991	2.059 cents
1984	1.910 cents	1992	2.406 cents
1985	1.908 cents	1993	2.651 cents
1986	1.749 cents	1994	2.295 cents
1987	1.780 cents	1995	2.553 cents
1988	1.806 cents	1996	2.591 cents

Based on the information in the Department Energy report ELA-411 for 1995, the following table summarizes the energy generated in Southcentral Alaska. The information in our March 28 letter had percentages for the total Railbelt including Fairbanks.

	GWh	Percentage
Anchorage Municipal Light and Power (AML&P)	734.8	22.34%
Chugach Electric Assoc.	1886.6	57.35%
Alaska Energy Authority (AEA)	442.4	13.45%
Alaska Power Administration (APAdmin)	179.3	5.45%
Alaska Electric Generation and Transmission (AEG&T)	46.6	1.42%
Total Southcentral Alaska	3289.7	100.00%

The average revenue for wholesale power sold to Seward Electric System (SES) and AEG&T is 4.28¢ per kWh.

Sincerely,


John S. Cooley,
Manager, System Planning

5601 Minnesota Drive • P.O. Box 196300 • Anchorage, Alaska 99519-6300
Phone 907-563-7494 • FAX 907-562-0027

Municipality
of
Anchorage



P.O. Box 190650
Anchorage, Alaska 99519-0650
Telephone: (907) 321-4000
Fax: (907) 321-4560
Rick Magnuson, Mayor

OPERATIONS MANAGER

March 17, 1997

Mr. Thomas G. Staudenmaier
P.O. Box 140170
Anchorage, Alaska 99514

Dear Mr. Staudenmaier:

Following is the information you requested about ML&P:

1. The average cost to generate a KWH for ML&P (production expense excluding purchased power and depreciation):

1990 3.58
1991 3.98
1992 3.14
1993 3.61
1994 3.03
1995 3.14
1996 2.89

2. Number of customers December 1996: 29,166

3. Total number of employees, by class, for year end 1996:

Non-Rep: 69
IBEW: 155

4. Copy of approved 1997 budget is attached.

5. Total operational payroll and benefits budgeted for 1997:

Personnel Costs	\$10,026,000
Benefits	\$ 4,019,000

6. The minimum monthly residential customer charge as of 12/31/96:
\$6.56

The minimum monthly small general service customer charges as of 12/31/96:
\$12.88

7. The cost per residential single phase KWH as of 12/31/96 is:
8.803 cents per KWH plus \$6.56/month customer charge.

The cost for the first 750 KWH (residential): \$70.07 including COPA and RCC
as of 12/31/96.

The cost for the first 750 KWH (commercial): \$74.34 including COPA and RCC
as of 12/31/96.

8. COPA was (.00367) as of 12/31/96 and (.00329) as of 1/1/97.

9. A) The total miles of transmission line: 25
B) Total miles of distribution overhead: 144
C) Total miles of distribution underground: 205
D) Total miles of energized line: 374

10. ML&P long-term debt (including unamortized discount):

<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>
178,830,861	173,365,450	323,189,260	314,616,384	305,319,125

11. ML&P long term debt interest:

<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>
11,982,274	11,658,483	12,556,907	18,442,717	18,018,738

12. ML&P long term principal maturing current year:

<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>
5,200,000	5,490,000	6,105,000	8,105,000	8,540,000

Mr. Thomas G. Staudenmaier
Page 3

13. During 1996, the operating costs for purchased electricity were as follows:

APA - Eklutna	1,345,667
AEA - Bradley	3,372,054
CEA	3,693
GVEA	214
MEA - Eklutna	<u>77,675</u>
	4,799,303

14. 1996 Billings:

	<u>Revenue</u>
Municipality of Anchorage	\$ 3,984,250
Anchorage School District	\$ 2,180,876

The information regarding how much electrical power the Municipality purchased in 1996 from electrical utilities is not available at this time. I will send you this information as soon as it becomes available.

If you have further questions, do not hesitate to contact us.

Sincerely,


George I. Vakalis
Operations Manager



GOLDEN VALLEY ELECTRIC ASSOCIATION INC. PO Box 71249 • Fairbanks, Alaska 99707-1249 • 907-452-1151

**GVEA'S Net Average Cost
to Generate a Kilowatt Hour***

1982	7.660 cents
1983	6.873 cents
1984	6.770 cents
1985	5.089 cents
1986	3.577 cents
1987	5.413 cents
1988	5.541 cents
1989	5.854 cents
1990	5.441 cents
1991	5.746 cents
1992	6.027 cents
1993	5.049 cents
1994	5.243 cents
1995	5.245 cents
1996	5.546 cents
1997	5.336 cents

*Includes insurance, depreciation, interest, operations & maintenance

Power Generation

<u>Fairbanks/ Year</u>	<u>North Pole</u>	<u>Healy</u>	<u>Purchased</u>
1982	33%	55%	12%
1983	42%	51%	7%
1984	52%	44%	4%
1985	44%	41%	15%
1986	53%	33%	14%
1987	25%	34%	41%
1988	27%	34%	39%
1989	22%	34%	44%
1990	16%	35%	49%
1991	23%	34%	43%
1992	21%	30%	49%
1993	29%	36%	35%
1994	26%	29%	45%
1995	24%	30%	46%
1996	40%	17%	43%
1997	43%	16%	41%

12/31/97

\$ 73.52
\$102.07

12/31/96

\$ 71.42
\$ 104.17

R
GS1

750 kWh includes customer charge
750 kWh includes customer charge

CHUGACH ELECTRIC ASSOCIATION, INC.
Retail Rate Comparison: Chugach vs. Anchorage Municipal Light Power
November 26, 1997

CLASS	RETAIL CLASS RATES		TOTAL BILL		
	Chugach	ML&P	Chugach	ML&P	Variance
Residential					
Customer Charge (monthly)	\$ 6.25	\$ 6.56	\$ 6.25	\$ 6.56	
Energy Charge (per kwh)	\$ 0.07727	\$ 0.08803	\$ 57.95	\$ 66.02	
Fuel Surcharge (per kwh)	\$ 0.01207	\$ (0.00284)	\$ 9.05	\$ (2.13)	
			\$ 73.25	\$ 70.45	-4%
Small General Service					
Customer Charge (monthly)	\$ 12.50	\$ 12.88	\$ 12.50	\$ 12.88	
Energy Charge (per kwh)	\$ 0.07829	\$ 0.08530	\$ 75.94	\$ 82.74	
Fuel Surcharge (per kwh)	\$ 0.01207	\$ (0.00284)	\$ 11.71	\$ (2.75)	
			\$ 100.15	\$ 92.87	-7%
Large General Service*					
Customer Charge (monthly)	\$ 31.00	\$ 44.15	\$ 31.00	\$ 44.15	
Energy Charge (per kwh)	\$ 0.03043	\$ 0.04970	\$ 551.82	\$ 901.26	
Fuel Surcharge (per kwh)	\$ 0.01207	\$ (0.00284)	\$ 218.88	\$ (51.50)	
Demand Charge (per kilowatt)	\$ 11.74	\$ 11.01	\$ 551.78	\$ 517.47	
* At secondary voltage.			\$ 1,353.48	\$ 1,411.38	4%
Notes: 1) Total bill comparison based on 750 kwh for Residential; 970 kwh for Small General Service; and 18,134 kwh/47 kw for Large General Service (52% load factor). 2) On Nov. 21, 1997, Chugach filed for a proposed increase to its retail fuel surcharge from \$0.01207/kwh to \$0.01747/kwh. Chugach submitted the filing with a proposed effective date of Jan. 1, 1998.					

CHUGACH ELECTRIC ASSOCIATION, INC.
Retail Rate Comparison: Chugach vs. Anchorage Municipal Light Power
November 26, 1997

WITH PROPOSED JAN. 1, 1998 FUEL SURCHARGE INCREASE

CLASS	RETAIL CLASS RATES		TOTAL BILL		
	Chugach	ML&P	Chugach	ML&P	Variance
Residential					
Customer Charge (monthly)	\$ 6.25	\$ 6.56	\$ 6.25	\$ 6.56	
Energy Charge (per kwh)	\$ 0.07727	\$ 0.08803	\$ 57.95	\$ ~~66.82~~	
Fuel Surcharge (per kwh)	\$ 0.01747	\$ (0.00284)	\$ 13.10	\$ (2.13)	
			\$ 77.30	\$ 70.45	-9%
Small General Service					
Customer Charge (monthly)	\$ 12.50	\$ 12.88	\$ 12.50	\$ 12.88	
Energy Charge (per kwh)	\$ 0.07829	\$ 0.08530	\$ 75.94	\$ 82.74	
Fuel Surcharge (per kwh)	\$ 0.01747	\$ (0.00284)	\$ 16.95	\$ (2.75)	
			\$ 105.39	\$ 92.87	-12%
Large General Service*					
Customer Charge (monthly)	\$ 31.00	\$ 44.15	\$ 31.00	\$ 44.15	
Energy Charge (per kwh)	\$ 0.03043	\$ 0.04970	\$ 551.82	\$ 901.26	
Fuel Surcharge (per kwh)	\$ 0.01747	\$ (0.00284)	\$ 316.80	\$ (51.50)	
Demand Charge (per kilowatt)	\$ 11.74	\$ 11.01	\$ 551.78	\$ 517.47	
* At secondary voltage.			\$ 1,451.40	\$ 1,411.38	-3%

Notes: 1) Total bill comparison based on 750 kwh for Residential; 970 kwh for Small General Service; and 18,134 kwh/47 kw for Large General Service (52% load factor).

2) On Nov. 21, 1997, Chugach filed for a proposed increase to its retail fuel surcharge from \$0.01207/kwh to \$0.01747/kwh. Chugach submitted the filing with a proposed effective date of Jan. 1, 1998.



Metamusk Electric Association
PO Box 1929 Palmer Alaska 99645-2929
745-3231 • 454-2161 • 376-7237 •
Toll-free 800-478-8160

MEMBER INFORMATION BULLETIN *RATES 98-01*

January 8, 1998

To: All MEA Members/Customers
From: Member and Public Relations Office
Subject: *APUC-Approved Rates effective January 8, 1998*

Understanding Bills for SINGLE-PHASE SERVICE (mostly Residential customers)

On your MEA bill you will find previous balance and payment received below the account information boxes. The account information boxes will have the account number, member number, customer's name, service location phone number and meter number.

ADJUSTMENTS

This box shows any adjustments to your account. These could be a charge or credit to your account such as records fee, deposit reimbursement, estimating adjustments and so on. These will be totaled, if any, and carried to the right side of the bill.

CURRENT MONTH'S CHARGES

Facility Charge: \$7.00 (lowered from \$10.00 Feb. 96)
First Step: kwh up to 1,300 @ (times) \$0.09596
Next Step: kwh over 1,300 @ (times) \$0.07797
WPCRA²: total kwh @ (times) \$0.01283
Regulatory Charge¹: total kwh @ (times) \$0.000280
Annual Minimum for Seasonal Service \$84.00

Three Phase Charge: (For Three Phase customers only)

Facility Charge: \$25.00
Demand Charge: \$4.93/kW
Energy Charge: \$0.06101/kWh
WPCRA: \$0.01283/kW
Regulatory Charge: \$0.000280/kW

These will be totaled and carried to the right side of the bill.

MESSAGES

Messages for MEA members can be found in this box. The messages can be specific to certain areas or general messages about rate changes, scholarship announcements, or community events.

ACCOUNT STATUS

This box gives a list of your account status. If the account is past due, it will say that. The right side of this box also tells how much of a late fee can be saved if the bill is paid by the listed due date. To the far right of this box is the total amount due on your account.

HISTORICAL INFORMATION

This box gives a list of the number of days in each month's billing cycle. It also lists the kilowatt hours used for that billing period, the daily average of kilowatt hours used for that billing period and the average temperature that month.

Streetlights installed before December 1981: \$17.03 per lamp/month

Other Streetlights:

150 Watts \$15.09 per lamp/month
250 Watts \$18.97 per lamp/month

[MEA MPR Rates.98-01 rate.doc]

¹ Facilities Charge: A flat monthly charge designed to cover the costs of customer accounting, issuing your monthly bill, maintaining and reading meters, and capital costs associated with metering equipment.

² WPCRA or Wholesale Power Cost Rate Adjustment: An adjustment to reflect fluctuations in the cost of purchased power. This may be a charge or credit.

Regulatory Charge or RCO: A charge to reflect the cost of the Alaska Public Utilities Commission's regulatory costs.

To: All Matanuska Electric Association Members/Customers

From: Member Relations Office

Subject: Comparison for example KWH for the year

Formula = \$7.00 + [kwh x (.Base + WPCRA + APUC)] = Actual Bill



Formula = \$7.00 + [kwh x (.Base + WPCRA + RCC) x Actual Bill]

Example of 500 kwh

Example of 750 kwh

Example of 1,000 kwh

Date	Base	WPCRA	RCC	Total Rate +	Facility C	500 kwh	750 kwh	1,000 kwh	
Jan-88	0.09001	-0.000500		=	0.08951	\$10.00	\$ 54.76	\$ 77.13	\$ 99.51
Apr-88	0.09001	-0.000390		=	0.08962	\$10.00	\$ 54.81	\$ 77.22	\$ 99.62
Jul-88	0.09078	-0.005140		=	0.08564	\$10.00	\$ 52.82	\$ 74.23	\$ 95.64
Oct-88	0.09078	-0.005090		=	0.08569	\$10.00	\$ 52.85	\$ 74.27	\$ 95.69
Jan-89	0.09078	-0.002440		=	0.08834	\$10.00	\$ 54.17	\$ 76.26	\$ 98.34
Apr-89	0.08719	0.002050		=	0.08924	\$10.00	\$ 54.62	\$ 76.93	\$ 99.24
Jul-89	0.08573	0.002040		=	0.08777	\$10.00	\$ 53.89	\$ 75.83	\$ 97.77
Oct-89	0.08573	0.002110		=	0.08784	\$10.00	\$ 53.92	\$ 75.88	\$ 97.84
Jan-90	0.08573	0.004390		=	0.09012	\$10.00	\$ 55.06	\$ 77.59	\$ 100.12
Apr-90	0.08573	0.003740		=	0.08947	\$10.00	\$ 54.74	\$ 77.10	\$ 99.47
Jul-90	0.08912	0.004290		=	0.09341	\$10.00	\$ 56.71	\$ 80.06	\$ 103.41
Oct-90	0.08912	0.002400		=	0.09152	\$10.00	\$ 55.76	\$ 78.64	\$ 101.52
Jan-91	0.08912	0.009270		=	0.09839	\$10.00	\$ 59.20	\$ 83.79	\$ 108.39
Apr-91	0.08912	0.004000		=	0.09312	\$10.00	\$ 56.56	\$ 79.84	\$ 103.12
Jul-91	0.08418	0.006530		=	0.09071	\$10.00	\$ 55.36	\$ 78.03	\$ 100.71
Oct-91	0.08418	0.005990		=	0.09017	\$10.00	\$ 55.09	\$ 77.63	\$ 100.17
Jan-92	0.08418	0.006760		=	0.09094	\$10.00	\$ 55.47	\$ 78.21	\$ 100.94
Apr-92	0.08418	0.013410		=	0.09759	\$10.00	\$ 58.80	\$ 83.19	\$ 107.59
Jul-92	0.08884	0.007610		=	0.09645	\$10.00	\$ 58.23	\$ 82.34	\$ 106.45
Nov-92	0.08991	0.007350		=	0.09726	\$10.00	\$ 58.63	\$ 82.95	\$ 107.26
Oct-92	0.08991	0.009480		=	0.09939	\$10.00	\$ 59.70	\$ 84.54	\$ 109.39
Jan-93	0.08901	0.010890	0.000626	=	0.100526	\$10.00	\$ 60.26	\$ 85.39	\$ 110.53
Apr-93	0.08724	0.011110	0.000626	=	0.098976	\$10.00	\$ 59.49	\$ 84.23	\$ 108.98
Jul-93	0.08724	0.010190	0.000626	=	0.098056	\$10.00	\$ 59.03	\$ 83.54	\$ 108.06
Oct-93	0.08724	0.010000	0.000626	=	0.097866	\$10.00	\$ 58.93	\$ 83.40	\$ 107.87
Aug-93	0.08724	0.009040	0.000386	=	0.096666	\$10.00	\$ 58.33	\$ 82.50	\$ 106.67
Jan-94	0.08812	0.010730	0.000386	=	0.099236	\$10.00	\$ 59.62	\$ 84.43	\$ 109.24
May-94	0.08812	0.016210	0.000386	=	0.104716	\$10.00	\$ 62.36	\$ 88.54	\$ 114.72
Jul-94	0.08812	0.014870	0.000386	=	0.103376	\$10.00	\$ 61.69	\$ 87.53	\$ 113.38
Oct-94	0.08812	0.006880	0.000386	=	0.095386	\$10.00	\$ 57.69	\$ 81.54	\$ 105.39
Nov-94	0.08812	0.006880	0.000412	=	0.095412	\$10.00	\$ 57.71	\$ 81.56	\$ 105.41
Jan-95	0.08812	0.012600	0.000412	=	0.101132	\$10.00	\$ 60.57	\$ 85.85	\$ 111.13
Apr-95	0.08629	0.011330	0.000412	=	0.098032	\$10.00	\$ 59.02	\$ 83.52	\$ 108.03
Jul-95	0.08629	0.007460	0.000000	=	0.09375	\$10.00	\$ 56.88	\$ 80.31	\$ 103.75
Oct-95	0.08703	0.005220	0.000322	=	0.092572	\$10.00	\$ 56.29	\$ 79.43	\$ 102.57
Jan-96	0.08703	0.009280	0.000322	=	0.096632	\$10.00	\$ 58.32	\$ 82.47	\$ 106.63
Feb-96	0.0996	0.000780	0.000322	=	0.100702	\$7.00	\$ 57.35	\$ 82.53	\$ 107.70
Apr-96	0.0996	0.001190	0.000322	=	0.101112	\$7.00	\$ 57.56	\$ 82.83	\$ 108.11
Jun-96	0.09855	0.002370	0.000322	=	0.101242	\$7.00	\$ 57.62	\$ 82.93	\$ 108.24
Jul-96	0.09855	0.002650	0.000322	=	0.101522	\$7.00	\$ 57.76	\$ 83.14	\$ 108.52
Oct-96	0.09855	0.002930	0.000322	=	0.101802	\$7.00	\$ 57.90	\$ 83.35	\$ 108.80
Jan-97	0.09855	0.002930	0.000297	=	0.101777	\$7.00	\$ 57.89	\$ 83.33	\$ 108.78
Apr-97	0.09644	0.002240	0.000297	=	0.098977	\$7.00	\$ 56.49	\$ 81.23	\$ 105.98
Jul-97	0.09596	0.002600	0.000297	=	0.098857	\$7.00	\$ 56.43	\$ 81.14	\$ 105.86
Oct-97	0.09596	0.005930	0.000297	=	0.102187	\$7.00	\$ 58.09	\$ 83.64	\$ 109.19
Jan-98	0.09596	0.012830	0.000280	=	0.10907	\$7.00	\$ 61.54	\$ 88.80	\$ 116.07

Date Base WPCRA APUC Total Rate + Facility C 500 kwh 750 kwh 1,000 kwh

Note: Monthly electric bills are based on kilowatt-hours (kwh) used - your electric bill may vary.

GOLDEN VALLEY ELECTRIC ASSOCIATION, INC.

P.O. Box 71249

753 ILLINOIS STREET

FAIRBANKS, AK 99707-1249

(907) 452-1151

(907) 451-5633 (FAX)

C O V E R

S H E E T

FAX

To: Tom Staudenmaier

From: Teresa A. Thompson
Administrative Assistant to Robert Hansen

Fax No: 276-0245

Re: Estimated Electric Savings in 1997

Date: November 5, 1997

Pages: 2, including this cover sheet.

COMMENTS:

Tom: Following is the information you requested. Robert wanted me to convey that these figures are based on a whole year's worth of savings. If you have any questions, please call.

If you have any trouble receiving this fax, please call Teresa at 458-5721.

May 8, 1996

Wayne Graham
Pacific Telecom Inc.
805 Broadway
Vancouver, WA 98660

RE: Information Request

Estimated Electric Savings in 1997

City of Fairbanks	\$ 25,000
Churches & Non-Profits	\$125,000
Fairbanks North Star Borough- School District	\$200,000
Fairbanks North Star Borough-Other	\$300,000
Fairbanks Memorial Hospital	\$350,000
State of Alaska	\$300,000

Gross Revenue Tax

1997	\$36,000 (1/2 year)
1998	\$73,000
1999	\$74,000
2000	\$74,000
2001	\$74,000

Service Area Map

Attached

Logo

Attached

Comments on Draft

Sometime on Friday. Please send latest draft on Thursday afternoon.

To: Tom Stadenmaier
 FROM: Mayor Hayes

10/7/97

75-3503-00-2 CITY OF FAIRBANKS CLOSING RECDROM

DLD/DLO/ / / / /

S

97100700231 143
 CASH DEPOSIT
 WIRE FROM BANK OF AMERICA- FROM
 PACIFIC TELECOM, INC.

83,860,216.00

97100700232 143
 CASH DEPOSIT
 WIRE FROM BANK OF AMERICA / FROM
 PACIFIC TELECOM INC

1,500,000.00

97100700234 143
 CASH DEPOSIT
 FROM NDA ACCT. #17311809- GOLDEN
 VALLEY ELECTRIC

25,810,275.71

97100700236 143
 CASH DEPOSIT
 WIRE FROM FIRST NATIONAL BANK OF
 ANCHORAGE/ FAIRBANKS SEWER

1,436,407.00

97100700238 646
 DISBURSEMENT
 OUTGOING WIRE TO FIRST TRUST NA

39,210,000.00-

97100700349 646
 DISBURSEMENT
 WIRE TO KEY BANK

1,500,000.00-

97100700338 619
 TRANSFER TO ANOTHER TRUST ACCOUNT
 TO ACCT. #753504000

8,450,000.00-

97100700339 619
 TRANSFER TO ANOTHER TRUST ACCOUNT
 TO ACCT. #753509553

1,000,000.00-

97100700340 619
 TRANSFER TO ANOTHER TRUST ACCOUNT

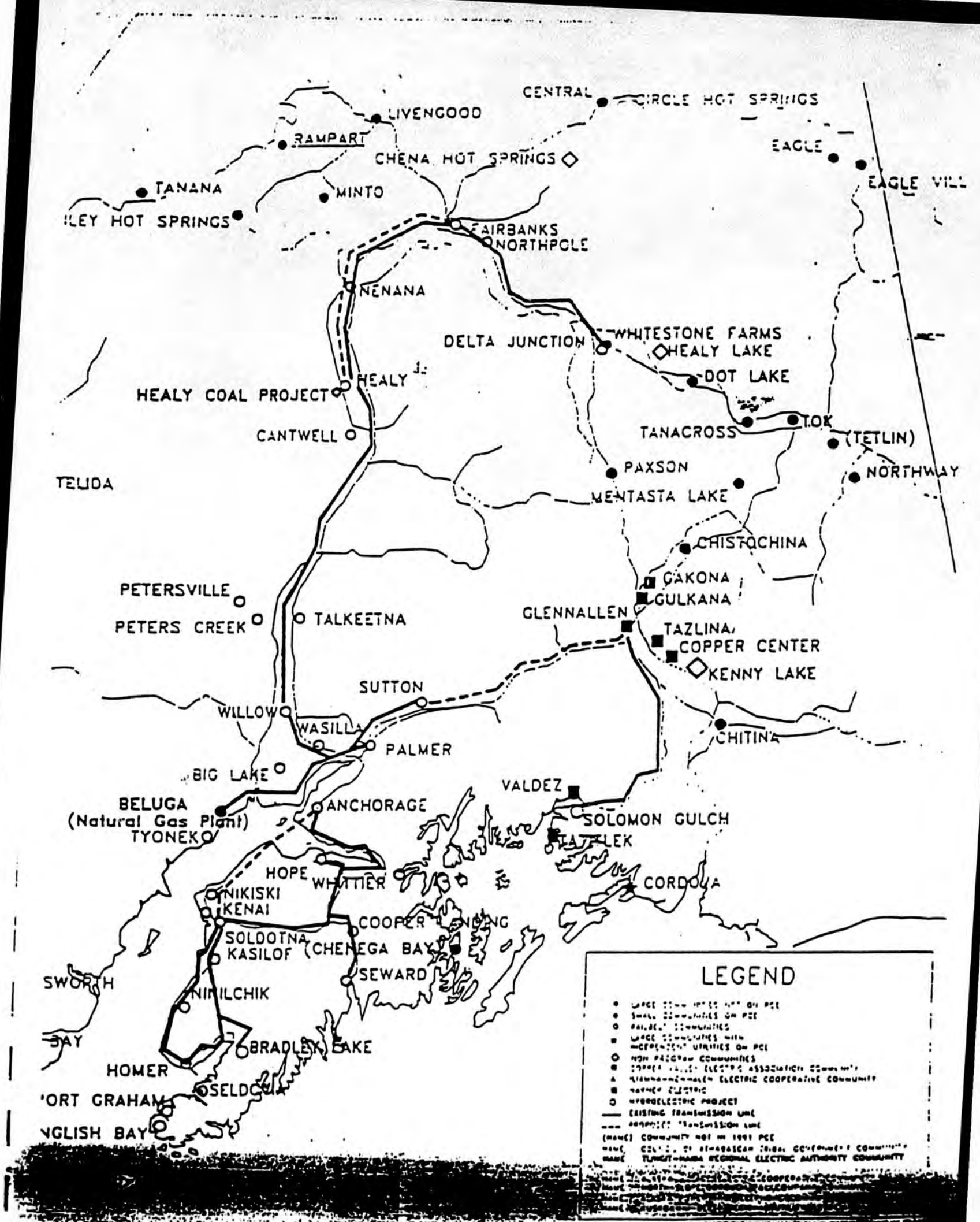
60,951,898.71-

111,187,490.00

CITY OF SEWARD - ELECTRIC BILLING BREAKDOWN FOR FY95

JUL 1994	ADMIN	4,372.84	JAN 1995	ADMIN	7,178.77
	ST LTS - MTRD	965.83		ST LTS - MTRD	2,307.45
	ST LTS - NONMTRD	2,156.30		ST LTS - NONMTRD	2,156.30
	PARKS & REC	2,749.63		PARKS & REC	293.25
	E UTIL	5,127.70		E UTIL	3,525.18
	W&S UTIL	18,137.23		W&S UTIL	13,944.89
	HARBOR	9,074.25		HARBOR	23,169.66
		<i>\$ 42,533.78</i>			<i>\$ 52,575.50</i>
AUG 1994	ADMIN	5,956.37	FEB 1995	ADMIN	8,353.21
	ST LTS - MTRD	1,555.61		ST LTS - MTRD	2,412.00
	ST LTS - NONMTRD	2,156.30		ST LTS - NONMTRD	2,156.30
	PARKS & REC	641.65		PARKS & REC	319.63
	E UTIL	5,438.39		E UTIL	4,122.73
	W&S UTIL	25,897.56		W&S UTIL	14,377.76
	HARBOR	9,887.35		HARBOR	21,932.84
		<i>\$ 51,533.23</i>			<i>\$ 53,674.47</i>
SEP 1994	ADMIN	5,407.25	MAR 1995	ADMIN	7,083.19
	ST LTS - MTRD	1,131.72		ST LTS - MTRD	1,657.44
	ST LTS - NONMTRD	2,156.30		ST LTS - NONMTRD	2,156.30
	PARKS & REC	630.67		PARKS & REC	265.18
	E UTIL	5,200.35		E UTIL	4,756.25
	W&S UTIL	19,698.94		W&S UTIL	12,695.61
	HARBOR	6,174.35		HARBOR	25,297.60
		<i>\$ 40,377.59</i>			<i>\$ 53,911.57</i>
OCT 1994	ADMIN	5,930.64	APR 1995	ADMIN	7,501.69
	ST LTS - MTRD	1,746.72		ST LTS - MTRD	1,510.60
	ST LTS - NONMTRD	2,156.30		ST LTS - NONMTRD	2,156.30
	PARKS & REC	504.28		PARKS & REC	283.22
	E UTIL	3,873.45		E UTIL	4,665.24
	W&S UTIL	15,432.76		W&S UTIL	15,082.76
	HARBOR	16,448.71		HARBOR	26,000.06
		<i>\$ 46,092.86</i>			<i>\$ 68,368.46</i>
NOV 1994	ADMIN	7,258.45	MAY 1995	ADMIN	7,447.49
	ST LTS - MTRD	2,022.98		ST LTS - MTRD	1,234.53
	ST LTS - NONMTRD	2,156.30		ST LTS - NONMTRD	2,156.30
	PARKS & REC	463.61		PARKS & REC	532.64
	E UTIL	4,834.37		E UTIL	3,250.40
	W&S UTIL	15,924.71		W&S UTIL	18,421.88
	HARBOR	18,063.10		HARBOR	22,593.37
		<i>\$ 32,679.05</i>			<i>\$ 55,636.61</i>
DEC 1994	ADMIN	7,394.18	JUN 1995	ADMIN	6,078.87
	ST LTS - MTRD	2,405.65		ST LTS - MTRD	882.54
	ST LTS - NONMTRD	2,156.30		ST LTS - NONMTRD	2,156.30
	PARKS & REC	378.04		PARKS & REC	678.37
	E UTIL	5,756.87		E UTIL	3,592.98
	W&S UTIL	16,459.68		W&S UTIL	18,925.24
	HARBOR	16,716.77		HARBOR	16,748.32
		<i>\$ 51,267.49</i>			<i>\$ 49,062.62</i>

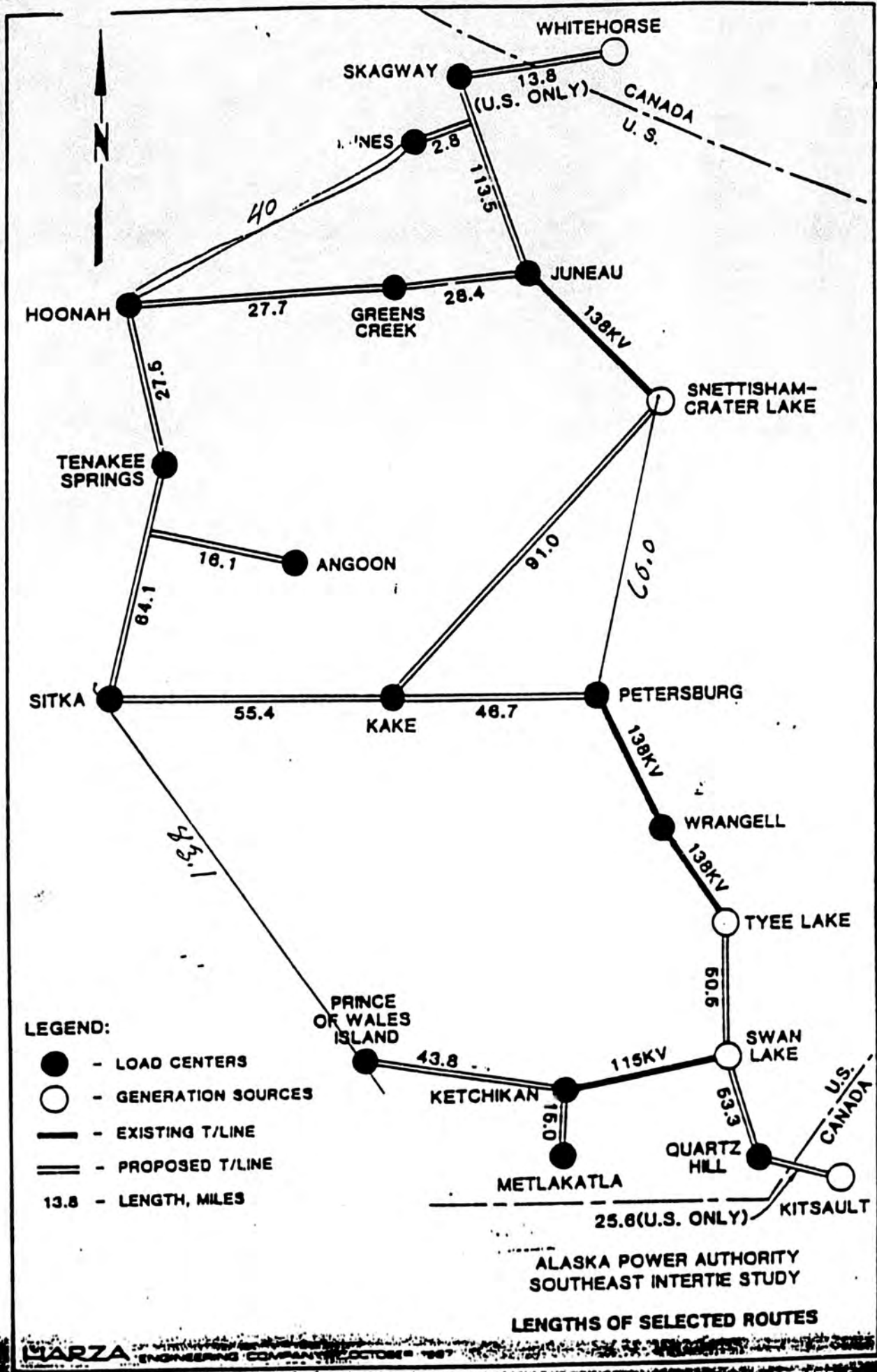
TOTAL COST. \$ 597,785.22



LEGEND

- LARGE COMMUNITIES NOT ON PCE
- SMALL COMMUNITIES ON PCE
- MEDIUM COMMUNITIES
- LARGE COMMUNITIES WITH HYDROELECTRIC UTILITIES ON PCE
- NON-PAGE COMMUNITIES
- TOWN OF ELECTRIC ASSOCIATION COMMUNITY
- ▲ KIMBERLY-CLARK ELECTRIC COOPERATIVE COMMUNITY
- TOWN OF ELECTRIC
- HYDROELECTRIC PROJECT
- EXISTING TRANSMISSION LINE
- - - PROPOSED TRANSMISSION LINE
- (NAME) COMMUNITY NOT IN 1991 PCE
- (NAME) COMMUNITY TO BE ADDED TO 1991 PCE
- (NAME) TUGIT-MAHA REGIONAL ELECTRIC AUTHORITY COMMUNITY

FIGURE 6-16



Crash Study

725 MILES



**Matanuska Electric
Association, Inc.**

P.O. Box 2929
Palmer, Alaska 99645
Telephone: (907) 745-3231
Fax: (907) 745-9328

April 11, 1996

Mr. Thomas Staudenmaier
PO Box 140170
Anchorage, AK 99514-0170

Dear Mr. Staudenmaier:

The updated information which you requested regarding insurance benefits for directors is as follows:

1. Non-profit Liability

Coverage provides protection for wrongful acts of directors, officers, and employees including breach of duty, neglect, misstatement, omission, and other acts done or wrongfully attempted. The policy includes coverage for employment practices, non-monetary claims and duty to defend. Limit of liability is \$5 million.

2. General Liability

Coverage for injuries or damages to a third party when MEA is responsible for the loss. The policy also provides coverage for employee benefits liability. Limit of liability is \$1 million.

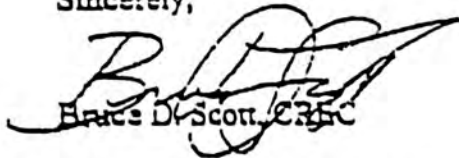
3. Twenty-four Hour Accident/Business Travel Accident Insurance

Provides directors with \$25,000 of financial reimbursement for accidental death, dismemberment or disability resulting from an accident. \$100,000 of coverage if accident occurs during a business trip.

Non-profit Liability coverage and General Liability coverage are included in our general liability insurance package and do not cost MEA additional premium dollars to insure its directors. We pay approximately \$200.00 in order to provide Twenty-four Hour Accident and Business Travel Accident coverage while our directors are traveling on MEA business.

If you have additional questions, please submit those to me by FAX at 907-745-9328 or by mail at the address listed above.

Sincerely,


Bruce D. Scott, CREC



MEA

MEMORANDUM

DATE: November 3, 1995

TO: Jim Woodcock
Director of Administration

FROM: Debbi Wiles 
Accounting Services Manager

SUBJECT: Legal Expenses

Below is the detail on the legal expense for 1994, year-to-date for 1995 and the 1996 budget:

1994	Actuals	MEA	\$355,435	
		AEG&T	\$ 74,550	Total \$429,985
1995	Actuals-	MEA	\$340,733	
	YTD 9/30	AEG&T	\$ 16,409	Total \$357,142
1996	Budget:	MEA	\$278,000	
		AEG&T	\$ 26,750	Total \$304,750

Delaney, Wiles, Hayes, Gerety & Ellis Inc.

1994 Actuals \$ 59,028

1995 Actuals \$172,247 year-to-date 9/30/95

(these dollars are included in above numbers)

word\data\budget\legal

ATTEST:



William A. Folsom
Secretary-Treasurer

(CORPORATE SEAL)

13. Place of Suit: Any action at law, suit in equity, or other judicial proceeding for the enforcement of this Contract or any provision thereof shall be instituted only in the Superior Court for the State of Alaska, Third Judicial District.

14. Assignment: This is a personal agreement. Carmony may not assign or transfer any of his rights under this Agreement.

15. Successors and Assigns: The rights, obligations, and liabilities set forth in or arising under this Agreement shall extend to, be binding upon, and inure to the benefit of the successors and assigns of the respective parties.

16. Entire Agreement: This Agreement contains the entire agreement between the parties and shall, as of the effective date hereof, supersede all other agreements between the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement at Palmer, Alaska on the 15th day of February, 1994.

EMPLOYEE:

MATANUSKA ELECTRIC ASSOCIATION,
INC.
P.O. Box 2929
Palmer, AK 99645

Wayne D. Carmony
Wayne D. Carmony
General Manager

Barbara J. Miller
Barbara J. Miller
President

express written policies of MEA or state or federal laws with the effect of injuring MEA's business interests, and such refusal, negligence, or failure shall have continued, after written notice, authorized by a vote of a majority of the entire Board, to Carmony, for a period of ten (10) days in which time Carmony shall have had the opportunity to cure such failure. "With cause" shall also include the conviction of a felony or a crime involving grave infringement of the moral sentiment of the community.

(c) In no event shall "with cause" be deemed to include circumstances surrounding, or arising out of, directly or indirectly, disputes between MEA and any organization with which MEA is negotiating or signatory to an agreement.

10. Board Policy: Notwithstanding anything in this Agreement to the contrary, Carmony may authorize staff, on a case-by-case basis, to depart from established Board policy if, in his judgment, such departure:

- (a) Advances the best interests of MEA; and
- (b) Does not substantially or materially increase MEA's potential liability.

11. Modification Agreement: Any modification of this Agreement shall be binding only if in writing and signed by each party.

12. Choice of Laws: This Agreement shall be construed and enforced in accordance with the laws of the State of Alaska.

Carmony's termination date and the last February 15 during which this Agreement is in effect. Except upon termination, Carmony shall not be paid or otherwise compensated for unused annual leave time. During each calendar year for which this Agreement is in effect, Carmony shall be required to take a minimum of five (5) consecutive working days as vacation. Example: If Carmony has 100 days in his vacation reserve account on February 14, 2010 and his last day of employment is June 15, 2010, then Carmony would be paid for 115 days, less any days used subsequent to February 15, 2010.

9. Termination:

(a) Carmony may terminate this Agreement upon one hundred eighty (180) days advance written notice to the Board. To the extent Carmony's schedule reasonably so allows, Carmony will work with the Board in good faith to facilitate the transition of a successor to his position as general manager of MEA.

(b) MEA may terminate this Agreement with or without cause upon thirty (30) days advance written notice to Carmony provided if MEA terminates this Agreement without cause, Carmony shall be paid, as severance pay, an amount equal to his salary for the remainder of the term of this Agreement, plus an amount equal to the value of any accrued annual leave and all other normal benefits of which he would otherwise be deprived for the remainder of his term.

The phrase "with cause", shall mean Carmony has (i) willfully and in bad faith, refused or neglected to carry out the reasonable duties or instructions which may have been assigned to him by the Board, or (ii) willfully and substantially failed to comply with the

6. Benefits:

(a) Carmony shall be entitled to participate or otherwise be a party to any retirement plan, or any other MEA-employee benefit program such as group medical insurance, by way of example. MEA shall reimburse Carmony for all necessary expenses incurred by Carmony while travelling in the normal course of the business interests of MEA.

(b) In lieu of reimbursing Carmony on a per mile basis for the use of his vehicle in connection with MEA business, MEA shall pay Carmony a vehicle allowance of Five Hundred and no/100 Dollars (\$500) per month. In addition, MEA shall reimburse Carmony, or pay directly on his behalf, all operating costs, including fuel and maintenance costs, incurred by Carmony in connection with the use of his vehicle, whether for personal or business purposes. Prior to using his vehicle for MEA business, Carmony shall provide MEA with such certificate of insurance as MEA may reasonably require.

7. Insurance, Indemnification: MEA shall add Carmony as an additional insured under its managers, officers and directors liability insurance policy. In addition, MEA shall indemnify, defend and hold Carmony harmless from all claims, actions and damages arising out of or otherwise resulting from Carmony's performance of his duties hereunder except for any claims, actions or damages arising out of or resulting from Carmony's willful misconduct.

8. Vacation: Carmony shall earn paid annual leave at the rate of forty-five (45) working days per year, the entirety of which shall be credited to his vacation reserve account on February 15 of each year during which this Agreement is in effect, except that in connection with Carmony's termination, such 45 days shall be prorated between

3. Term of Employment: The term of this Agreement shall be a period of five (5) years, commencing February 14, 1995, and shall be automatically extended in one (1) year increments unless the Board takes formal action negating such automatic extension on or before February 14 of each year. Notwithstanding anything in this Agreement to the contrary, this Agreement shall terminate no later than February 14, 2015.

4. Compensation:

(a) MEA shall pay Carmony in full payment of Carmony's services under this Agreement compensation at the rate of Ninety Thousand and no/100 Dollars ^{125,000} ~~(\$90,000)~~ per year, payable in regular installments on the dates and times that other employees of MEA are paid. In addition, Carmony shall be entitled to any additional benefits under any wage and salary administration plan as may be adopted by MEA for its other non-union employees or as may otherwise be mutually agreed in writing between the Board and Carmony.

(b) On or before October 31 of each year during which this Agreement is in effect, the Board shall in good faith review Carmony's performance and may increase his salary for merit, cost of living and/or other factors by amending paragraph 4(a) above. The Board may elect to provide Carmony additional forms of compensation from time to time including but not limited to bonuses and benefit packages. Such additional forms of compensation shall be in addition to the compensation identified in Section 4(a) above.

5. Relocation Allowance: MEA will in good faith consider any additional expenses incurred by Carmony in connection with his relocation to Alaska.

EMPLOYMENT AGREEMENT

Employment Agreement dated as of this 15th day of February, 1995, by and between WAYNE D. CARMONY ("Carmony") and MATANUSKA ELECTRIC ASSOCIATION, INC. ("MEA"), its successors or assigns.

Recitals

- A. MEA desires to retain the services of Carmony as its General Manager.
- B. Carmony has a great deal of experience in managing electrical cooperatives.
- C. Carmony is willing to be employed by MEA, and MEA is willing to employ Carmony, on the terms and conditions set forth below.

NOW, THEREFORE, it is agreed:

1. Employment: MEA hereby employs, engages and hires Carmony as its General Manager and Carmony hereby accepts and agrees to such hiring, engagement and employment subject to the general supervision and pursuant to the orders and direction of the majority of MEA's Board of Directors.
 2. Best Effort: Carmony agrees that he will at all times faithfully, industriously and to the best of his ability, experience and talents perform all the duties that may be required of and from him pursuant to the express and implicit terms of this Agreement.
- 

insurance coverage, two different dental plans, nine levels of life insurance, and five levels of short term disability. Long term disability is a mandatory coverage.

2. Annual leave if any. How many days?

Consistent with the Municipal Personnel Rules, Mr. Stahr accrues 40.625 days of annual leave per year.

3. Holidays. If any. How many days?

11 days

4. Retirement/savings if any.

Mr. Stahr participates in the State of Alaska Public Employee's Retirement Plan. The employee contributes 6.25% of pay and the MOA currently contributes 11.14% of pay.

5. Life insurance premiums paid by MOA if any. Approximate average % per year coverage.

See answer to question 1.

6. Health insurance premiums paid by MOA if any. Approximate average % per year coverage.

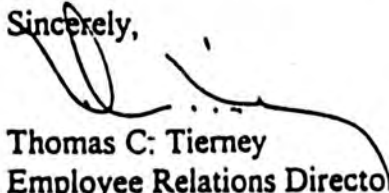
See answer to question 1.

7. Long term disability premiums paid if any by MOA. Approximate average % per year. Benefit level % of base salary, social security integrated after ____ weeks.

See answer to question 1. LTD premium is \$88.92 per year. LTD benefit is 60% of monthly salary to maximum of \$3,000 per month.

I trust this is responsive to your needs.

Sincerely,


Thomas C. Tierney
Employee Relations Director

cc: Thomas Stahr, General Manager, ML&P



Municipality of Anchorage



P.O. Box 190650
Anchorage, Alaska 99519-0650
Telephone: (907) 343-4425
<http://www.ci.anchorage.ak.us>

Rick Mystrom, Mayor

DEPARTMENT OF EMPLOYEE RELATIONS

April 2, 1997

Thomas G. Staudenmaier
P. O. Box 140170
Anchorage, Alaska 99514

Dear Mr. Staudenmaier:

You have asked the following questions regarding Thomas Stahr, General Manager, ML&P.
Please note the following response.

Annual Salary

1. Date of Hire to the MOA

September 23, 1974

2. Does Thomas R. Stahr have a contract or does he serve at the Mayor's pleasure?

He is an executive employee who serves at the pleasure of the Mayor

3. Gross Base monthly pay from MOA

\$6,822

4. Gross yearly base pay from MOA

\$81,868

Fringe Benefits

1. Health insurance premiums paid by MOA. Does coverage include medical dental and vision? If answer is yes, how much by the month and year?

As an executive employee, Mr. Stahr participates in the Flexible Benefits Program. The Municipality contributes \$225 per pay period (\$5,850 per year/\$487.50 per month) towards the program. Mr. Stahr can choose between three different levels of health

Attachment 3

My perspective is that similar sized G&T cooperatives in terms of revenues or number of employees or net worth pay their general managers about the same as I have been paid. The 1994 information on the following G&T managers' base compensation, for example, indicates in my mind that my base compensation is fair.

<u>G&T</u>	1994 <u>Gross Revenues</u>	<u>Employees</u>	Gen. Mgr. <u>Base Salary</u>
Deseret	\$124,827,364	210	\$160,000
Central Iowa	87,490,250	104	155,000
Cooperative Power	164,879,816	370	150,000
Wabash Valley	160,788,000	77	150,000
Sunflower	87,627,677	335	175,000
Allegheny	144,635,000	75	171,700
Minnkota	116,000,000	354	146,000
Buckeye	181,682,444	60	215,000
Chugach	130,912,171	380	150,000

10 NOV 1997
From: T. Staudenmaier



CHUGACH ELECTRIC ASSOCIATION, INC.

EUGENE N. BJORNSTAD, P.E.
General Manager

April 1, 1997

Mr. E. J. Young
P. O. Box 91259
Anchorage, Alaska 99509

Dear Mr. Young:

As per your recent request, I am forwarding the following information on my compensation as General Manager of Chugach Electric Association, Inc.:

Base Salary	\$156,000
Fringe Benefits:	
Pension	5,831
Medical Insurance	7,678
Life Insurance	1,371

In addition to the above, I have the use of a 1994 Ford Explorer with approximately 50,000 miles on it. The IRS values this at \$7,504 for tax purposes. The contributions to the employee 401K program are funded out of my salary; the Association does not contribute anything. I do not participate in any other type of deferred compensation plan.

I have been an employee of Chugach for 14 years and have been General Manager for the past three. At the end of 1996, Chugach's assets were \$483,294,976 and gross revenues were \$134,876,668. After expenses, net margins were \$9,831,371. To put this in perspective, I have attached some representative General Manager salaries of lower 48 Generation and Transmission Cooperatives from 1994. As you may note, Chugach's gross revenues and employee size (360) are similar to these utilities.

If you have any other questions, please give me a call.

Sincerely,

Eugene N. Bjornstad
General Manager

Enclosure

18 NOV 1998

7



Alaska Railbelt:
Centrally Dispatched Power
Pool
or
Continue As Is



BLACK & VEATCH_{LLP}



Introduction

- ▶ Study Purpose and Steps to Achieve
- ▶ Current Situation
- ▶ Three Future Scenarios
- ▶ Future Generation
- ▶ Economic Parameters
- ▶ Potential Savings based on Production Costs
- ▶ Other Costs
- ▶ Net Savings
- ▶ Recommendations



Study Purpose

Do benefits exist in a pooled environment that do not exist under current contract arrangements and current dispatch?

Study Period: 1997 - 2016



Stages of the Study

- Data Request and Compilation
- 1996 Benchmark, First Report Issued
- Received Feedback and held conference call
- Expansion Plans developed and Second Report Issued
- Met with individual utilities
- Evaluate Economics, Draft Final Report Issued
- Received Feedback, Final Report Issued



Current Situation

- Chugach in several agreements with AEG&T, HEA, MEA, and GVEA
- ML&P isolated, but sells power to the Chugach/GVEA control area
- Chugach responsible for wheeling power from Bradley Lake



The Cases

Individual

Pooled - dispatch no load sharing

load sharing depends on capacity of transmission lines

Joint - utilization of other person's
excess capacity



Individual Case

- Assumes each generating utility meets its own capacity requirements.
- Evaluates the future production costs and capital costs in a status quo environment.



Pooled Case

- Assumes each generating utility plans to meet its own capacity requirements.
- Assumes joint dispatch of all units.



Joint Case

- Assumes utilities jointly own new capacity additions.
- Assumes new unit additions are added based on the total needs and capabilities of the system.
- Evaluates production costs based on joint dispatch of all units.

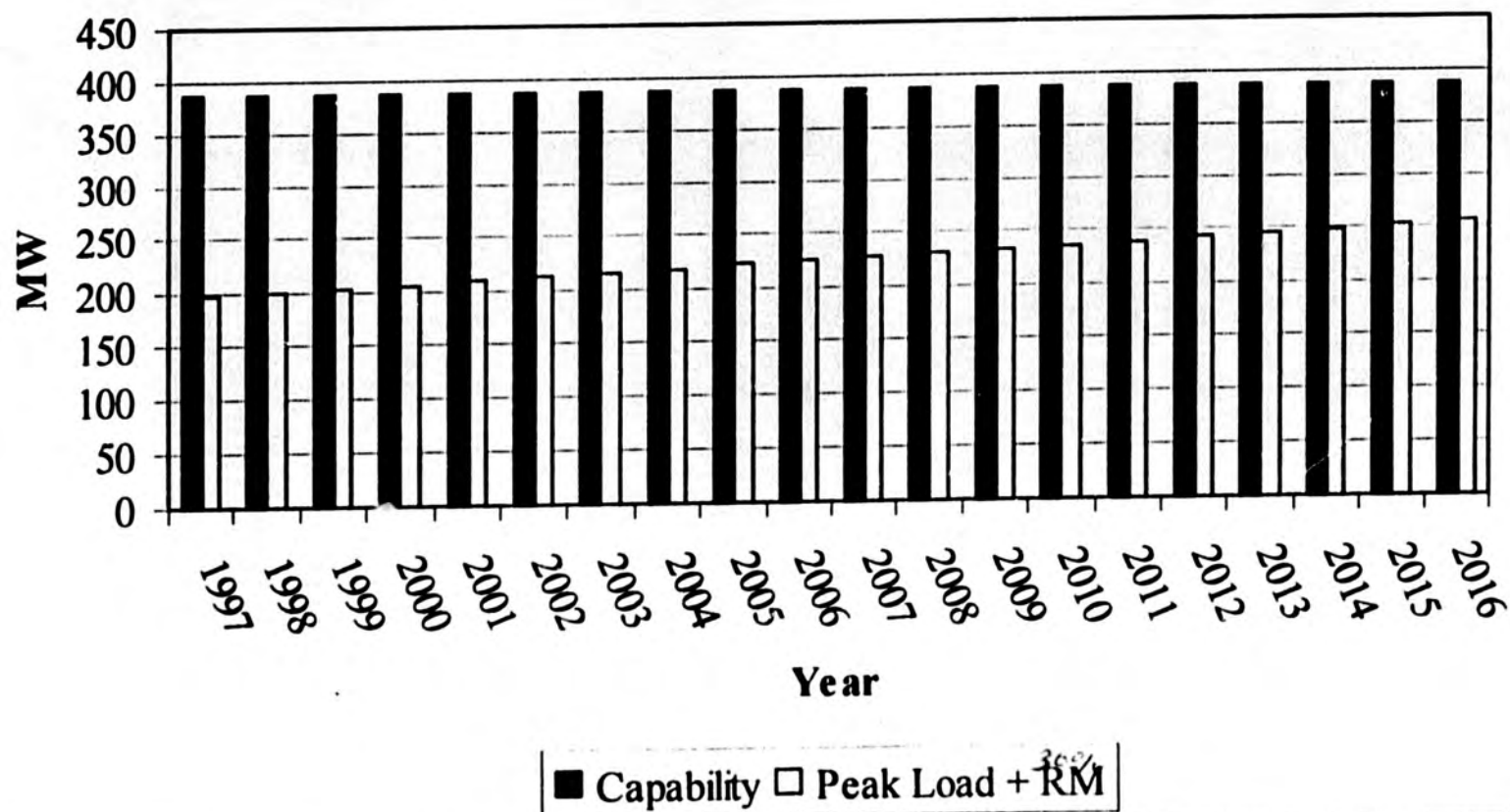


Planned Generation Changes *ML&P*

Scheduled major overhauls will be sufficient for the duration of the planning horizon; thus, no units are retired.



ML&P's Capability versus Peak Load and Reserve Margin Requirements





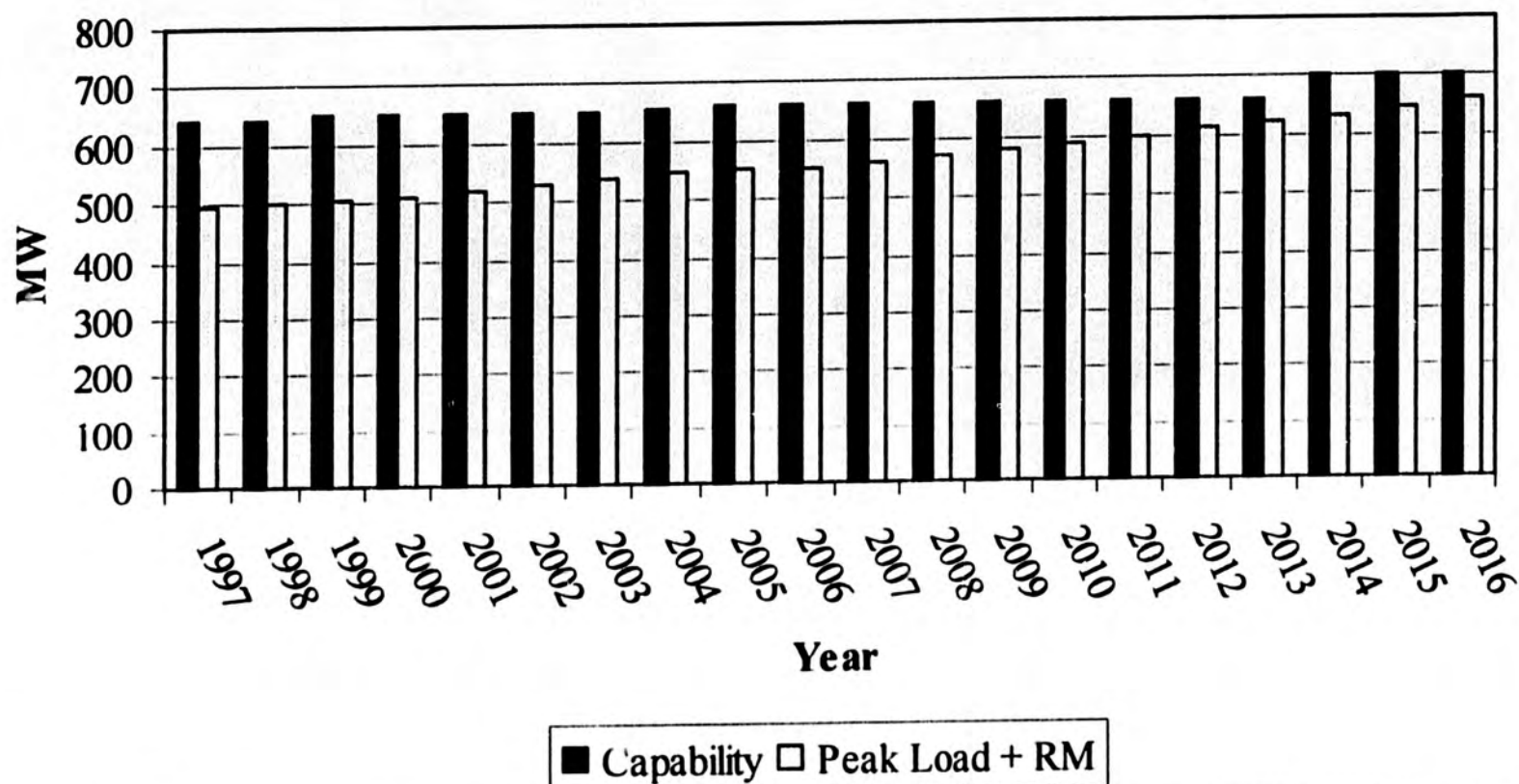
Planned Generation Changes *Chugach*

Beluga Unit 6 and Beluga Unit 7 will be repowered in the 2004-2005 time frame, increasing total winter capacity by 10 MW and improving the heat rate by 6 percent.

Add 2 m6000 Combustion Turbines 2014



Chugach's Capability versus Peak Load and Reserve Margin Requirements





Planned Generation Changes *GVEA*

Retirements:

Zehnder Unit 1 in 2011

Zehnder Unit 2 and Chena Unit 6 in 2012

North Pole Unit 1 in 2016

Additions:

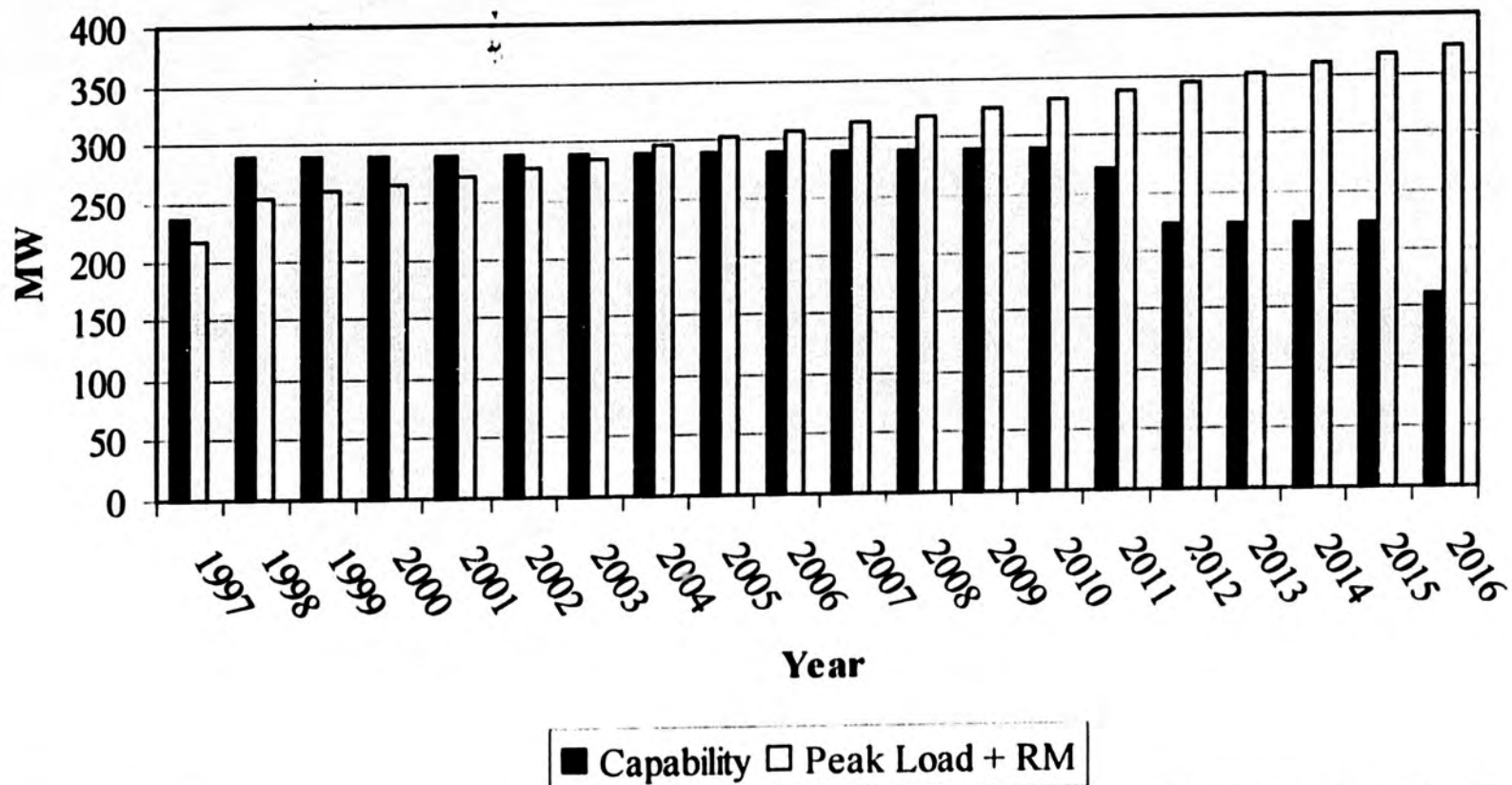
Healy Clean Coal Project

Upgrades:

Healy 1



GVEA's Capability versus Peak Load and Reserve Margin Requirements





Generic Unit Additions

needed to be added in order to meet demand

Individual and Pooled Cases:

GE 7EA SC in 2004 in the Fairbanks area

GE 7EA CC in 2012 in the Fairbanks area

GE 6B SC in 2016 in the Fairbanks area

Joint Case:

GE 7EA SC in 2015 in the Fairbanks area



Savings \$\$\$\$

The savings are calculated on a Cumulative Present Worth Basis assuming:

8.0 percent discount rate

8.5 percent interest during construction

10 percent Fixed Charge Rate (FCR) for Coal Units

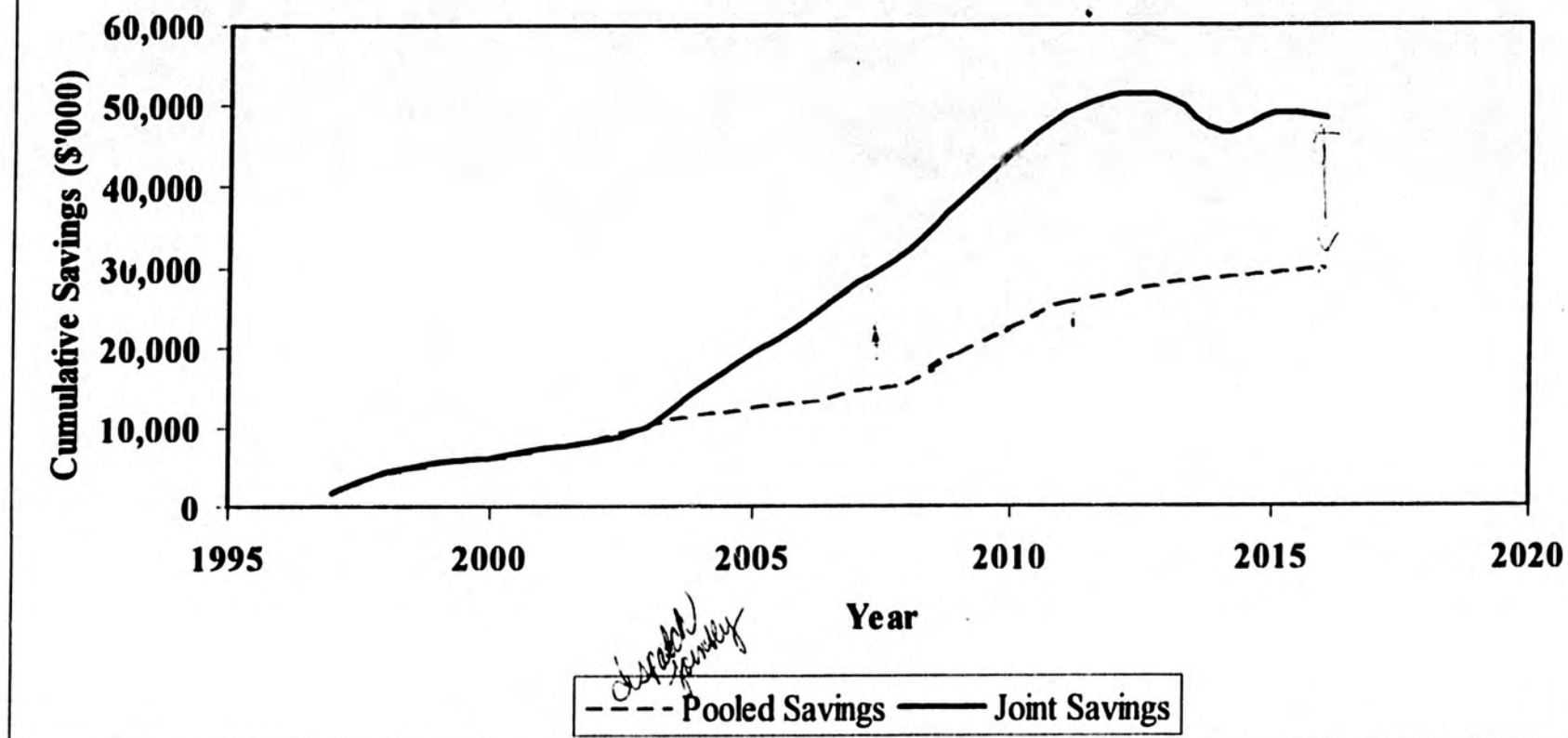
11 percent FCR for CCCT

12 percent FCR for SCCT

*fuel costs
or m "
annual capital charges for new generation
not in plans but in
estimation*



CPWC Savings Between the Pooled Cases and the Individual Case





Other Costs \$\$\$\$

- Implementing a Pool
 - Equipment
 - Staffing
 - Capital
- Renegotiating Existing Contracts that may constrain the establishment of a true power pooling environment.

estimated

*fuel
purchase power
cost?*

*no detailed
study on this*



Estimated Power Pooling Costs

Equipment:	RTU =	210,000
	Meters =	585,000
	Lines =	74,400
	Instrument Transformers =	4,500,000
	Software =	<u>200,000</u>
	Total =	\$5,569,400

	RUO	ISO
SCADA <i>(software)</i>	1,000,000	5,000,000
Control Center	0	1,000,000
Staffing	864,000	1,584,000

Total RUO = \$7,433,400

Total ISO = \$13,153,400

*collect
data
for
pool*

*industrial
system*

% of gross cumulative present worth cost -
distribution cost, trans cost, admin cost



Compared to
individual
utility operators
today.

These #'s probably represent 50%.

Net Potential Savings

Includes trans.
costs to local
center.

Case

money saved from

Production

Railbelt

Independent

Costs

Utility

System

Operator

Operator

(%)

(%)

(%)

Joint Case

3.4

1.7

(0.7)

Pooled Case

2.1

0.5

(1.9)

See p. 18
no cost to
local utility

Includes
establishing
R&D



Recommendations

- Choose RUO or ISO *most common outcome not retail competition*
- Determine the actual cost of implementing that particular arrangement.
- Buy one* ↓- Evaluate which contracts would need to be renegotiated to achieve the real benefits of a pooled environment.
- Resolve any private use restriction issues *from mkt purchase issues, for exempt tenancy - exemption cannot sell to non-ty*
- Re-evaluate the savings.