

Alaska's Energy Report Where We Are Today

Alaska Power Association

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Alaska Village Electric Cooperative

Alaska's Village Population

- ~ 50,000 residents
- Communities smaller than 1,200
- 150+ Communities
- Average population size 350
- 90 – 95% Alaska Native
- Most have summer water access – some don't
- Typical airfare to Anchorage ~\$800

Some AVEC Statistics

53 villages (having just added Kotlik)

45% of Village Alaska Population

40% of total PCE disbursed

Anvik (smallest)	101
Hooper Bay (largest)	1,124
Average population	420
Anchorage	277,498

160+ diesel generators, 48 power plants

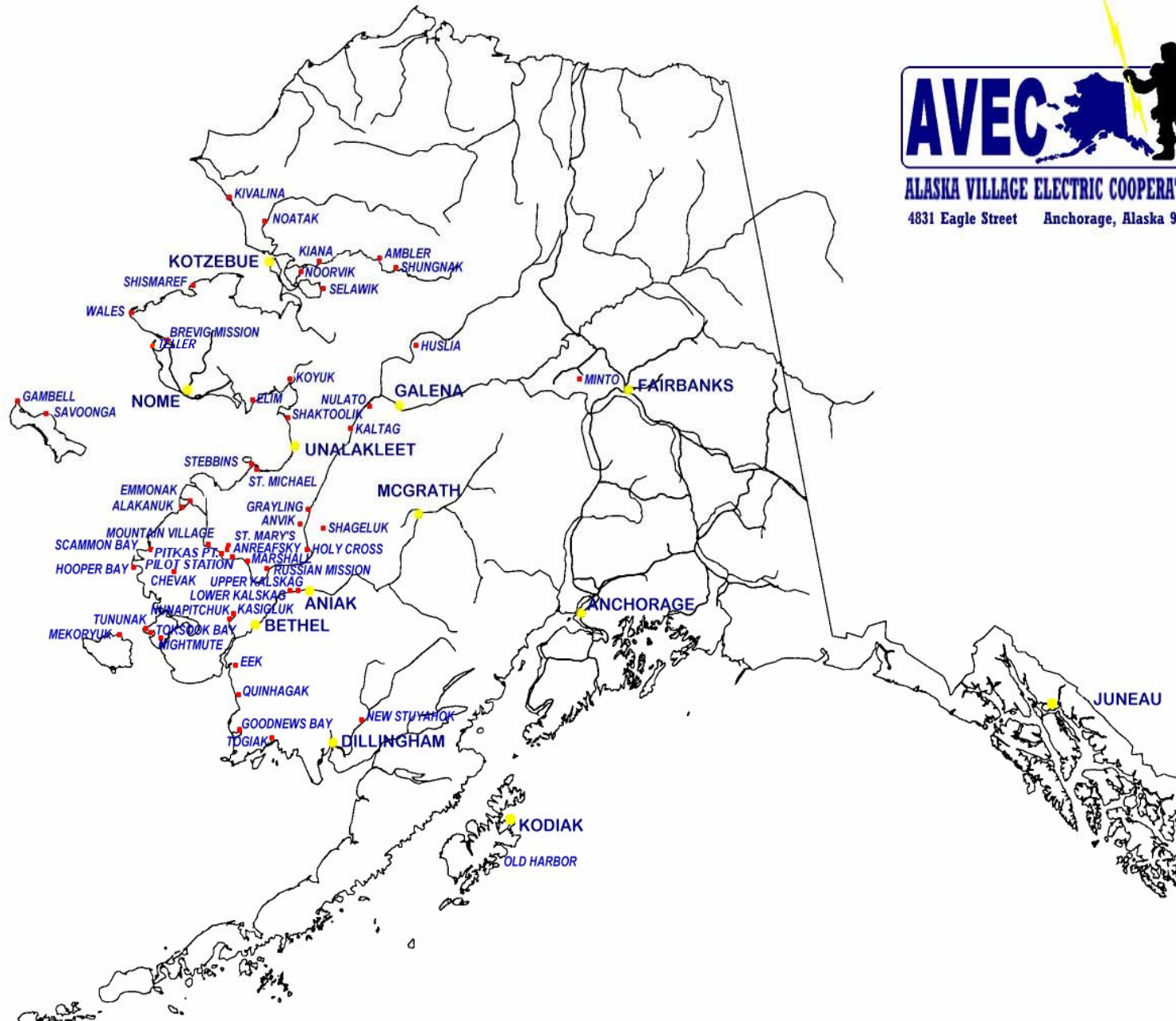
500+ fuel tanks, 5 million gallons fuel burned

7,500 services



ALASKA VILLAGE ELECTRIC COOPERATIVE

4831 Eagle Street Anchorage, Alaska 99507



MAP OF ALASKA VILLAGE ELECTRIC COOPERATIVE VILLAGE

2006 Overview

- 64 million kWh sales
- \$28.9 million revenues
- 45.3¢ - Total revenue per kWh
- 391 kWh - Average residential usage per month
- 49.6¢ - Residential revenue per kWh
- Power Cost Equalization 26% of revenue

AVEC's Invoiced Fuel Cost

• Average 2002	1.29	
• Average 2003	1.47	+.18
• Average 2004	1.98	+.51
• Average 2005	2.26	+.28
• Average 2006	2.92	+.66
• Year to Date 2007	2.92	

Change in last 6 years \$1.63 126%

Our Likely Best Option

Interconnect Villages

- Reduce power plants
- Eliminate tank farms
- Better opportunities for wind integration
- Large generators = better efficiencies
- Fewer employees, in Anchorage and in villages

Conventional AC lines ~\$300,000/mile

Potential DC lines ~\$150,000/mile