

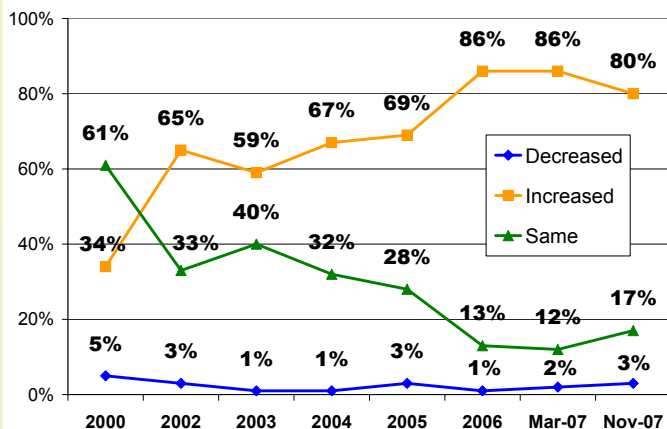
Chugach Members Aware of Higher Costs

Annual survey provides valuable feedback

A recently completed survey shows that Chugach customers have a very positive attitude about their electric cooperative. Chugach received particularly high marks in the areas of reliability, response to outages and customer service.

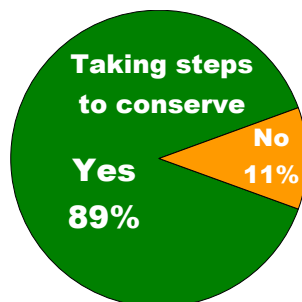
The number of Chugach customers who say they've experienced higher electric bills has decreased from the all-time high in December 2006 through March 2007, as shown on the line graph.

Q. Do you think that over the last two years your electric bill has increased, decreased, or stayed about the same?



The survey indicates that members have become more energy-conscious. Nearly 90 percent of customers report they are taking steps to conserve electricity, up several percentage points from the year before.

Lighting is the area most often targeted to conserve energy. About 70 percent of the members surveyed reported switching to lower-wattage bulbs or turning off lights to save energy.

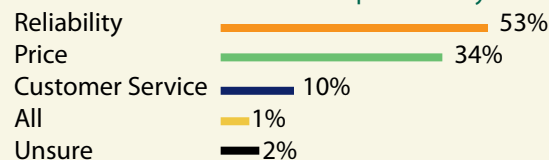


The survey also showed that when it comes to what customers value, price matters. Reliability continues to lead

the list, followed by price and customer service. While that ranking is consistent with prior rankings, members are showing an increasing sensitivity to price.

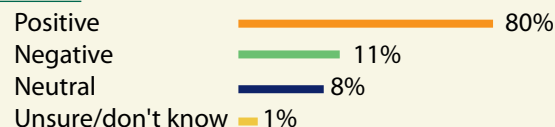
The survey of 301 residential Chugach members was fielded by Dittman Research & Communications in November 2007. For more survey results visit Chugach's Web site at http://www.chugachelectric.com/inside/op-sagenda_010808.html. A few key findings are below.

Q. Price of service, reliability of the service or quality of customer service ... which is most important to you?

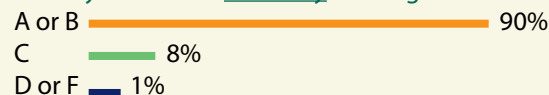


(Note: While this rank order has remained consistent over the years, customers are showing an increasing sensitivity to price as higher natural gas costs have led to higher monthly bills. The average unit price of natural gas paid by Chugach doubled between 2003 and the end of 2006. In the 2003 survey, 29% said price was most important.)

Q. Positive or negative opinion of Chugach Electric Association?



Q. How would you rate the reliability of Chugach service?



Q. What grade would you give Chugach in restoring service after a power outage occurs?



Q. Have you taken any steps to conserve or otherwise lower your use of electricity?



Q. (If "yes") What have you done?



RCA Delays Chugach Request to Lower Rates

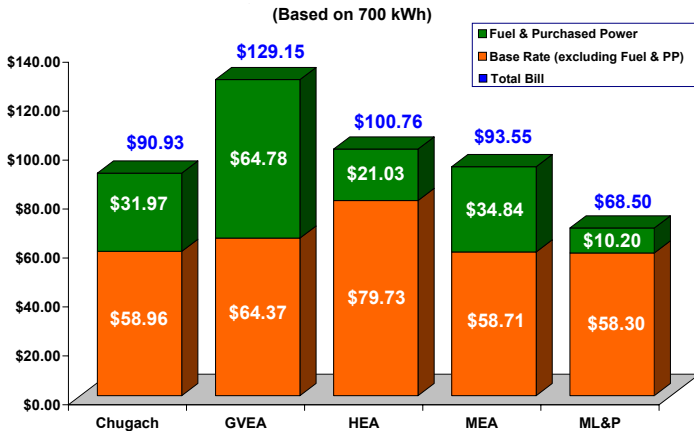
The Regulatory Commission of Alaska has given itself more time to rule on a case brought by Chugach that would lower rates for retail customers. Chugach brought the case in September 2006, seeking to adjust rates for both the generation & transmission and distribution functions so that each fairly recovered their respective expenses. The Commission voted in December to give itself until March 31 to decide the case. The proposed rate changes are on hold pending Commission action.

2008 Meeting and Election Notes

Date of meeting: April 24
 Place: Egan Civic & Convention Center
 Record date: March 12

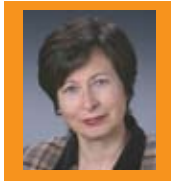
Note: The record date establishes the members eligible to vote. Members may check their authorized signer for their ballot envelopes by calling Member Services at 563-7366.

Monthly Residential Service Costs



The above chart shows the current cost of 700 kWh of residential service for customers of different Railbelt utilities (excluding MOA undergrounding charge). Fuel costs (shown in green) make up a significant portion of the bill.

Your Board at Work



Elizabeth Vazquez
Board Chair

Your Board is charged with the management of the business and the affairs of the Association. Recently the Board:

- Approved changes to Board Policy 119, Contributions, to use funds budgeted for contributions for more direct aid to indigent Chugach members who are disabled or over 65 years of age
- Amended a legal counsel contract to add to the scope of services including reviewing existing and/or proposed Chugach Board policies and making recommendations pertaining to public disclosure
- Amended the Board's communication's advisor contract scope to include recommendations for the Outlet and other public information documents and advice based on public opinion
- Amended a legal counsel contract to include reviewing existing and/or potential Chugach personnel issues
- Set March 12 as the record date for the 2008 Annual Membership Meeting and Election
- Appointed Jim Magowan as Master Election Judge for the 2008 Annual Membership Meeting and Election

Kalenka Earns Director Certification



Chugach Vice Chair Uwe Kalenka recently earned certification in the Credentialed Cooperative Director Program. The director certification program is run by the National Rural Electric Cooperative Association. NRECA is a trade organization that represents more than 900 electric cooperatives across the country.

The program requires utility directors to complete a 5-course, 40-hour program of professional education. The training consists of courses in duties and liabilities, understanding the electric business, board roles, strategic planning and financial decision-making.

Contact us

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

Hours

Main office:
Monday - Friday
8 a.m. - 5 p.m.

Member Services lobby:
5601 Electron Drive
Monday - Friday
8 a.m. - 6 p.m.

Member Services phone:
Monday - Friday
8 a.m. - 9 p.m.

The Chugach Outlet

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

Monthly residential service costs (based on 700 kWh)

Customer charge/month	\$ 8.42
Energy charge \$0.09282 x kwh =	\$64.97
Fuel adjustment \$0.02478 x kwh =	<u>\$17.35</u>
Fuel adjustment effective 1/1/08 -- 03/31/08	
Sub-total	\$90.74
2% MOA Underground Charge =	\$ 1.81
RCC charge \$0.000274 x kwh =	<u>\$ 0.19</u>
Total bill	\$92.74

Personnel policy

"It is a policy of Chugach Electric Association, Inc., to recruit, hire, train, compensate and promote persons without regard to race, color, religion, national origin, sex, marital status, pregnancy, parenthood, disability, veterans status, age or any other classification protected by applicable federal, state, or local law." Chugach is also an affirmative action employer.

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

Corporate vision: Powering Alaska's future