

DOYON UTILITIES TRANSITION UPDATE

February 15, 2008

MILESTONES MET

- FRA Natural Gas distribution system joint fixed asset inventory is complete. This marks the end of the joint fixed asset inventories.
- Depot construction contracts have been awarded to Nenana Lumber. The prefab metal structures have already been ordered and we expect all three depots to be complete by August 15th. Nenana Lumber is an 8(a) Certified, HubZone and Minority Women Owned sub-contractor.
- We reached an agreement with GVEA regarding interconnection locations and conditions to interconnect to their 138kV transmission systems at FWA and FGA to supply power to new substations.
- We met with GVEA and presented them with a mutual aid agreement for their review and comment.
- Frequency pair options for radios were forwarded to all three bases for approval this week. In addition, we have started the process of purchasing radios, receivers and base stations.

WORKING GROUP MEETING

On February 13th and 14th, we participated in a utility privatization working group meeting at Fort Richardson. Along with other topics, some of the key areas of discussion were: Contract mods, permitting, inventory and property issues.



182 Days Until Transition

REGULATORY UPDATE

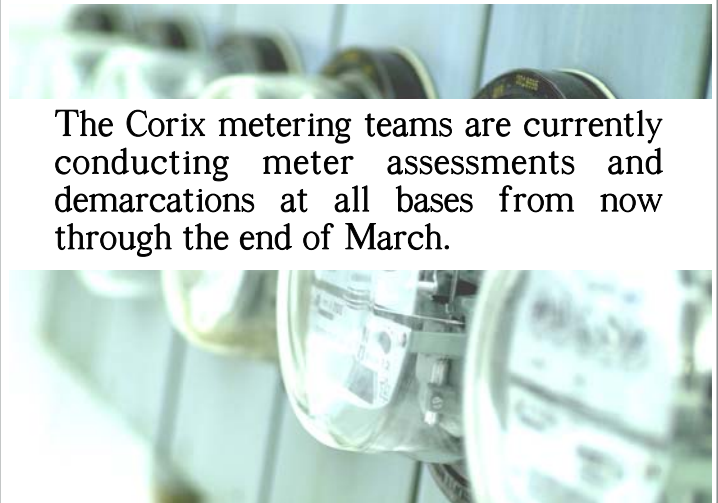
On Wednesday, February 13th Tim Wallis filed 12 Certificate of Public Convenience and Necessity (CPCN) applications, including tariffs, with the RCA. This was done after attending one-on-one meetings with the commissioners and giving a short presentation to the RCA as a whole.

The following people accompanied Tim to the meetings at the RCA:

- Martha Gray, Contracting Officer with the Defense Energy Supply Center in Ft. Belvoir, VA.
- Tim Berg, representing the Directorate of Public Works at Fort Wainwright, AK.
- Suhas Patwardhan, Sr. Vice President with CH Guernsey.
- Jeff Hoppe, Consultant with CH Guernsey.

METERING PROJECT

The Corix metering teams are currently conducting meter assessments and demarcations at all bases from now through the end of March.



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GROWING WORKFORCE

Norman Sather was hired as a Utility Engineer and started work on Monday, February 11th. Norman is a Mining Engineer with extensive background in civil construction and construction management.

Mark Rockwell was also hired as a Utility Engineer and will start work on Wednesday, February 20th. Mark is a Professional Engineer who has been running his own business, Rockwell Engineering.

Mike Lanegan has been hired for the role of Fort Greely Site Manager and will start work on February 25th. Mike comes to us from KAYA where he is currently the Projects Manager at the Missile Defense Agency in Fort Greely.

And finally, we are pleased to announce that **Pat Driscoll** has accepted the role of Director of Technical Services. Pat will start work with Doyon Utilities on March 31st. He brings to us his vast experience as a Professional Engineer in his current role as Utilities Superintendent at Fort Wainwright.

MILESTONES APPROACHING

- We expect to have site specific Health & Safety plans complete sometime during the week of February 18th.



BLACK RAPIDS PICTURES



Above: Black Rapids Generator upgrades will allow all units to run in a synchronized fashion.



Above: The Black Rapids Distribution Switchgear will be expanded and its capacity increased to allow for additional electrical capability at Black Rapids.