

# DOYON UTILITIES TRANSITION UPDATE

February 7, 2008

## MILESTONES MET

- FRA Water/Wastewater joint fixed asset inventory is complete.
- Applications for the depot construction right-of-entry permits were submitted to the Army.
- MOD's I & II are complete and have been submitted to DESC.

Following is a list of the critical MOD's:

### FGA

- \* New Substation.
- \* AAAF helicopter refueling power line extension project.
- \* AAAF helicopter fire suppression refueling project.

### FRA

- \* Standby energy generator project - to include demolition of Building 772.

### FWA

- \* CHP turbine overhaul for TG3 & TG5.

### FGA/FRA/FWA

- \* Meter installation and demarcation changes.

## 190 Days Until Transition

## REGULATORY UPDATE

We have submitted 12 Certificate of Public Convenience and Necessity (CPCN) applications, including tariffs, to Guernsey/Army for review.

We will file the applications with the Regulatory Commission of Alaska (RCA) on Wednesday, February 13th. The following individuals will be visiting the RCA for meetings and to file the applications:

- Tim Wallis, Vice President and Chairman of the Board of Doyon Utilities.
- Jeff Hoppe, Sr. Consultant at Guernsey.
- Martha Gray, Division Chief/Contracting Officer with the Defense Energy Supply Center.

The schedule for the 2/13/08 RCA visit is as follows:

- **9:00 am** (tent.) - Meet & Greet with Commissioners.
- **10:30 am** - Tim Wallis will give a brief presentation to the RCA at their monthly public meeting.
- Immediately following public meeting - Tim Wallis will officially file the CPCN applications.



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## FINANCIAL SYSTEM

Doyon Utilities has selected the Microsoft Dynamics Navision system as their Accounting and Enterprise Resource Planning software system. Implementing the software will establish a solid foundation for the current and future needs of the company.

The software system will be implemented in two phases. February 4<sup>th</sup> marked the kick-off of Phase I, which is targeted to conclude in early April 2008. Phase II is expected to be complete in August 2008.

The Scope of Phase I includes:

- General Ledger
- Purchasing
- Cash Management
- Payroll
- Jobs/Resources
- Inventory Control.

## MILESTONES APPROACHING

- A working group meeting will be held at FRA, on February 12, to discuss utility privatization issues, milestones, and contract modifications.
- We are still receiving input on our Standards of Construction and Points of Demarcation guidelines and are incorporating them all into one working document.
- We expect to have site specific Health & Safety plans complete sometime during the week of February 18th.
- A team has been reviewing the proposals for Depot construction on all three bases. They are very close to coming to a decision and expect to award the contracts during the week of February 11th.

