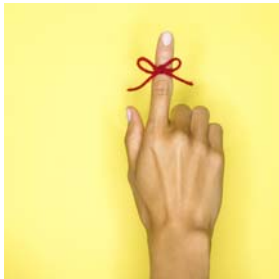


DOYON UTILITIES TRANSITION UPDATE

August 8, 2008

Fort Greely

- The labor contract for construction of Feeder 9, Phase I was awarded to NORCON; the contract is valued at \$ 1,332,000.
- Construction of the 138 kV tie was slowed due to poor weather conditions but we anticipate initial construction to be complete next week. We are still on schedule to tie into GVEA and energize during the planned outage on August 16th.
- Replacement of the Black Rapids 125 kV generator started on August 5th and is expected to be complete for testing on August 11th.
- We held a pre-construction meeting with NORCON and the Army to kick-off the construction of feeder 5.



Don't forget to attend the Transition Ceremonies next week. We hope to see you there.

7 Days Until Transition

Fort Richardson

- The substation testing was complete on August 6th. It was then energized and yesterday we began transferring the load from the old system to the new substation. We expect to have approximately 35% of the load on the new substation today.
- The Wastewater master meter has been installed and is functioning; this meter was installed to measure the flows into Elmendorf.
- We will begin to install the water master meter next week; this meter is also measuring the flows into Elmendorf.
- The Operations Depot is nearly complete; floors are in and the kitchen is being installed.

Picture to right: A new Backhoe is loaded up last week at FWA for delivery to FGA. We have been busy over the last few weeks transporting vehicles to their new homes.



DOYON UTILITIES TRANSITION UPDATE

August 8, 2008

Fort Wainwright

- The Operations Depot is nearly complete. Last minute trim work is being finished and the kitchen is in (see picture below). The fencing around the depot is in and a crew is standing by, for a break in this unusually rainy weather, to pave.
- The communications loop that will connect the CHPP, Water Plant and Depot is complete. This will not only allow for communications between the three locations but will improve our entire communications system, including a soon-to-be installed, state of the art, SCADA system.



Kitchen at FWA Depot

Next Edition...

We will not be publishing the Transition Update next week due to the transition ceremonies on Wednesday, Thursday and Friday. We will send out the next update on Friday, August 22nd.



Photo above: A team of technicians conducts the phased array ultrasonic testing on the FWA CHPP Turbine #5 rotor.

Staffing

- Charlie Davenport has accepted the position of Assistant Site Manager at Fort Wainwright. Charlie is currently employed with the Army as the Maintenance & Mechanical Supervisor and we are lucky to have him on our team.



- We have most positions at each of the posts filled at this point. Following is an update:

FGA - All positions, with the exception of one lineman role, have been filled.

FWA - All utility worker positions have been filled. We are continuing to interview for a limited number of remaining positions at the CHPP.

FRA - There are only four positions remaining to be filled; interviews are taking place today and tomorrow to fill it.