

**Alaska Energy Cost Reduction Program
Progress Report**

Grantee: Alaska Power Company (a/k/a Alaska Power and Telephone Company)

Project Name: APC Automated Controls Project

Grant # 2195136

Period of Report: Fourth Quarter 2004

Project activities completed: The new switchgear and switchboard assemblies have been installed and connected at the Hydaburg plant.

Thorne Bay design has been refined. Material quotes have been received and are undergoing engineering review.

Coffman Cove power plant revisions are part of the bimonthly engineering discussions.

Project existing or potential problems: No problems exist to date. All material is within budgeted amounts.

Activities targeted for Next Reporting Period, First Quarter 2005: It is anticipated that orders will be released for 480 volt switchgear and a generator control switchboard for Thorne Bay with delivery late spring.