

MEMORANDUM



To	<u>Brent Petrie</u>	Date	<u>January 5, 2004</u>
Company	<u>Alaska Village Electric Cooperative, Inc.</u>	Project	<u>Tank Farm and Power Upgrades</u>
From	<u>Ben Momblow</u>	Location	<u>Toksook Bay</u>
Subject	<u>Monthly progress report</u>	Project No.	<u>CEI # 03513</u>

Brent-

The following is a brief summary of activity that has occurred on this project in December 2003:

95% & 100% Design Phase - Amalgamated Bulk Fuel

1. The 95% design submittal was made on December 16th. The majority of review comments were received on December 19th and the review meeting was held at AVEC's office on December 22nd. A written response to all review comments is being prepared and will likely be issued by January 9.

2. Several review comments have resulted in additional design effort that was not foreseen at the time of our original proposal. Reworking the dike details, site grading, heat recovery, and an additional site visit are all unforeseen efforts that need to be made before the 100% design submittal.

The additional site visit will be made by one Coffman representative to verify/confirm the location of heat recovery equipment in the end user's building. This site visit will be made in conjunction with Dan Boccia of ANTHC.

Based upon the amount of our existing contract, we currently do not think that there is a risk of exceeding our contract amount. We will continue to monitor our budget and notify you as we approach the amount of the contract.

3. We are currently creating a list of all outstanding issues and questions that need to be resolved by AVEC prior to the 100% design submittal.

4. The 100% design submittal is scheduled to occur January 19, 2004.

Feel free to contact me if you have any questions, or if you would like more information on the activity that took place in December 2003. Thanks,