

**Alaska Energy Cost Reduction Program  
Progress Report**

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

**Project Name:** APC Skagway Line Extension Program

**Grant # 2195137**

**Period of Report:** Third Quarter Report 2004 (July 1 to September. 30, 2004)

**Project existing or potential problems:**

Alaska Power & Telephone continues to monitor State Department of Transportation road improvements while deferring installation of section #2, 9000 ft of underground. With the AKDOT project still not complete and no timetable for conclusion, analysis continues of installing the line overhead.

Communications from the Southeast Alaska Regional Director of DOT/PF has given us the assurance that plans are on schedule for the safety improvements along Dyea Road, some of which is in the construction zone for this part on the extension.

**Activities targeted for Next Reporting Period, Fourth Quarter 2004:**

Continuing options review to avoid impacts to the line extension work. Overhead conductor installation review is the focus. State electrical inspector consultation is anticipated and pending review.

Maintain and repair existing remote diesel generators feeding the residential and business community of Dyea. Develop continuing maintenance records and performance data.

Read consumption and generation Kilo-watt-hour meters in the existing customer base listed above. Calculate peak demands, average loads, generation efficiency, line loss, fuel requirements, and lube oil requirement lists.

**ALASKA POWER & TELEPHONE COMPANY**

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**RECEIVED**  
OCT 25 2004

AIDEA/AEA

Peter Crimp, Project Manager  
Alaska Energy Authority  
813 W. Northern Lights Blvd.  
Anchorage, AK 99503

October 21, 2004

Dear Peter,

Enclosed is Alaska Power Company's invoice for the Skagway Line Extension Project, Grant # 2195137. The documents include:

- Invoice No. APC-POW/SKG/DYEA #13 \$1526.80
- Financial Report
- Project Progress Report
- APC Project Detail Cost Reports with attached:
  - Copies of Timesheet for Direct Payroll
  - Copies of Invoices for Direct Costs

AP&T has suspended construction on this project until the Alaska Department of Transportation completes its road project. As such, the majority of current expenses cover engineering design and administration. With no major construction in progress, I have not submitted photos at this time.

Every effort has been made to provide the necessary information. Please contact me if questions arise or if additional information is required.

Sincerely,



Karl B. Wood  
Senior Accountant  
Regulatory Affairs