

Alaska Energy Cost Reduction Program Progress Report

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

Project Name: APC Mergers and Consolidation Project, Prince of Wales Island
(POW Upgrades)

Grant # 0073-DC-2002-I26

Period of Report: October 1, 2003 through December 31, 2003

Project activities completed:

The Klawock Over Current Protection (OCP) has been completed and implemented in July of 2003

The Kasaan Switchgear upgrade has been completed in 2002

The removal of abandoned TV cable in Klawock and Thorne Bay has been completed in 2002

The insulation of the power plant building in Kasaan has been completed in 2002

Completed installing Raptor protection on Harbor View Drive in 2002

Replacement of undersized poles from Klawock to the POW Hatchery was completed in March of 2003.

Three phase power extensions to three customers were completed in 2002

Project existing or potential problems:

Problem exists with Klawock property owner and necessary row permissions to complete the Anchorage Ave re-route. We are working with DOT on this dispute over a potential native allotment issue.

Activities targeted for Next Reporting Period, January 1 thru March 31, 2004:

Continue with replacement of deteriorated and undersized poles in Klawock. There are only four poles remaining to transfer wires off of. We expect to complete this work no later than the end of March 2004. This work was delayed while we were completing the Intertie to Hollis, AK.

Resolve customer row problems and complete Anchorage Ave re-route by March 31, 2004.

Continue with design and replacement of Thorne Bay Substation. Actual work is on hold until we complete the replacement of the 480-volt overhead distribution system.

Transformers will be ordered in February. There is a 16 week delivery time.

We are scheduled to complete the replacement of the 480-volt overhead distribution system by the end of March 2004. We are currently working with the USFS on permission to

replace their portion of primary underground service at the same time we are performing this work.

Continue with design on replacement of 480-volt breakers with 4.16 kV OCRs. This work is also on hold until we complete the 480-volt distribution replacement.

Removal of abandoned TV cable and NESC violations will be worked on in 2004 as time allows.