

SEWARD ELECTRIC UTILITY

The City of Seward Electric Department serves approximately 2337 customers (1849 Residential; 402 Small General; 84 Large General and 2 Industrial) on a 2003 operating budget of approximately \$6.1 Million in expenses and \$7.1 million in revenue, with an office staff of three (including the manager), and a normal crew size of four.

We purchase our power from Chugach Electric at an average wholesale rate of approximately 4.15 cents/kwh. For each month, our average purchased kwh are; 4,934,529, the average demand is 8637 KW (9540 Peak); and our average monthly CEA billing is \$204,615.47. The Average monthly revenue for the City in the last twelve months was \$531,417.33.

Our 115KV transmission line delivering this power from CEA originates at Daves Creek Substation (located 5 miles west of the Homer/Seward "Y"), and is metered at that point. The transmission voltage is stepped down from 115KV to 69KV at our Lawing Substation and continues on to Seward at that voltage. The transmission line serves two substation in Seward (Spring Creek Sub. in the SMIC area, and Ft. Raymond Sub. just behind the Army Rec. Camp) where it is stepped down to 12.47 KV distribution voltage. Five 12.5 KV feeders out of Ft. Raymond Substation serve most of the City and the surrounding areas and three 12.5 KV feeders out of Spring Creek Substation serve the SMIC area and the Prison. The Lawing Substation has one 25 KV feeder which extends from mile 25 to mile 18 (north side of Snow River).

Emergency power is available during times of transmission line failure from six diesel generators located in Ft. Raymond Substation with a total capacity of approximately 12 Megawatts (MW). The total demand of our system is approximately 9.6 MW. In the event of an interruption of our bulk power from CEA, we are usually able to come on line and restore power to the City within 45 minutes to one hour.

Our Residential rate is 8.62 cents/kwh and the Small General rate is about 10.0

cents/kwh. Large General and Industrial customers rates vary according to their demand charge and their "load factor", which is the relationship between demand and kwh's. In addition to these rates there are "customer charges" for each account (\$15 for residential and \$30 for commercial accounts), and "fuel surcharge" expenses which are added to each bill.

Facilities for the electric operation are quite small. The crew facilities, tools, one line truck, and material, are crammed into the north portion of the Public Works Department Shop. Most transformers, wire and other material necessary for the operation of the utility is stored in the PWD yard. Some material is stored at the Parks and Recreation Departments' warehouse. A pole yard is located at mile 3.5 on the Seward Highway.

Operating equipment line facilities, substations, and tools are generally in good shape and are properly maintained.

The Electric operation is an enterprise fund and management is always aware of the responsibility to Council, residents of the City, and ratepayer's to provide good service at a reasonable cost with an adequate return on capital investment.