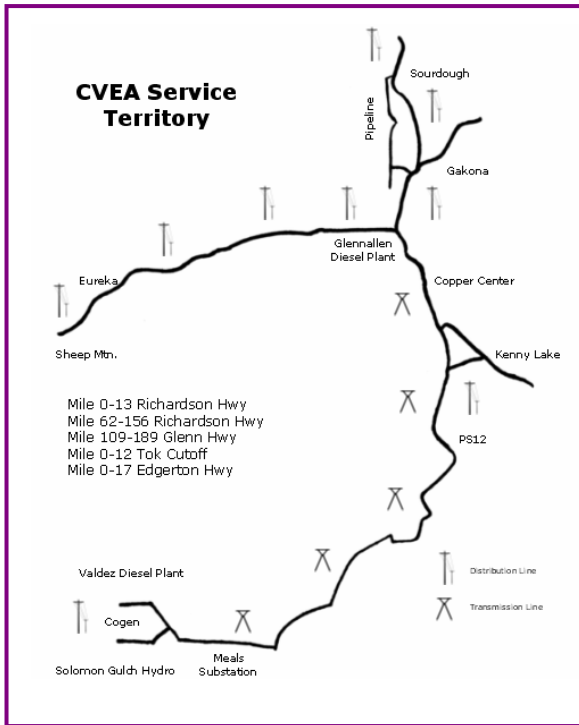


Facilities

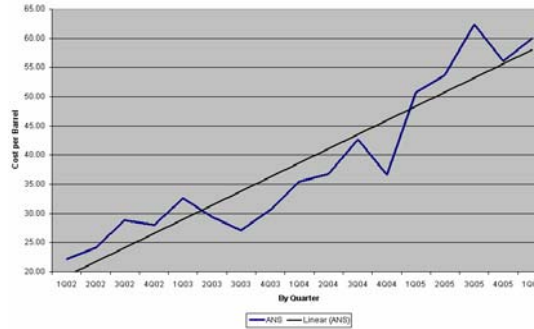
- Service over 3,600 customers 260 miles along major highways including the Richardson, Glenn and Edgerton
- Over 500 miles of Distribution Line and Transmission Line
- Eight substations
- Four generating facilities
- 34 megawatts of generating capacity
- SCADA system with remote control of all generating plants from one main station
- Density of 9 customers per mile



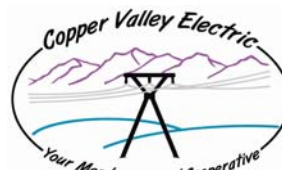
Include CVEA in Fuel Cost Solution

Over 3,600 CVEA customer/owners are negatively impacted by high oil costs.

Cost of ANS Crude Oil



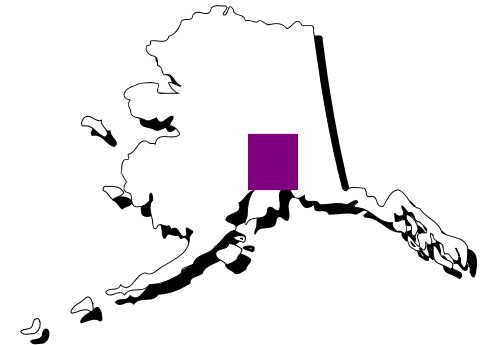
CVEA does not participate in the Power Cost Equalization program.



Robert A. Wilkinson, CEO
 Tom Kuckertz, Board President
 P.O. Box 45, Glennallen, AK 99588
 Phone: 907-822-3211
 Fax: 907-822-5586
 e-mail: wilkinson@cvea.org
 Web: www.cvea.org

Copper Valley Electric Association, Inc.

2006



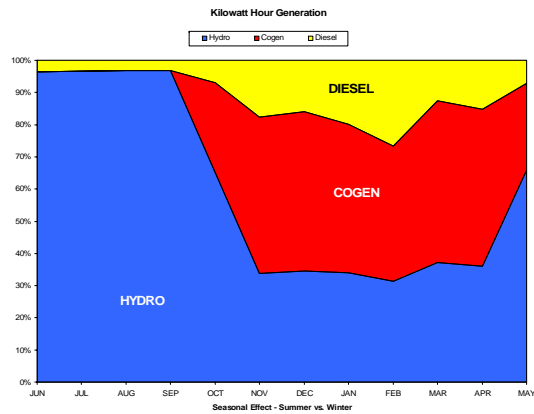
A cooperative providing central station electric service to over 3,600 business and residential customers within the Copper River Basin and Valdez regions of the state



How CVEA Produces Power

Diverse power generation capabilities result in lower costs and increased reliability for our consumers. The four generating facilities and their contribution to system energy requirements are:

- Solomon Gulch Hydro - 60%
- Cogeneration Plant - 30%
- Glennallen Diesel Plant - 10%
- Valdez Diesel Plant – Standby

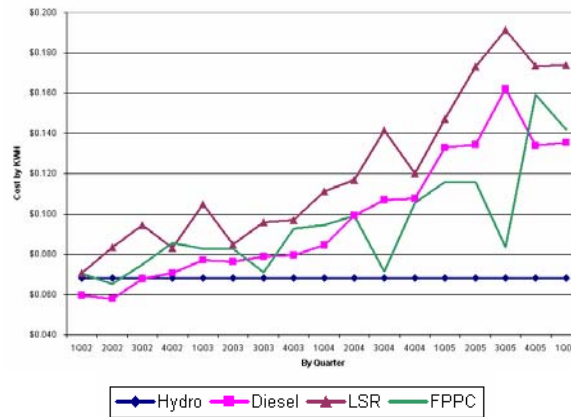


CVEA produces electricity at all four power plants subject to seasonal and contractual requirements. During the summer season the Solomon Gulch Hydro Project carries the entire system. **During the winter months as much as 70% of system requirements is generated with fuel.**

Negative Impacts of High Oil Prices on Electric Bills

Fuel and purchased power cost increased 90% in October 2005 from 8.34¢ to 15.93¢ per kilowatt hour.

CVEA Cost of Energy



The above graph illustrates the increase in cost of fuel burned in the diesel and cogeneration plants.

CVEA does not participate in the Power Cost Equalization program.

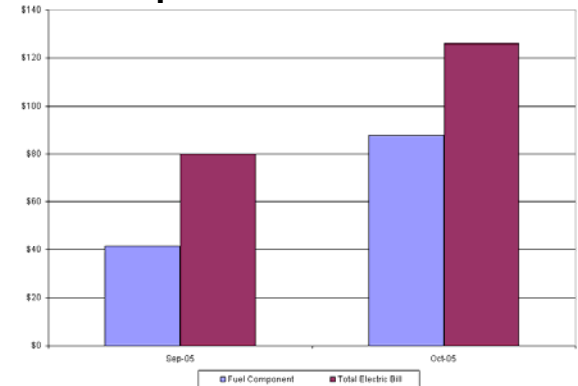
Our Mission

To provide exceptional customer service through safe, reliable, cost-effective electric service and programs.

As a nonprofit utility providing power at cost, high electric rates are a significant concern to Copper Valley Electric's member owners.

CVEA is locally regulated by the Board of Directors using the rules and regulations set forth in its tariff.

Impact on Consumers



The chart above shows the increase in an average residential account consuming 500 kilowatt-hours.

The FPPC component of residential bills increased from 49% in 2002 to 68% in October 2005.