



May 7, 2008

Office of the Governor
Sarah Palin, Governor
P.O. Box 110001
Juneau, AK 99811-0001

Dear Governor Palin:

Alaska's energy issues certainly seem to be in the forefront of most conversations these days. Gas over \$4, monthly home heating bills approaching \$1,000, and electricity bills continually going up with the price of oil is creating quite a hardship in our region.

CVEA, our local co-op, has been working to do something about the crisis caused by high oil prices. Page 38 of the capital budget includes four projects to assist the effort which we hope you will support.

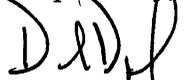
One project is \$2 million to match federal DOE money already in hand for a Glennallen plant upgrade. This project is necessary for reliability purposes in the event we experience a snow slide in Thompson Pass (not unlike Juneau).

A second project is money to permit a new hydro project at Allison Lake which would significantly reduce the amount of fuel CVEA currently consumes to generate electricity.

In addition, the budget includes money to replace a critical piece of equipment in the Valdez Substation and for reimbursement of costs incurred on a project authorized and partially funded by the 1993 Legislature.

Governor, as a company whose service area is approximately the same as CVEA's, I can see the benefit that these projects will have to the region. I ask that you please support CVEA, Valdez and the Copper Basin ratepayers by approving these projects. Thank you.

Respectfully,


David Dengel
CEO/GM

Copper Valley Telephone Cooperative