



Chelan County PUD Networks 2006 Update



Feb. 27, 2006

www.chelanpud.org/fiber

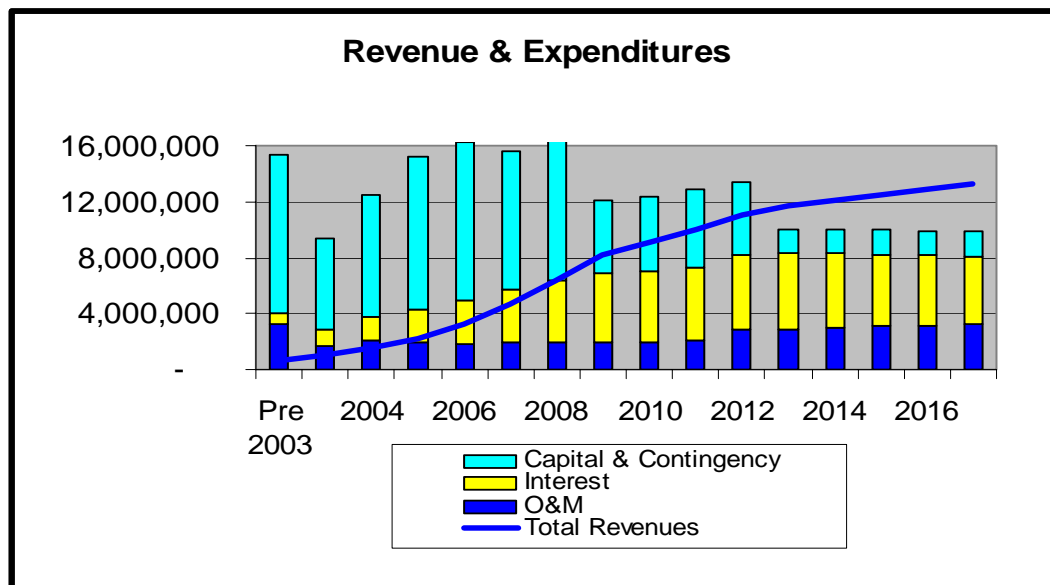
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Business Plan

▼ Key financial milestones

- Revenues of \$11 million in 2012
- Maximum debt projected to be \$94 million in 2012
- Revenues exceed O&M, Interest and Capital expenses in 2013 (Cash flow positive)
- Total system payback in 2029



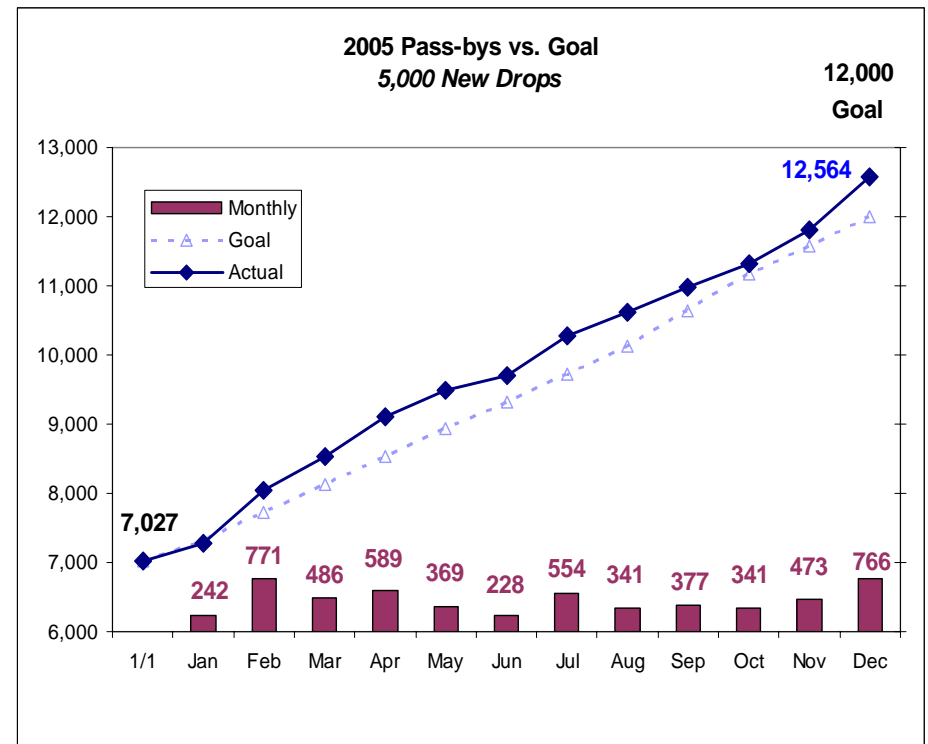
2005 Results

▼ Revenue

- Total 05' Revenue – \$2.3 million (\$1.1 million external)
- Average Wholesale Revenue/End-User - \$26 (Traditional services)
- Average Wholesale Revenue/End-User - \$29 (All external services)

▼ Connections by Service

- Total End-Users – 3,043
- Internet – 2,665
- Phone lines – 3,364
- Video – 323
- Large Business - 160



2006 Budget

▼ Strategy

- Focus on OSP innovations
- Target difficult build areas

▼ Goals

- Pass 6,400 additional homes/business
- Total new end-users – 2,000 (5,043 Total)
 - Internet – 1,900 (4,565 Total)
 - Telephone lines – 2,400 (5,764 Total)
 - Cable TV – 2,000 (2,323 Total)
 - Large Business – 25 (185 Total)
- Generate \$3.1M in revenue



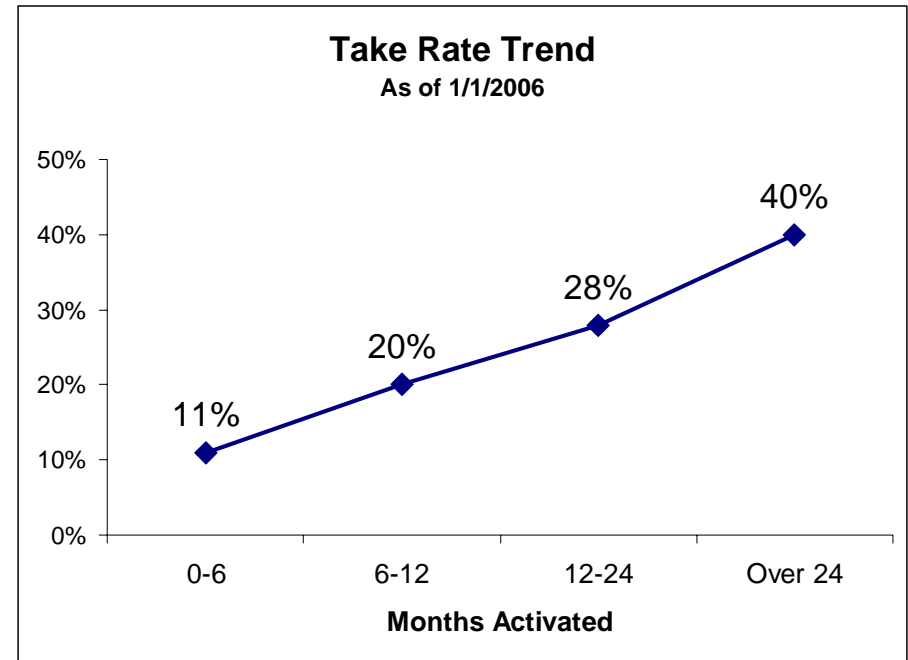
Key Assumptions

Take Rates (as of 2/15/06)

	FTTP Deployments Nationwide	CCPUD Business Plan	Actual to Date
Video	34%	4%	4%*
Internet	30%	26%	24%
Telephone	26%	15%	16%

*Video roll out - 12/1/05

- Take rates increase over time
- Word of mouth spreads demand



Questions or Comments?

See <http://www.chelanpud.org/fiber> for more information