



GOLDEN VALLEY ELECTRIC ASSOCIATION INC. PO Box 71249 • Fairbanks, Alaska 99707-1249 • 907-452-1151 • www.gvea.com

**RESOLUTION
SIMPLIFIED RATE FILING & RATE INCREASE**

WHEREAS, Golden Valley Electric Association, Inc. ("Association") is an electric cooperative eligible to use the simplified rate filing procedures pursuant to AS 42.05.381(e) and 3 AAC 48.700 *et seq.*; and

WHEREAS, since the last rate case filed with the RCA, the Association has experienced significant increases in the costs of its operations without corresponding increases in revenues, and

WHEREAS, the increase in operating costs without a corresponding increase in revenues significantly reduces the Association's operating margins and impairs its financial ratios, and

WHEREAS, the Association is required by its lenders to maintain certain levels of operating margins and financial ratios, and

WHEREAS, the Association's financial forecast projects a need for a rate increase, and

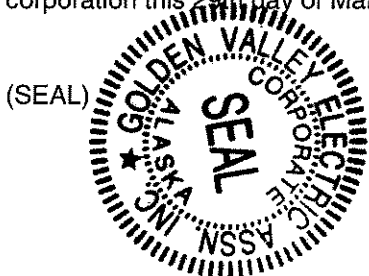
WHEREAS, the utilization of a simplified rate filing process that will allow for any needed rate adjustments on a semi-annual basis will provide the Association with the ability to more timely respond to its lender requirements.

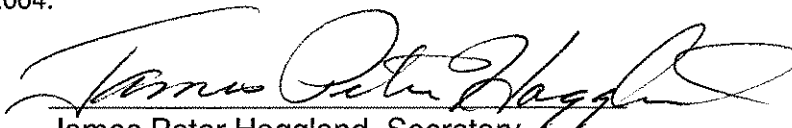
BE IT HEREBY RESOLVED, that the Association adopt the simplified rate filing process as the method for rate adjustments that comply with the requirements of 3 AAC 48.700 *et seq.*, and that the Association seek a rate adjustment necessary to maintain a sound financial position, with a target TIER of 1.75.

CERTIFICATION

I, James Peter Haggland, do hereby certify that I am the Secretary of Golden Valley Electric Association, Inc., an electric non-profit cooperative membership corporation organized and existing under the laws of the State of Alaska; that the foregoing is a complete and correct copy of a resolution adopted at a meeting of the Board of Directors of this corporation, duly and properly called and held on the 29th day of March, 2004; that a quorum was present at the meeting; that the resolution is set forth in the minutes of the meeting and has not been rescheduled or modified.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the corporation this 29th day of March, 2004.




James Peter Haggland, Secretary