

Studies underway for renewable energy projects

Good progress is being made on two utility-scale renewable projects that could be a part of Chugach's future generation portfolio. Chugach issued a request for proposals seeking projects that could provide at least 100,000 megawatt hours (MWh) of renewable energy per year. Two leading projects were selected to study, and Chugach is performing detailed interconnection, regulation, and integration studies for both. The interconnection



A meteorological station for the Midnight Solar project collecting solar performance data.

studies, now completed, examine the impacts of connecting the project to the power grid; regulation studies analyze how Chugach can balance the variable power from the renewable projects; and integration studies look at the economic impacts to the system. The projects individually could produce about two to four times the energy goal.

The projects are:

- Little Mount Susitna Wind (Alaska Renewables) 122 megawatts (MW), west of Mount Susitna
- Midnight Solar (Ranger Power) 120 MW, near Point MacKenzie

For reference, Fire Island Wind is 18 MW. The studies are expected to be completed by the end of the year. If either or both projects are determined to be feasible and cost-effective, Chugach will pursue approval from the Board of Directors and Regulatory Commission of Alaska for power purchase agreements.

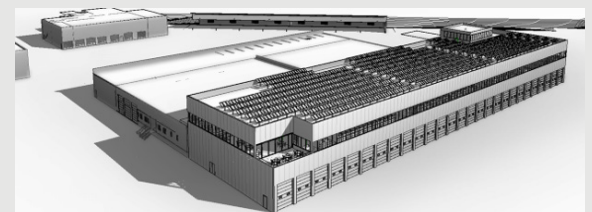
Chugach is also looking at a potential community solar project on land it owns near 94th and the Old Seward Highway. Preliminary design and economic evaluation of the 500-kW project are expected to be completed in September.

One Campus Plan

Chugach is continuing efforts to combine the operations of its assets and those of the former Municipal Light & Power (ML&P) electric utility. In December 2022, Chugach's Board of Directors approved the One Campus Plan which will bring employees from the former ML&P site, currently called North Campus, to Chugach's South Campus on Electron Drive.

The move is expected to provide significant savings from consolidating headquarters, warehouses, buildings, and other facilities as well as operational savings from combining generation, transmission, distribution, and customer-related functions. Initial analysis of the plan identified potential savings of more than \$31 million over a 20-year period. {1226237}

Having the employees on one campus will increase workforce productivity and collaboration and improve the utility's overall safety, reliability, and security. The plan includes a new building on the South Campus which is anticipated to have a 165 kW solar installation. The construction efforts and office relocations should be complete by the end of 2025.



Plans for the new building include solar panels.

4 KEY FACTORS That Impact Energy Bills

You pay for the electricity you consume each month, but there are additional factors that impact your energy bills.



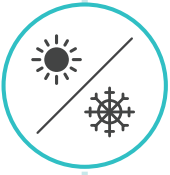
Fuel Costs

Before electricity can be delivered to your home, it must first be generated at a power plant or from a renewable source. The cost of fuels used to generate electricity fluctuates, which is why you see a power or fuel charge on your monthly bill. This monthly charge covers cost fluctuations without having to continually restructure electricity rates.



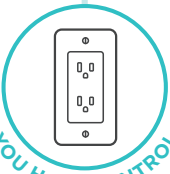
Service Costs

Your bill includes a monthly service charge, which recovers part of the co-op's ongoing investments in poles, wire, meters, system maintenance and additional costs necessary to provide electric service.



Weather

When temperatures soar or dip, your cooling or heating equipment must run longer and at maximum capacity, which can greatly increase your energy use. Extreme temperatures can also affect electricity market prices. When the need for electricity increases due to extreme heat or cold, the price of power typically rises.



YOU HAVE CONTROL

Energy Consumption

This is the amount of electricity you use each month to power your home's cooling/heating system, appliances, lighting, electronics and more. The amount of electricity you consume is measured in kilowatt-hours, or kWh. You have control over how much energy you use, which can ultimately help manage your monthly costs.

Board meets with Native Village of Eklutna Tribal Council



The Chugach Board of Directors welcomed members of the Native Village of Eklutna Tribal Council for a special board meeting in June. The discussion centered around the Eklutna Hydroelectric Project and current study efforts analyzing how to return water to the Eklutna River. More information on the project is available at www.eklutnahydro.com.

In the community

CEO Arthur Miller provided an update on the challenges and opportunities facing Chugach and the Railbelt utilities at the Anchorage Chamber of Commerce's Make It Monday Forum on June 26.



CHUGACH EMPLOYEE SPOTLIGHT



Name: Sandra Cacy
Position: Executive Assistant
Time at Chugach: 1 year

Sandra enjoys working with amazing people who are willing to help out or answer questions. She says her job is a fun challenge because it is non-stop, but also is a lot to juggle each day.

From Engineering to Operations to Member Services, all of Chugach's roughly 460 employees live and work in Alaska.

Each month we will introduce you to one of our employees who works every day to provide safe, reliable power to our members.

Green Corner Reducing our carbon footprint

You can lower your water heating costs by using less hot water at home. To save energy (and money), repair any leaky faucets, install low-flow fixtures and insulate accessible hot water lines. When it's time to buy a new washing machine or dishwasher, look for models that are ENERGY STAR®-certified.



The Outlet

A Publication of Chugach Electric Association, Inc.
5601 Electron Drive · P.O. Box 196300
Anchorage, Alaska 99519-6300
(907) 563-7494 or Toll free (800) 478-7494
www.chugachelectric.com

Member number hide-n-seek

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