

Chugach system battered by December weather

Thousands of customers out from repeated Pacific storms

An unusual series of Pacific storms that swept north in December caused significant damage to the Chugach system and left thousands of customers without power.

According to the National Weather Service, a persistent ridge of high pressure in the North Pacific Ocean turned storm systems toward Alaska that normally would have gone to the west coast of the Lower 48. While that's not uncommon during an Alaskan winter, having it happen four times in one month is something out of the ordinary.

The storms also arrived with surprising regularity, with the first three coming a week apart, doing most of their damage on three consecutive Sundays: Dec. 4, 11 and 18. The fourth and final storm in the series hit Tuesday, Dec. 20.

Each storm also had a similar pattern, with winds that gusted around 100 mph followed by warming temperatures and precipitation that often started as rain before turning to heavy, wet snow. Power lines and poles were taken down across various parts of Chugach's service area, sometimes by trees that were blown into them and sometimes by the weight of ice buildup.

Thousands of customers were left without power as crews scrambled to respond. Chugach used its own work force, contractors, and crews on loan from Municipal Light & Power and the City of Seward as it worked around-the-clock to restore service.

Some customers were out of power once, some multiple times. Some customers were out of power for minutes and some for days.

The first storm

While the storms were similar, each was also a bit different from the others. The first storm, which began late on Saturday, Dec. 3, packed the strongest winds. A gust of 118 miles per hour was recorded early on Dec. 4 by the National Weather Service at Glen Alps, high on the Anchorage Hillside. That storm hit Chugach customers hardest across the Hillside, from above Potter Marsh to Stuckagain Heights. At its peak, about 5,000 Chugach customers were out of power.

The second storm

The storm that hit a week later had weaker winds but it caused more individual outages that took longer to repair because of a heavy wet snowfall across the region. 4,000-5,000 customers had outages on the Hillside and in Moose Pass, Hope, Whittier, Portage, Girdwood, Indian and Tyonek. In Hope, Chugach used a generator to restore power to most customers early Tuesday morning. Unfortunately, a group of about 40 customers between the substation on the Seward Highway and mile 15 of the Hope Highway would remain out for more than another week due to several spans of downed distribution line and periodic outages on the 115-kv transmission line. For the Hope line restoration, as with others on the system, crews sometimes had to wait for storms to pass and conditions to improve

so they could safely conduct repairs. Crews spent days restoring service – only to see another storm hit.

The third storm

The third storm affected most customers on Sunday, Dec. 18. Once again, it arrived with strong winds, followed by heavy wet snow. This storm did most of its damage from the mountains of the northern Kenai Peninsula to Powerline Pass. At its peak, about 3,000 Chugach customers were out of power.

The fourth storm

The fourth storm broke the timing pattern, arriving on Tuesday, Dec. 20 – but otherwise mirrored the previous three by combining high winds and heavy wet snow. About 2,500 customers from Moose Pass to Anchorage lost power from this storm.

As the Outlet went to press at the end of December, Chugach was still planning work necessary to repair damage done by the storms. Chugach spent hundreds of thousands of dollars responding to the December



Strong winds toppled trees into power lines, which sometimes held them up (above) and other times were torn down (below).



storms, but a full accounting of the costs had not yet been completed.

Fuel charge increases in 1st quarter

The fuel charge will be slightly higher in the first quarter of 2012. The increase in the fuel charge was

slightly offset by a small reduction in the purchased power charge. The changes were approved by the

Regulatory Commission of Alaska in December based on a request by Chugach.

The net effect of the charges will cause the monthly bill for a

See Rates, page 2

'Plug at 20'? Three hours is all you need

Using your vehicle's head bolt heater when temperatures plunge below 20 degrees is a good idea. It helps keep our community's air clean and vehicles in good working order. It can also save gasoline by reducing idle time.

Head bolt heaters are commonly called 'block heaters' because they essentially warm an automobile's engine block. Warming the engine also warms the motor oil and lubricant to make for cleaner, easier starts. To be effective, block heaters need only be used for two hours minimum and three hours maximum. Any less than two hours may not be enough to warm the engine block and fluids sufficiently. Any more than three hours wastes energy and offers no additional benefit to your vehicle.

Block heaters consume between 500-1,500 watts depending on the size of the vehicle or size of the engine. A 1,000-watt block heater plugged in for three hours will use 40 cents worth of electricity, based on Chugach's residential rate.

However, this initial cost may save you many times over in fuel and maintenance by reduced wear and tear on your vehicle.

However, if the block heater were to be plugged in for 6 hours, twice as long as necessary, cost also doubles to 80 cents. If tripled or plugged in for 9 hours, an overnight period, the cost rises to \$1.20, quickly cutting in on any fuel or maintenance savings.

Consider using a heavy-duty outdoor timer to manage your head bolt heater's electrical consumption and use. They are available at most home improvement stores for \$15-\$20 and will quickly pay for themselves by helping manage your electrical use.

Questions? Contact Chugach's Energy Efficiency & Conservation Specialist at smartpower@chugach-electric.com or 762-4336.



Rates (cont'd from page 1)

Chugach residential customer using 700 kilowatt-hours of service to increase 1.25 percent, from \$104.59 to \$105.90 (not including the Anchorage undergrounding surcharge).

The "fuel and purchased power charge" is adjusted quarterly to ensure customers are paying the actual cost of generating the power they use. Two considerations are used to adjust the charge: a prediction about costs in the quarter to come, and a review of what actually happened in the quarter just past.

In predicting the future quarter's cost of fuel, Chugach takes into account both the anticipated price of natural gas delivered to various power plants and an assessment of how much gas it will take to meet customers' needs. Several things can affect the prediction. Weather is one. If it's colder than anticipated customers will use more electricity, and less if it's warmer. The planned coordination of gas-fired and hydro units may be different than predicted if a transmission line

is out of service or if water levels are lower than expected. In addition, not all gas-fired units are of equal efficiency. As a rule, the most efficient units run most of the time. But because they're machines, turbine-generators periodically need to be offline for maintenance. If one of the most-efficient units is down, Chugach will spend more on fuel. Scheduled maintenance is accounted for when predicting fuel costs for the coming quarter. Un-scheduled maintenance – or repairs that take longer than predicted – are not.

The balancing account helps compensate for predictions that don't come to pass.

A balancing account is an accounting tool that allows Chugach to track and adjust for the variation in predicted versus actual costs (positive or negative). In either situation, Chugach tries to true up the balancing account on an ongoing basis by adjusting the fuel and purchased power charge in an upcoming quarter (usually the next).

Annual meeting and election notes

Chugach's Annual Membership meeting will be held on Thursday, May 17, 2012 at the Dena'ina Civic & Convention Center. Registration will open at 6 p.m. and the meeting will begin at 7 p.m.

Members may submit proposed bylaw changes to the Bylaws Committee until 5 p.m., Wednesday, Jan. 11, 2012.

Two directors will be elected to the Chugach board in the upcoming 2012 election. {85838}

Members who are interested in either meeting with and being considered by the Nominating Committee or running by petition as a director candidate should call 762-4791 to obtain a candidate packet.

Candidate applications and resumes for the Nominating Committee's review must be received by 5 p.m., Friday, Feb. 24, 2012.

Members may also petition to have their names on the ballot. The petition deadline is 5 p.m., Friday, Mar. 16, 2012.

Bylaw proposals or nominations

should be submitted to:

Tom Schulman
PO Box 196300
Anchorage, AK 99519-6300
tom_schulman@chugachelectric.com

More information and forms may be found at www.chugachelectric.com.

Contact us

| | |
|-----------------------------|----------------|
| Main number | 563-7494 |
| Toll free | (800) 478-7494 |
| Member Services | 563-7366 |
| Member Services fax | 762-4678 |
| 24-hour payment line | 762-7803 |
| Credit | 563-5060 |
| Power theft hotline | 762-4731 |
| Danger tree hotline | 762-7227 |
| Street light hotline | 762-7676 |
| Underground locates | 278-3121 |
| Regulatory Commission of AK | (800) 390-2782 |
| or | 276-6222 |
| To report a power outage | |
| In Anchorage | 762-7888 |
| Outside Anchorage | (800) 478-7494 |

Hours

5601 Electron Drive
Monday - Friday
8 a.m. - 5 p.m.

The Chugach Outlet

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Corporate Mission: Through superior service, safely provide reliable and competitively priced energy.

Corporate vision: Powering Alaska's future

Personnel policy: It is a policy of Chugach Electric Association, Inc., to recruit, hire, train, compensate and promote persons without regard to race, color, religion, national origin, sex, marital status, pregnancy, parenthood, disability, veterans status, age or any other classification protected by applicable federal, state, or local law." Chugach is also an equal opportunity/affirmative action employer. Current openings are posted on the employment page at <http://chugachelectric.applications.com>. Chugach only accepts applications for open vacancies.

Monthly residential service costs (based on 700 kwh)

| | |
|-----------------------------------|----------------|
| Customer charge/month | \$ 8.00 |
| Energy charge \$0.06962 x kwh = | \$48.73 |
| Fuel \$0.06618 x kwh = | \$46.33 |
| Purchased power \$0.00357 x kwh = | <u>\$ 2.50</u> |

(Fuel & purchased power rates effective 1/1/12 - 3/31/12)

| | |
|--------------------------------|------------------|
| Subtotal | \$ 105.56 |
| 2% MOA Undergrounding Charge = | \$ 2.11 |
| RCC \$0.000492 x kwh = | <u>\$ 0.34</u> |
| Total bill | \$108.01 |

Member number
hide-n-seek

Find your member number (in brackets) in the Outlet and get a \$100 credit on your electric bill. Call Chugach's service center at 563-7366 to claim your prize.

CHUGACH
POWERING ALASKA'S FUTURE