

Legislative updates

As this issue of the Outlet went to press, the legislature remained in special session, dealing with the capital budget and other issues. Although some areas of Chugach's legislative agenda were still in play, here's an update on where things stood in the last week of April.

The issues

Chugach developed its initial legislative priorities in the months prior to the start of the legislative session. These included a continuing focus on Cook Inlet natural gas produc-

tion, support for the state's efforts to develop a major new Railbelt hydro project, restructuring the Alaska Energy Authority, promotion of a newly formed generation and transmission cooperative, and a role for the state in helping integrate renewable energy projects into the grid. Chugach knew the extension of the Regulatory Commission of Alaska would be a topic of discussion, and remained flexible for others that would arise as the session progressed.

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Alaska State Capitol

Annual meeting countdown

April

- 13th Record date
- 25th Election packets mailed

May

- 23rd Mail ballot and electronic voting cut-off (noon)
- 26th Annual meeting, Dena'ina Civic & Convention Center, registration opens at 6 p.m.; meeting starts at 7 p.m.; bring a photo ID to speed registration. In-person voting for record date members who haven't yet voted.

Annual meeting and election May 26

Six Chugach members run for four board seats

Six Chugach members are running for four seats on the cooperative's board of directors in this spring's election. Three seats are for 3-year terms; one is for a 1-year term.

The candidates are Harry T. Crawford, Jr., James R. Henderson, Uwe Kalenka, Steve Pratt, Janet Reiser and Doug Robbins. Reiser and Robbins are incumbents. There are also two sets of bylaw proposals for members to vote on this year that cover housekeeping amendments and clarifying the deadline for electronic voting.

Crawford is a former Alaska State legislator, a retired iron worker and a small-real estate developer. He has been a Chugach member on

and off for 29 years.

Henderson is a principal with Financial & Valuation Analysis. He has been a Chugach member for 19 years.

Kalenka is a retired property manager, and a former board member. He has been a Chugach member for 40 years.

Pratt is a consulting economist and business and policy analyst with Steve Pratt Enterprises. He has been a Chugach member for 16 years.

Reiser is a management consultant and CEO of Salus Management Services and managing member of

Jet Enviro De-Icing, LLC. She was elected to the board in 2008. She has been a Chugach member for 15 years.

Robbins is a retired petroleum geologist and manager with 26 years of experience at Marathon Oil Co. He was appointed to fill a vacant director's position Dec. 16, 2010. Robbins has been a Chugach member for 2 years.

The board set April 13, 2011 as the record date for the 2011 election and annual meeting. Mail-voting packets were mailed to 66,829 members of record the week of April 25.

Members have until noon on Mon-

day, May 23 to return mail ballots. Members have the option to vote electronically using their member number and a password that was sent to them prior to the election packet mailing. Electronic voting will close at noon on Monday, May 23. Voting will also be allowed at the cooperative's annual meeting May 26 at the Dena'ina Civic & Convention Center. Results of the election will be announced at the annual meeting.

Chugach hosted a "Meet the Candidates" night April 28. A podcast of the forum is available on Chugach's website at www.chugachelectric.com.



Harry T. Crawford



James R. Henderson



Uwe Kalenka



Steve Pratt



Janet Reiser



Doug Robbins

CIRMP

The continued availability of natural gas from the Cook Inlet Basin is an extremely important issue for Chugach, and the cooperative has promoted an active role for the state in managing the resource for the hundreds of thousands of Alaskans who depend upon it. In recent months Chugach leadership had productive discussions with the governor, lieutenant governor, commissioner of the Department of Natural Resources and numerous legislators about the need for the state to develop a Cook Inlet Resource Management Plan. The plan should include a scorecard to track and report development and production activities.

Watana hydro project

In recent years Chugach has advocated for the state to explore the idea of building a right-sized major, new hydroelectric project in the Railbelt. With support from the legislature and administration, the Alaska Energy Authority

in late 2010 released its decision that a site called Watana on the Susitna River should be prioritized for development of a project up to 600 megawatts in size. The governor's proposed capital budget included \$65.7 million for the AEA to continue to move the project toward permitting, as did the capital budget developed by the Senate Finance Committee.

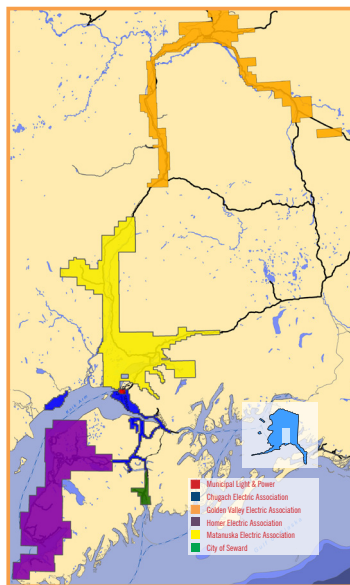
AEA restructuring

Chugach supported returning powers to the Alaska Energy Authority it lost in 1993. The governor agreed and had legislation introduced to this effect. Although the legislature trimmed the original proposal before passing SB 42, the bill will enable AEA to move forward on the Watana project.

ARCTEC

In December 2010, Chugach and four other Railbelt utilities formed the Alaska Railbelt Cooperative Transmission and Electric Company. ARCTEC is a generation and transmission cooperative that provides a framework for regional planning

and coordinated action. In February, ARCTEC board members began discussing with legislators a list of nine proposed capital projects to strengthen the grid and enhance production from the state-owned Bradley Lake hydro project. As of late April, the Senate Finance version of the capital budget contained most of the funding requested for the projects, along with requirements for matching funds and AEA oversight.



Renewable integration

Chugach discussed with legislators and members of the administration a potential role for the state in helping to integrate renewable generation projects into the grid. The idea met with some support, and will no doubt remain a topic of interest as potential projects are evaluated.

RCA extension

With 2011 a sunset year for the Regulatory Commission of Alaska, legislators debated about the appropriate duration of a new term and eventually compromised on 3 years. Legislation containing the extension, HB 24, was passed by the legislature.

Bills passed by the legislature are subject to review and approval by the governor.

Golden Valley Electric Association, Matanuska Electric Association, Chugach, Homer Electric Association and the City of Seward formed a Railbelt G&T cooperative in December 2010

SRF update

At its March 23 meeting, the board approved proposed rate changes based on Chugach's Simplified Rate Filing for the Dec. 31, 2010 test period. As a result, at the end of March Chugach filed for a retail base demand and energy rate increase of approximately 0.3 percent for rates effective in mid-May 2011.

If approved by the Regulatory Commission of Alaska, wholesale rates to Seward will increase 1.9 percent while wholesale rates to Homer Electric Association and Matanuska Electric Association will increase about 4.1 percent and 1.1 percent, respectively. {1218459}

Right tree, right place



Chugach is a Tree Line USA utility recognized by the National Arbor Day Foundation. Chugach's vegetation management program and clearing practices follow the industry-approved standards developed by the International Society of Arboriculture. A certified Chugach arborist can help customers determine what type of plants and trees

should be planted near utility rights of way. Call Chugach at 762-7660, or go to www.chugachelectric.com for planting tips and recommended trees and shrubs.

Arbor Day is designed to encourage Americans to plant trees. Arbor Day is observed in Alaska on the third Monday in May.

Contact us

Main number	563-7494
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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 or	(800) 390-2782 / 276-6222
To report a power outage	
In Anchorage	762-7888
Outside Anchorage	(800) 478-7494

Hours

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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://chugachelectricapplications.com>. Chugach only accepts applications for open vacancies.

Monthly residential service costs
(based on 700 kwh)

Customer charge/month	\$ 8.00
Energy charge \$0.07063 x kwh =	\$49.44
Fuel \$0.04867 x kwh =	\$34.07
Purchased power \$0.00575 x kwh =	\$ 4.03
<i>(Fuel & purchased power adjustments effective 4/1/11 - 6/30/11)</i>	
Subtotal	\$ 95.54
2% MOA Undergrounding Charge =	\$ 1.91
RCC \$0.000552 x kwh =	\$ 0.39
Total bill	\$97.84

