

Go Green with billing and payment options from Chugach

Save time. Save resources. Save money.

New lobby hours. Lots of options.

Beginning Monday, Sept. 27, the Member Services Lobby will be open 8 a.m. to 5 p.m., Monday through Friday. Members who pay their electric bill in person have lots of options to choose from.

Save gas and money: Pay when you bank or shop.

Many banks and credit unions offer bill payment services at no charge, so be sure to check with your bank or credit union.

Any branch of First National Bank Alaska will accept payment on your current {214862}

Chugach bill. There is no charge.

For a small fee, any Walmart location will accept your Chugach payment on your current bill.

When paying at a location other than Chugach, be sure to bring your current billing statement.

Chugach is encouraging members to take advantage of billing and payment options that save time, resources and money.

With paperless billing, members are notified by email

when their bill is ready. The member signs on to a secure web portal to view the current bill. With paperless billing, the member can pay using any of the options available.

For even more convenience, consider AutoPay by Checking. With this payment method, your bill is paid automatically, freeing you from the time,

hassle and expense of writing a check and mailing it in every month. Members may opt for either, or both, paperless billing and AutoPay by Checking.

For a complete list of Chugach billing and payment options, go to www.chugachelectric.com.



Save time.
Save resources.
Save money.
Go green.

Cook Inlet gas storage project planned

The parent company of ENSTAR and a partner have filed an application to become a utility and provide gas storage for Chugach and other utilities.

Storage is important to ensuring that natural gas can be delivered to utilities when customers need it. The Cook Inlet gas basin has provided gas for heating, electric generation and industrial use for decades.

However, over time field pressures have declined – making it increasingly difficult for producers to deliver gas at peak usage periods. Producers have added pipeline compressors and their own storage, which have helped mitigate but not fully resolved the problem.

SEMCO Energy and MidAmerican Energy Holdings Company filed the certification application for Cook Inlet Natural

Gas Storage Alaska, LLC with the Regulatory Commission of Alaska in late July, with a request that it be approved by Dec. 1.

The storage facility will have an initial capacity of 11 billion cubic feet (Bcf) of natural gas, with the ability to add and or withdraw up to 150 million cubic feet per day. Gas could be injected in the summer and withdrawn as needed in the

winter, when producers have a harder time providing gas at the rate customers require it.

ENSTAR, Chugach and Municipal Light & Power are all likely customers for the facility, with ENSTAR potentially using 70 percent of the project. In 2009, the three utilities used 32.5, 26 and 10.8 Bcf of gas, respectively.

Summer rains raise reservoir levels

As Southcentral residents know, this summer was rainy. July rainfall in Anchorage was nearly double the normal precipitation for the month. The National Weather Service recorded 6.42 inches of rain in Anchorage from June 1 through Aug. 24 – about 13 percent above the normal 5.69 inches.

One of the benefits of all this rain was that it added extra water to reservoirs of Southcentral hydroelectric projects. The three facilities – the state-owned Bradley Lake hydro project, Chugach's Cooper Lake project and the jointly owned Eklutna Lake hydro project – annually provide about 10 percent of the

kilowatt-hours Chugach sells.

Rainfall wasn't uniformly spread across the region, however. At mid-August, the Bradley Lake level was 11 feet above its 15-year average, while both the Cooper Lake and Eklutna lake reservoirs were 4 feet above their 10-year averages.



Google Earth™ mapping service

RCA asked for opinion on SPP

Action could lower borrowing costs

Chugach has initiated a proceeding before the Regulatory Commission of Alaska that could lead to lower cost financing of the Southcentral Power Project.

SPP is a new, efficient, 183-megawatt power plant being built at Chugach's headquarters complex. It is a joint project between Chugach (70 percent) and Municipal Light & Power (30 percent). The project will have three gas-fired turbine generators and one steam unit. Most of the time the project will run in combined-cycle mode, with the hot exhaust of the gas turbines providing the heat for the steam turbine.

The plant will be very efficient, using only about three-fourths of the natural gas currently needed to produce a kilowatt-hour. That efficiency will save customers millions of dollars

in fuel costs each year.

In August contractors began grade and fill work on the SPP site. Construction is expected to begin in early 2011, with the project completed and producing power by the end of 2012.

The project has a total estimated cost of about \$370 million. Chugach is interested in achieving the best-possible interest rates on the debt it will take on to finance its share of the power plant. Elsewhere in the country, utilities have sought and received a signal from their regulatory agencies that the cost of new projects will ultimately be recoverable in rates. That, in turn, has led to lower-cost financing because it reduces the risk for lenders.

In an attempt to achieve similar savings for Alaskans, in



Crews have been moving material into the new Operations storage yard at the headquarters complex. Chugach built the yard to store equipment that was formerly on the site that will be used for construction of the new Southcentral Power Project. Per regulations, oil filled equipment like the power transformer in the photo will be stored in a location equipped with an oil containment basin.

June Chugach filed a petition with the RCA requesting an advance determination that the decision to construct the power plant was prudent, and for regulatory assurance that the \$197 million comprising Chugach's 70-percent share of the cost of the primary SPP

contracts will be recoverable through future rates once the project begins producing power. Chugach asked for an expedited decision from the RCA by October in anticipation of going to the market with a bond offering in the fourth quarter of the year.

SRF OK'd for Chugach

The Regulatory Commission of Alaska has approved a request by Chugach to use a streamlined process to adjust rates. "Simplified Rate Filing" allows a cooperative like Chugach to make regular but limited adjustments to more quickly adjust for changes in the cost of providing electric service.

The SRF process is largely a mathematical true-up, providing a means for a co-op to balance revenue and expenses. It avoids much of the cost and time-consuming process of a traditional rate case by limiting the topics of consideration. However SRF cannot be used to make major modifi-

cations – like changing rate designs or the allocated costs of service between different customer classes.

The amount that rates can change under SRF is also limited. A utility cannot raise rates more than 8 percent in any 12-month period or 20

percent in any 3-year period.

Chugach anticipates making filings twice a year under the SRF procedures beginning in late September 2010. All the other electric cooperatives in the Railbelt already use the SRF process to adjust rates.

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.

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
(effective Sept. 27, 2010)
Monday - Friday
8 a.m. - 5 p.m.

The Chugach Outlet

A Publication of Chugach Electric Association, Inc.
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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 \$0.07181 x kwh =	\$50.27
Fuel \$0.040680 x kwh =	\$28.48
Purchased power \$0.005830 x kwh =	\$ 4.08
(Fuel & purchased power adjustments effective 7/1/10 - 9/30/10)	
Subtotal	\$ 90.83
2% MOA Underground Charge =	\$ 1.82
RCC \$0.000552 x kwh =	\$ 0.39
Total bill	\$93.04