

## Rate changes coming

Rates for Chugach customers are changing in May. The new rates are coming a month later than anticipated because of a 1-month extension of an interim power sales agreement between Chugach and Matanuska Electric Association.

When Chugach submitted its request for new rates to the Regulatory Commission of Alaska in mid-February, it asked that they go into effect in April. When an existing interim power sales agreement was extended a month to provide more time for MEA to complete testing and integration of its new Eklutna Generation Station, Chugach asked the RCA to delay the rate

changes until May.

The departure of MEA as a wholesale customer on the Chugach system is the underlying reason behind Chugach's request to change rates. Chugach has been preparing for the loss of MEA from the system for some years by cutting costs and other measures, but some impact was inevitable. Other Chugach customers will have to make up the contribution to fixed costs that MEA made through its power purchases.

There will be some savings to help offset the loss. The remaining Chugach customers will gain a larger share of the output of the

## RCA addressing 'found gas' issue

The Regulatory Commission of Alaska has opened a proceeding to deal with the issue of unexpected natural gas found at a commercial storage facility at Kenai.

Chugach is among the utility customers of the facility, known as Cook Inlet Natural Gas Storage Alaska.

The facility used a largely

## Candidate forum



Candidates for the Chugach board participated in a forum on April 16. A link to video of the event is online at [www.chugachelectric.com](http://www.chugachelectric.com).

efficient, gas-fired Southcentral Power Project, as well as hydropower from the Cooper Lake project that had been shared with MEA.

Chugach asked the RCA to implement the fuel and purchased power changes

at the same time as the adjustments to other rates. As a result of the offset, the monthly bill for a Chugach residential customer using 650 kwh of electricity will increase approximately 3.5 percent.

spent gas deposit as a place to store natural gas underground for various utilities. Among other things, CINGSA allows gas to be purchased and stored in the summer for withdrawal in the winter. {222505}

In a January notice to the RCA, CINGSA announced that in doing additional drilling at the site, it had found 14.5

billion cubic feet of gas. CINGSA proposed to sell at least 2 BCF of the found gas and retain the earnings. Chugach believes the revenues from the sales of the found gas should be shared with the storage customers that shared the risk of developing the facility.

The RCA issued an order in mid-March suspending the filing for further investigation until September 2015. Following the submission of testimony, a hearing has been scheduled for mid-August.

## ANNUAL MEMBERSHIP MEETING

MAY 14, 2015

DENA'INA CIVIC & CONVENTION CENTER

REGISTRATION OPENS AT 6 P.M.

MEETING BEGINS AT 7 P.M.

**CHUGACH**  
POWERING ALASKA'S FUTURE

## Section of transmission line to be rebuilt

This year Chugach will be rebuilding another section of the 115-kilovolt transmission line that links Anchorage and the Kenai Peninsula. About six miles of the line will be rebuilt from Powerline Pass to the Seward Highway near Indian. In preparation, the project right of way was cleared last fall.

Work on the project is expected to begin in June and run into October. In Powerline Pass, the work area will begin about four miles from the Glen Alps parking lot. The construction contractor will access the project using both the Glen Alps trail

head and the Indian Creek trail head. Intermittent trail closures are expected.

Chugach built the 90-mile long transmission line between Anchorage and Cooper Landing more than 50 years ago to carry power from the Cooper Lake Hydroelectric Project to customers in Anchorage and serve communities along the way. The line became even more significant after the State-owned Bradley Lake Hydroelectric Project near Homer came on line in 1991. All of the electric utilities in the Railbelt take a portion of the power produced from Brad-

ley Lake's output. Chugach's 115-kv line provides the only path for that power to move off the Kenai Peninsula. Chugach has rebuilt segments of the line over the years, including a 15-mile section up and through Turnagain Pass a few years ago that was largely funded by a State grant.

While the original line was built to be operated at 115-kv, Chugach's recent



A six-mile section of the 115-kv line will be rebuilt this summer.

reconstruction has been done at 230-kv standards to accommodate greater energy transfers in the future. That standard will be used for the six miles to be rebuilt in 2015.

## Completing a project



After installing new underground cable in 2014, Chugach removed its wires and cross arms from poles around the north end of Cheney Lake. Now that other attached utilities have also gone underground, a Chugach contractor will be removing the poles.

In early May a Chugach contractor expects to begin removing the poles from a residential area around the north end of Cheney Lake. In 2014, Chugach installed new underground electric service and removed its overhead wires from the poles. Once other attached utilities also made the conversion to new underground facilities, it meant the poles can come down. The last part of the

project will be to level and seed the areas where the ground was disturbed.

The project is among those funded by the overhead-to-underground charge Chugach's Anchorage customers pay each month. In 2005, the Municipality of Anchorage adopted an ordinance intended to speed the conversion of existing overhead lines to underground service. It requires a utility like Chugach to spend at least 2 percent of annual revenues on the conversions. Chugach shows the undergrounding charge

as a line item on bills. Only customers in the Municipality pay the charge. For Chugach, the charge currently raises about \$3.2 million annually.

Per the ordinance, each year Chugach files a summary of the work done in the previous year, and an updated plan projecting the projects it intends to do in the coming 5 years. Chugach's 2015-2019 undergrounding plan can be found at [www.chugachelectric.com/inside-chugach/projects](http://www.chugachelectric.com/inside-chugach/projects).

### 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 applicantpro.com>. Chugach only accepts applications for open vacancies.



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### Monthly residential service costs

(based on 650 kwh)

Customer charge/month	\$ 8.00
Energy charge \$0.11470 x kwh =	\$74.56
Fuel \$0.04463 x kwh =	\$29.01
Purchased power \$0.00239 x kwh =	\$1.55
FIW renewable energy adj. \$0.00153 x kwh =	\$0.99
<small>(Fuel, Purchased power and FIW renewable energy adjustment factors effective May 1, 2015, subject to Regulatory Commission of Alaska approval)</small>	
<b>Subtotal</b>	<b>114.11</b>
2% MOA Undergrounding Charge =	\$ 2.28
Regulatory Cost Charge \$0.000754 x kwh =	\$ 0.49
<b>Total bill</b>	<b>\$116.88</b>

### 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.