



ELECTRONICALLY FILED WITH RCA

April 12, 2024

Regulatory Commission of Alaska
701 W. 8th Avenue, Suite 300
Anchorage, Alaska 99501

Subject: Tariff Advice No. 555-8; Recovery of Interest Carrying Cost for Natural Gas in Storage

Commissioners:

The tariff filing described below is transmitted to you for filing in compliance with the Alaska Public Utilities Regulatory Act and Sections 3 AAC 48.200 – 3 AAC 48.430 of the Alaska Administrative Code. With this filing, Chugach Electric Association, Inc. (Chugach) requests approval from the Regulatory Commission of Alaska (Commission) to recover interest carrying charges associated with natural gas in storage through the quarterly fuel and purchased power adjustment mechanism in conformance with 3 AAC 52.502(a)(1) – (3). Chugach also requests the approval for the creation of a regulatory asset for the recovery of interest carrying charges associated with gas storage.

<u>TARIFF SHEET NUMBER</u>		<u>CANCELS SHEET NUMBER</u>		<u>SCHEDULE OR</u>
<u>ORIGINAL</u>	<u>REVISED</u>	<u>ORIGINAL</u>	<u>REVISED</u>	<u>RULE NUMBER</u>
90	11 th Revision	90	10 th Revision	Fuel and
91	3 rd Revision	91	2 nd Revision	Purchased
91.1	Original	-	-	Power
92	6 th Revision	92	5 th Revision	Adjustment Factors
94	179 th Revision	94	178 th Revision	Factors

This filing is not for a new service, will not result in the termination of an existing service, does not conflict with any other schedule or rate contained in Chugach’s operating tariff, or in any other way adversely impact customers or the public. Chugach provides electric service to approximately 93,000 retail members with 113,000 retail metered locations and one wholesale customer, Seward Electric System (Seward). Chugach is projecting annual revenues of approximately \$357.1 million for calendar year 2024.

Background

In Letter Order No. L1200192, the Commission approved Chugach’s request in Tariff Advice (TA) No. 340-8 to recover costs of natural gas storage in its quarterly fuel and purchased power adjustment process. The unbundled cost elements associated with gas storage approved for recovery are: 1) Cost of gas in storage; 2) Transportation of gas from the field to the storage injection point; 3) Injection costs; 4) Withdrawal costs; 5) Transportation of gas from storage to the generation facility; and 6) Storage reservation and capacity costs. The approved cost elements do not include a provision for the recovery of

interest carrying costs associated with natural gas storage. As such, the interest carrying costs are currently recovered through base rates.

In TA340-8, Chugach initially requested approval to create a regulatory asset account to recover interest carrying charges through its cost of power adjustment (COPA) process, but this request was later withdrawn. A supplemental filing to TA340-8 submitted by Chugach on March 16, 2012, stated:

Chugach and Commission Staff discussed at length the merits of including interest on the value of gas in storage and recovering those carrying costs at the time the gas is withdrawn for use or purchase by another entity. The importance of adhering to the cost causer, cost payer principle with respect to the timing of injections and subsequent withdrawals was also discussed. However, given current gas prices and interest rates, it was recognized that the impacts of these items on both a financial and customer basis will not be material over the foreseeable future. Chugach and Staff also recognized that if changes to the operating environment materially impact Chugach's financial performance or cause a conflict with the cost causer, cost payer principle, Chugach is free to submit an updated recovery proposal to address these issues, including the possibility of creating a regulatory asset. At this time, Chugach will recover interest-carrying charges associated with gas storage through its base rates. Chugach also clarified that if natural gas from its storage facility is used for purposes other than meeting firm load requirements, it intends to price the stored gas to include storage related [sic] charges, including interest carrying costs.

Chugach confirms that at the time of filing on March 16, 2012, interest carrying costs did not have a material impact on Chugach's financial performance or rates. Carrying costs have since risen as both the price of gas and interest rates have increased, and Chugach anticipates additional gas storage will be needed in the future which will put even greater pressure on interest carrying charges.

Chugach Cost Recovery Proposal

Chugach requests Commission approval to include interest carrying charges in its weighted average cost of gas in storage. In this way, all costs of gas storage are expensed and recovered through the quarterly COPA mechanism at the time the gas is used to meet generation requirements, consistent with the cost causer, and cost payer principle established in 3 AAC 48.510(1). In this manner, the interest carrying charges will be recovered on a volumetric (Mcf) basis, consistent with all natural gas costs, through the COPA, aligning with the methodology approved by the Commission in Letter Order No. L1200192.

Currently, interest carrying costs are recovered through base rates. Chugach's proposed treatment will allow all gas storage cost components to be paid by members at the time the gas is used to meet generation requirements and ensure Chugach margins are not negatively impacted because of the cost recovery mechanism currently utilized.

Recovery of Costs on a Volumetric Basis

Chugach is proposing to charge a monthly carrying cost valued at Chugach's weighted average cost of capital (WACC), which is based on the Commission approved Timed Interest Earned Ratio (TIER), debt, equity, and interest expense. The inclusion of interest carrying charges allows for the appropriate

valuation of Chugach's total cost of stored gas on a per unit basis and provides equitable treatment in cost recovery on both a functional (production) and member basis. Financial accounting standards 835-20-15-6 prohibit interest carrying charges to be included in the cost of gas in storage accounts, Federal Energy Regulatory Commission's (FERC) Uniform System of Accounts 151 (Fuel Stock). Chugach is therefore requesting approval from the Commission to create a regulatory asset for the accumulation of interest carrying charges based on the total value of gas in storage. This value of gas includes financial outlays associated with transportation and injection costs into the storage facility. Carrying costs will be calculated and booked monthly to a regulatory asset account based on the cumulative value of gas in storage. Chugach will reduce (credit) the regulatory asset account and debit expense based on the interest carrying charge of gas removed from storage. On a monthly basis, Chugach will calculate the amount of interest cost per Mcf in storage and determine the total amount of interest for the carrying cost by multiplying this value by the gas (Mcf) withdrawn. In this manner, customers that receive the benefit of the gas from the storage facility will pay the attendant costs associated with the stored gas. Chugach proposes that the interest rate for the carrying cost be calculated using Chugach's WACC, which is currently 4.32%. Additionally, Chugach proposes applying the approved TIER to the debt component of the interest carrying cost withdrawal value. The interest carrying charge and margin ensures Chugach can service its debt and meet financial obligations associated with gas storage costs as the costs are incurred.

The recovery of Chugach's overall interest expense will not be impacted by this proposal. Chugach will remove interest expense associated with gas storage carrying charges from base rate revenue requirements in a future filing.

Conformance with 3 AAC 52.502(a)

Recovery through the surcharge process provides a close matching of costs and recovery that more closely adheres to the cost causer, cost payer ratemaking principle. Under 3 AAC 52.502(a), the Commission permits utilities to add cost elements for recovery through the quarterly COPA mechanism provided: 1) the cost element is subject to change at a rate that would cause financial harm to the utility if the costs were recovered exclusively in base rates; 2) the costs are beyond the control of the utility; and 3) the costs are easily verifiable.

- 1) *Cost element subject to change at a rate that would cause financial harm to the utility if the costs were recovered exclusively in base rates.*

The amount of natural gas in storage may vary seasonally, monthly, or daily based on generation requirements, contractual agreements, and field operating circumstances. The interest carrying costs for gas in storage fluctuate monthly depending on the WACC, the volume and weighted average cost of natural gas in storage at the beginning of the period, injections, and withdrawals. Based on the methodology described in this filing, Chugach's historic recurring interest carrying costs for natural gas storage have ranged between \$0.2 and \$0.65 million annually since 2012.

Cost recovery through base rates is based on normalized test year costs with relatively extensive time lags between cost incurrence and rate recovery. Recovering interest carrying costs through base rates subjects Chugach and its members to risk of under-recovery which can have a direct negative impact on current year operating margins.

Natural gas producers in Cook Inlet anticipate limitations in future supply, posing potential constraints on gas production beyond existing contractual commitments. Anticipated rises in natural gas prices are expected to contribute to an increase in the Weighted Average Cost of Gas (WACOG) and attendant interest carrying costs. Chugach expects it will need to store additional gas volumes to meet future demands. Consequently, Chugach anticipates a rise in the quantities of natural gas in storage, leading to an increase in the interest carrying charge cost. If retained in base rates, this cost could be misaligned with the principle of cost causer/cost payer, wherein current members bear the burden while future members benefit from lower costs and interest carrying cost coverage. Aligning costs with recovery is essential for maintaining fairness and accountability in the system.

When costs to provide electric service increase faster than revenue, cost recovery and margins are impacted. Therefore, the establishment of a dedicated cost element for interest carrying charges related to stored natural gas with minimal regulatory lags and misalignment is essential. This measure aligns the cost causer and cost payer, facilitating timely expense recovery and ensuring the financial stability of the cooperative.

2) *Costs are beyond the control of the utility.*

Chugach must meet ever-changing demands on the Chugach system, with the units of gas available and within the constraints of Chugach's gas contracts. Chugach's interest rates are influenced by economic conditions, monetary policies, and market forces, all of which are beyond the control of the utility. Fluctuations in these factors can lead to changes in the cost of borrowing, impacting Chugach's WACC, interest carrying costs, and margin levels.

3) *Costs are easily verifiable.*

Validated interest carrying costs will be included in each quarterly fuel and purchased power adjustment, similar to what Chugach currently uses in support of other fuel and purchased power costs. Total monthly costs associated with gas storage are and will be documented by invoices. These invoices will be used to validate each expenditure type that is factored into the inventory WACOG. The components of the calculation for the storage interest carrying costs are easily verifiable and include the monthly Cook Inlet Natural Gas Storage Alaska, LLC (CINGSA) inventory of the quantities of Mcf injections, withdrawals, the WACOG, and WACC. The application of a margin to the interest carrying cost can be verified using the Federal Energy Regulatory Commission Form 7 filed information to calculate the debt portion and Commission approved TIER.

Consistency with 3 AAC 52.503(b)(3)

Commission approval to interest-related expenses, through Chugach's surcharge process, is consistent with the Commission's prior decision to permit Chugach's entire approved cost of fuel and purchased power to be recovered through its surcharge process. Pursuant to 3 AAC 52.503(b)(3), Chugach requested permission to recover all fuel and purchased power costs through its surcharge process in TA279-8 (Chugach's 2005 test-year general rate case). Under 3 AAC 52.503(b)(3), "an electric utility may propose, or the commission may require, that the base cost of power be set at zero, to permit the entire approved

cost of fuel and purchased power to be recovered through the COPA”. The Commission granted Chugach’s request in Order U-06-134(21).

In addition, in Letter Order No. L1200192, the Commission granted Chugach’s request to “include a cost element in TA340-8 which permitted Chugach to include as a cost element in its quarterly fuel and purchased power cost adjustment surcharge for the CINGSA natural gas storage and related costs.” Recovery of carrying costs aligns with previous approvals to recover costs related to natural gas storage, since these costs are clearly part of fuel and purchased power costs.

Customer Bill Impacts

Chugach currently has approximately 113,000 retail metered locations and one wholesale customer, Seward. Shifting the recovery of interest carrying costs through the COPA mechanism instead of incorporating them into base rates is expected to result in a net-zero impact on rates over time. Based on quarter four, 2023, the proposed addition of storage and related costs would increase fuel expense by approximately \$0.5 million. If included in the quarter four COPA filing, the monthly bill for residential members using 525 kWh would have increased by approximately 0.4 percent in the South District and 0.4 percent in the North District. The total monthly bill for wholesale customers would have increased by approximately 0.8 percent. This increase would be temporary and will be offset by the corresponding decrease once the interest carry costs are removed from rate base as part of our Simplified Rate Filing (SRF) process. The conditions of service do not conflict with any other schedule or rate, and do not otherwise adversely impact customers on the system.

Description of Tariff Changes

Sheet No. 90: New Section (vi) has been added to describe the process of calculating the carrying cost of fuel withdrawn from storage.

Sheet No. 91: New Section D has been added to describe the methodology and balancing account entries associated with carrying cost of fuel in storage. The previous section D has been moved to Sheet No. 91.1 and renamed section E.

Sheet No. 91.1: The previous language from Section D from Sheet No. 91 has been renamed Section E and moved to this sheet. A new Section 3 has been added to provide a definition for Weighted Average Cost of Capital. The sheet includes an edit to add “Interest Carrying Cost” to the descriptions of the cost elements related to CINGSA. The previous section 3 has been renamed section 4. The previous section 4 has been renamed section 5. The previous section 5 has been renamed section 6. Section 7 has been added to define the new CINGSA cost element, “Interest Carrying Cost.”

Sheet No. 92: The previous language from Section E has been renamed Section F. New text has been added to section (viii) and (ix) to include language related to interest carrying cost of fuel in storage.

Sheet No. 94: To reflect the proposed new cost element, a new line has been added entitled “CINGSA – Interest Carrying Cost.”

Chugach respectfully requests that these costs be included in the fuel and purchased power surcharge for rates effective June 1, 2024. Chugach will remove interest carrying costs from the revenue requirement in a future filing.

Please contact Dean Ratliff, Vice President, Regulatory Affairs at (907) 762-4153 or Dean_Ratliff@chugachelectric.com if additional information is needed.

Sincerely,

CHUGACH ELECTRIC ASSOCIATION, INC.



Arthur W. Miller
Chief Executive Officer
P.O. Box 196300
Anchorage, Alaska 99519-6300
Telephone: (907) 762-4758
arthur_miller@chugachelectric.com

Attachment

cc: Kat Sorensen, City Manager, City of Seward (electronically)



Chugach Electric Association, Inc.

COST OF POWER ADJUSTMENT FACTOR

A. Applicability of Cost of Power Adjustment Factor

Retail and wholesale base rate schedules shall be subject to adjustment by the applicable Cost of Power Adjustment Factor set forth on Tariff Sheet Nos. 94 through 94.1.1. In accordance with these sheets, billings to customers will be adjusted to reflect changes in fuel and purchased power expense levels.

B. Cost of Power Adjustment Balance Account

Chugach shall maintain a Cost of Power Adjustment Balance Account (FERC Account No. 186 – Misc. Deferred Debits) commencing with a zero balance on October 26, 1982. Separate balancing accounts for the retail class and each wholesale customer (excluding interchange sales) shall be maintained in a manner that reflects allocated shares of fuel and purchased power costs and revenues by class. The Cost of Power Adjustment Balance Account balances shall reflect the sum of the debit and credit entries described as follows:

- (1) Debit entries equal to the fuel and purchased power costs allocated to retail and each wholesale customer (excluding interchange sales) for each preceding month. This includes:
 - (i) The actual cost of fuel and power purchased during the month for use in firm power sales;
 - (ii) The actual cost of natural gas compression and related delivery services;
 - (iii) The cost of fuel withdrawn from storage (FERC Account No. 151 – Fuel Stock) calculated by multiplying the total units of fuel withdrawn from storage by the weighted average cost of fuel;
 - (iv) Storage reservation, capacity and withdrawal fees; and,
 - (v) Fuel transportation fees for fuel purchased, or transported from storage, during the month for system use.
 - (vi) Interest Carrying Cost (ICC) of fuel withdrawn from storage calculated by multiplying the units of fuel withdrawn from storage by the weighted average unit carrying cost of fuel in storage. Carrying cost of fuel withdrawn from storage will be valued at the average unit carrying cost of fuel stored as of the end of the month prior to the month the fuel is withdrawn from storage plus margin using production tier.
- (2) Credit entries equal to the kWh sold to retail and each wholesale customer (excluding interchange sales) during that month multiplied by the corresponding Cost of Power Adjustment factor charged in that month.
- (3) Debit or credit entries for adjustments for entries described in (1) and (2) above for prior periods.



Chugach Electric Association, Inc.

COST OF POWER ADJUSTMENT FACTOR (cont.)

C. Fuel in Storage Account

Chugach shall maintain a Fuel in Storage account (FERC Account No. 151 – Fuel Stock), commencing with a zero balance on March 31, 2012, and balances thereafter reflecting the sum of the debit and credit entries described as follows:

- (1) Debit entries equal to:
 - (i) The cost of fuel purchased and injected into storage;
 - (ii) Transportation fees incurred for fuel transported to storage;
 - (iii) The cost of fuel provided to the storage facility for injection operations;
 - (iv) Storage injection fees;
- (2) Credit entries equal to the cost of fuel withdrawn from storage calculated by multiplying the total units of fuel withdrawn from storage by the weighted average cost of fuel.
- (3) Debit or credit entries for adjustments for entries described in (1) and (2) above for prior periods.

D. Carrying Cost of Fuel in Storage

Chugach shall maintain a Interest Carrying Cost (ICC) of Fuel in Storage account (FERC Account No. 186 - Misc. Deferred Debits), commencing with a zero dollar balance on May 31, 2024 and balances thereafter reflecting the sum of the debit and credit entries described as follows:

- (1) Debit entries equal to the average of the sum of the balances in Fuel in Storage account (FERC Account No. 151 - Fuel Stock) at the beginning and ending of the month, multiplied by Chugach's Weighted Average Cost of Capital (WACC) on the last business day of the month.
- (2) Credit entries equal to the interest carrying cost of fuel withdrawn from storage calculated by multiplying the total units of fuel withdrawn from storage by the weighted average unit carrying cost of fuel in storage from the previous month end. Carrying cost of fuel withdrawn from storage will be valued at the average unit carrying cost of fuel stored as of the end of the month prior to the month the fuel is withdrawn from storage. Margin will be applied to the debt portion of withdrawals by applying approved production tier to the debt funded portion of the interest carrying cost withdrawal value.
- (3) Debit or credit entries for adjustments for entries described in (1) and (2) above for prior periods.

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Chugach Electric Association, Inc.

COST OF POWER ADJUSTMENT FACTOR (cont.)

E. CINGSA Storage Recovery Definitions

The following definitions apply to the fuel storage and related costs incurred under the Firm Storage Services Agreement (FSS Agreement) and Interruptible Storage Service (ISS Agreement) between Chugach and Cook Inlet Natural Gas Storage Alaska, LLC (CINGSA) that are recovered through Chugach’s fuel and purchased power cost adjustment factor.

- (1) Cost of Fuel in Storage is the total cost of the fuel in storage, including (1) the actual cost of the fuel purchased, (2) fees for transportation to storage, (3) lost and unaccounted for/storage fuel reimbursement, (4) fees for injection. This is recorded in the Fuel Stock Account 151 (Fuel in Storage).
- (2) Weighted Average Cost of Fuel, or WACF, is calculated using (A) Chugach’s total Cost of Gas in Storage at the end of the preceding month, divided by (B) Chugach’s total quantity of Gas in storage at the end of the preceding month (Mcf). The results are in dollars per Mcf. [A / B = WACF] Once per month, Chugach applies the Weighted Average Cost of Fuel, or WACF, to the total quantity of Mcf withdrawn during the month.
- (3) Weighted Average Cost of Capital, is calculated by taking the average of the costs associated with Chugach’s capital sources (debt and equity), with each component’s rate being weighted according to its proportion in the overall capital structure.

The following definitions apply to the cost element line items, CINGSA – FSS, ISS, Gas Withdrawn, and Interest Carrying Cost listed on Tariff Sheet No. 94:

- (4) Gas Withdrawn is calculated using the Weighted Average Cost of Fuel (WACF) multiplied by the total number of units (Mcf) withdrawn.
- (5) Firm Fuel Storage costs consist of the charges for reservation, capacity and withdrawal in accordance with the Firm Fuel Storage (FSS) Agreement, Interruptible Storage Service (ISS) Agreement, and the CINGSA tariff.
- (6) Fuel Transportation consists of all costs related to the transporting of fuel purchased, or transported from storage, for use.
- (7) Interest Carrying Cost is calculated using the Weighted Average Cost of Capital (WACC) multiplied by the total number of units (Mcf) withdrawn plus effective margin applied to the debt portion of withdrawal value.

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Chugach Electric Association, Inc.

COST OF POWER ADJUSTMENT FACTOR (cont.)

F. Revision of Retail and Wholesale Cost of Power Adjustment Factors

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- (1) By the first day of each quarter, Chugach shall file supporting information by Tariff Advice letter to evidence the development of the retail and wholesale cost of power adjustment balances and the development of the average fuel and purchased power costs per kWh sold for the ensuing quarter. Supporting information to be filed includes:
 - (i) Calculation of the Cost of Power Adjustment Factor as detailed in Tariff Sheet Nos. 94 through 94.1.1.
 - (ii) A schedule calculating the average retail line loss for the 12 months ending with the prior quarter.
 - (iii) A schedule identifying projected energy (kWh) sales in the next quarter.
 - (iv) A schedule of energy (kWh) generated per generating unit per month and the quantity of power purchased per month for the 12 months ending with the prior quarter.
 - (v) A schedule identifying projected energy (kWh) generated and purchased in the next quarter.
 - (vi) A schedule of the quantity of fuel used per generating unit for the 12 months ending with the prior quarter. Quantity data will be provided to the highest degree of detail available.
 - (vii) Invoices and/or other documentation to substantiate the fuel and purchased power costs of the prior quarter.
 - (viii) A schedule of the monthly Fuel in Storage account and Interest Carrying Cost of Fuel account balance with the calculation of weighted average unit cost for the prior quarter, identifying transactions associated with the FSS Agreement, the ISS Agreement and gas exchanges.
 - (ix) Invoices and/or other documentation to substantiate activity and balances in the Fuel in Storage account and Interest Carrying Cost of Fuel account during the prior quarter.

- (2) Exchange Service: The charge for gas exchange transactions shall be determined on a case by case basis as agreed between Chugach and the buyer but in no event shall buyer pay less than the variable costs associated with the transaction. If gas storage service is used, buyer shall pay applicable transportation, injection/withdrawal and storage use fees. Revenues from storage use fees shall be credited as an offset against CINGSA capacity costs.

- (3) Unless sooner authorized by the Commission, the retail and wholesale Cost of Power Adjustment Factors will be effective subject to subsequent review and approval or adjustment by the Commission, for all billing subsequent to the revision date. Revision dates will coincide with the beginning of a monthly billing cycle.

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RCA NO.: 8 179th Revision Sheet No. 94



Canceling

178th Revision Sheet No. 94

Chugach Electric Association, Inc.

COST OF POWER ADJUSTMENT FACTORS AT G&T POST ACQUISITION

e.1. Fuel Adjustment Factor: Predicted Costs for the quarter beginning April 1, 2024

	Total	Retail	Seward
Natural Gas Fuel Expense by Contract			
AIX Energy, LLC (4/2016-3/2024)	\$0	\$0	\$0
BRU	\$14,869,065	\$14,387,452	\$481,613
Cook Inlet Energy (2014-3/2023)	\$0	\$0	\$0
Furie (11/2021-3/2023)	\$0	\$0	\$0
Hilcorp Alaska, LLC - Firm (1/2015-3/2028)	\$5,238,198	\$5,068,532	\$169,667
Hilcorp Alaska, LLC - Non-Firm (2/2021-8/2021)	\$0	\$0	\$0
Other Fuel Expenses			
Emergency Generator and Other Misc. Fuel	\$0	\$0	\$0
CINGSA - FSS, ISS and Fees	\$1,038,598	\$1,004,957	\$33,640
CINGSA - Gas Withdrawn	\$0	\$0	\$0
CINGSA - Interest Carrying Cost	\$0	\$0	\$0
Gas Transportation and Compression	\$1,564,834	\$1,514,149	\$50,685
	\$22,710,695	\$21,975,090	\$735,605
Less Credits			
Economy Sales: Fuel and Margins	(\$889,133)	(\$860,334)	(\$28,799)
Wheeling Revenue	(\$588,275)	(\$569,220)	(\$19,054)
AWWU Water Sales	(\$210,194)	(\$203,386)	(\$6,808)
Pooling Agreement - MEA	(\$555,542)	(\$537,548)	(\$17,994)
Gas Exchange Revenue	(\$138,000)	(\$133,530)	(\$4,470)
Subtotal	(\$2,381,143)	(\$2,304,017)	(\$77,126)
Net Fuel Expense	\$20,329,551	\$19,671,072	\$658,479
Generation & Purchases (MWh)	473,019	458,076	14,943
Cost per MWh at Generation	\$42.98	\$42.94	\$44.06
Projected Balances as of March 30, 2024	(\$5,128,796)	(\$4,982,922)	(\$145,874)
Fuel Expense to be Recovered at G&T	\$15,200,755	\$14,688,150	\$512,605
Predicted Sales at G&T (MWh)	465,039	450,348	14,691
Fuel Adjustment Factor per kWh at G&T	\$0.03269	\$0.03262	\$0.03489

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Tariff Advice No. 555-8

Issued by:

Effective: June 1, 2024

Chugach Electric Association, Inc
P.O. Box 196300 Anchorage, Alaska 99519-6300

Exhibit 1

Chugach Electric Association, Inc.
Anchorage, Alaska

Interest Carrying Cost of Gas In Storage: Tariff Advice Nos. 555-8/433-121
Quarter Ended December 31, 2023

Exhibit 1: Gas Storage Volumes, Value, and Weighted Average Cost of Gas Price Inclusive of Interest Carrying Cost

Month	Volume of Gas in Storage (Mcf)				Value of Gas in Storage (\$) with Interest Carrying Cost								Pricing			Interest Carrying Cost			TIER				Recovery	
	Injection (Mcf)	Withdrawal (Mcf)	Activity (Mcf)	Balance (Mcf)	Balance BOP	Injection	Withdrawal	Balance Before Capital Cost	Annual WACC ¹	Month WACC	Month Capital Cost	Balance EOP	Weighted Avg. Price (\$/Mcf)	WACOG (\$/Mcf)	ICC Price (\$/Mcf)	Withdrawal (Mcf)	ICC Price (\$/Mcf)	ICC Value (\$)	Debt to Equity Ratio ¹	Debt Allocated ICC	G&T TIER	Calculated Margin	Month	Amount (\$)
Jul-22	399,545	14,532	385,013	1,887,478	\$12,321,450	\$3,424,814	\$119,174	\$15,627,090	0.29%		\$45,267	\$15,672,357	\$8.30	\$8.12	\$0.18	14,532	\$0.20	\$2,843	85.94%	\$2,443	1.35	\$855	Jul-22	\$3,698
Aug-22	182,904	1,101	181,803	2,069,281	\$15,672,357	\$1,488,001	\$9,142	\$17,151,217	0.29%		\$49,682	\$17,200,899	\$8.31	\$8.12	\$0.19	1,101	\$0.18	\$199	85.94%	\$171	1.35	\$60	Aug-22	\$259
Sep-22	186,492	13,865	172,627	2,241,908	\$17,200,899	\$1,516,672	\$115,254	\$18,602,317	0.29%		\$53,885	\$18,656,202	\$8.32	\$8.12	\$0.20	13,865	\$0.19	\$2,628	85.94%	\$2,258	1.35	\$790	Sep-22	\$3,418
Oct-22	77,614	110,444	(32,830)	2,209,078	\$18,656,202	\$485,311	\$919,069	\$18,222,444	0.29%		\$52,785	\$18,275,229	\$8.27	\$8.06	\$0.22	110,444	\$0.20	\$21,848	85.94%	\$18,775	1.35	\$6,571	Oct-22	\$28,420
Nov-22	62,082	111,539	(49,457)	2,159,621	\$18,275,229	\$507,547	\$922,740	\$17,860,036	0.29%		\$51,735	\$17,911,772	\$8.29	\$8.05	\$0.24	111,539	\$0.22	\$24,243	85.94%	\$20,833	1.35	\$7,292	Nov-22	\$31,534
Dec-22	152,103	31,312	120,791	2,280,412	\$17,911,772	\$1,237,548	\$259,699	\$18,889,621	0.29%		\$54,718	\$18,944,338	\$8.31	\$8.05	\$0.25	31,312	\$0.24	\$7,620	85.37%	\$6,506	1.35	\$2,277	Dec-22	\$9,897
Jan-23	174,363	43,198	131,165	2,411,577	\$18,944,338	\$1,427,421	\$358,863	\$20,012,897	3.39%	0.28%	\$55,683	\$20,068,579	\$8.32	\$8.06	\$0.26	43,198	\$0.25	\$10,942	85.37%	\$9,341	1.35	\$3,270	Jan-23	\$14,211
Feb-23	101,984	138,164	(36,180)	2,375,397	\$20,068,579	\$635,213	\$1,149,773	\$19,554,019	0.28%		\$54,406	\$19,608,425	\$8.25	\$8.07	\$0.19	138,164	\$0.26	\$35,903	85.37%	\$30,652	1.35	\$10,728	Feb-23	\$46,631
Mar-23	27,394	208,102	(180,708)	2,194,689	\$19,608,425	\$222,515	\$1,717,840	\$18,113,100	0.28%		\$50,397	\$18,163,497	\$8.28	\$8.07	\$0.21	208,102	\$0.19	\$39,231	85.37%	\$33,493	1.35	\$11,722	Mar-23	\$50,953
Apr-23	27,728	142,739	(115,011)	2,079,677	\$18,163,497	\$203,092	\$1,181,326	\$17,185,264	0.28%		\$47,815	\$17,233,079	\$8.29	\$8.02	\$0.27	142,739	\$0.21	\$29,706	85.37%	\$25,362	1.35	\$8,877	Apr-23	\$38,583
May-23	80,196	230,169	(149,973)	1,929,704	\$17,233,079	\$677,449	\$1,907,272	\$16,003,255	0.28%		\$44,526	\$16,047,782	\$8.32	\$8.03	\$0.29	230,169	\$0.27	\$62,082	85.37%	\$53,002	1.35	\$18,551	May-23	\$80,633
Jun-23	112,184	71,598	40,586	1,970,290	\$16,047,782	\$935,018	\$595,423	\$16,387,376	0.28%		\$45,595	\$16,432,971	\$8.34	\$8.04	\$0.30	71,598	\$0.29	\$20,726	85.37%	\$17,695	1.35	\$6,193	Jun-23	\$26,919
Jul-23	87,634	168,427	(80,793)	1,889,497	\$16,432,971	\$720,491	\$1,404,749	\$15,748,713	0.28%		\$43,818	\$15,792,531	\$8.36	\$8.05	\$0.31	168,427	\$0.30	\$50,220	85.37%	\$42,875	1.35	\$15,006	Jul-23	\$65,227
Aug-23	88,434	141,063	(52,629)	1,836,868	\$15,792,531	\$727,008	\$1,179,019	\$15,340,521	0.28%		\$42,682	\$15,383,203	\$8.37	\$8.06	\$0.32	141,063	\$0.31	\$43,385	85.37%	\$37,039	1.35	\$12,964	Aug-23	\$56,348
Sep-23	200,015	48,302	151,713	1,988,581	\$15,383,203	\$1,652,107	\$404,515	\$16,630,795	4.32%	0.35%	\$58,681	\$16,689,477	\$8.39	\$8.08	\$0.31	48,302	\$0.32	\$15,261	85.37%	\$13,029	1.35	\$4,560	Sep-23	\$19,821
Oct-23	172,182	141,260	30,922	2,019,503	\$16,689,477	\$1,409,287	\$1,185,553	\$16,913,211	0.35%		\$59,678	\$16,972,889	\$8.40	\$8.08	\$0.32	141,260	\$0.31	\$44,283	85.37%	\$37,806	1.35	\$13,232	Oct-23	\$57,515
Nov-23	32,115	355,004	(322,889)	1,696,614	\$16,972,889	\$264,769	\$2,983,631	\$14,254,027	0.35%		\$50,295	\$14,304,322	\$8.43	\$8.08	\$0.35	355,004	\$0.32	\$113,809	85.37%	\$97,164	1.35	\$34,007	Nov-23	\$147,817
Dec-23	15,960	470,614	(454,654)	1,241,960	\$14,304,322	\$141,630	\$3,967,794	\$10,478,158	0.35%		\$36,972	\$10,515,130	\$8.47	\$8.09	\$0.38	470,614	\$0.35	\$163,040	85.37%	\$139,195	1.35	\$48,718	Dec-23	\$211,759

¹ The January 2023 WACC & Debt-to-Equity Ratio is based on the 2022 FERC Form 7. The September 2023 WACC and Debt to Equity Ratio is based on Chugach's interim rate case TIER in TA544-8/TA423-121 filed with the RCA.