

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

FINANCE COMMITTEE MEETING
AGENDA ITEM SUMMARY

May 13, 2009

ACTION REQUIRED

AGENDA ITEM NO. XI.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

2008 Test Year General Rate Case Filing

DISCUSSION

Chugach is preparing a general rate case filing in accordance with 3 AAC 275(a) to update base customer, energy and demand rates. Chugach will be requesting changes in base rates on both an interim and permanent basis.

The base rate changes contained in the filing will reflect current cost and sales levels and, when implemented, will provide Chugach the opportunity to earn margins at Times Interest Earned Ratios (TIER) levels approved by the Regulatory Commission of Alaska in Chugach's most recent general rate case, which was adjudicated under Docket U-06-134 (2005 test year).

Chugach's 2005 general rate case addressed appropriate levels of cost allocation and recovery for generation and transmission service and distribution service. Chugach will not be proposing changes to that regulatory methodology in this filing. Establishment of current cost allocations will also provide the baseline for a request to the RCA to allow Chugach to enter into the Simplified Rate Filing process for adjustments to base rates on a going-forward basis.

MOTION

Move that the Finance Committee recommend the Board of Directors approve the filing of a general rate case based on the 2008 Test year, substantially similar to that discussed in executive session.