

EPC contractor selected for SPP

A contractor has been selected to provide engineering, procurement and construction of the Southcentral Power Project. SNC-Lavalin Constructors, Inc. was selected after a months-long process that drew interest from a number of international companies. SNC-Lavalin Constructors is a worldwide developer of power plants and other projects. The project will

be managed from the firm's Bothell, Washington office.

The Southcentral Power Project is a new gas-fired, 183-megawatt, combined-cycle power plant being built at Chugach's headquarters complex in Anchorage. SPP is a partnership between Chugach and Municipal Light & Power. Chugach will own 70 percent of the project

and ML&P 30 percent, and they will take respective shares of the plant's output. The decision on the contractor was made by an evaluation team made up of representatives of the two utilities and their consultants.

SNC-Lavalin's selection completed an evaluation process that began in October when a Request for Qualifications was issued. Eight firms responded, and three were subsequently sent a request for proposals. Each responded and – after a thorough review – the evaluation team selected SNC-Lavalin as the EPC contractor for the project. Following initial selection in May, the owners negotiated to a final contract which was approved by the Chugach board on June 16.

Chugach created a web-based registry (which remains open) where contractors and suppliers could note the services and or material they could provide the successful proposer. This registration resulted in more than

150 companies – many with Alaska employees – indicating an interest in being a subcontractor to the EPC contractor.

The total cost of SPP is estimated at \$368 million, with the EPC contract representing the majority of this cost. Chugach and ML&P have already ordered the three gas turbines and the steam turbine that will be powered by their hot exhaust in "combined cycle" operation.

General Electric LM6000 gas turbines were selected for SPP. SNC-Lavalin has installed nearly 1,000 megawatts of LM6000's at projects over the past 10 years.

The EPC contract contains more than 50 milestones to ensure the project stays on schedule. Excavation is scheduled to begin in July 2010. The combustion turbines will be installed in mid-2011, with the steam turbine to follow in early 2012. The scheduled completion date for the project is December 2012.



The Southcentral Power Project will be located in what is currently Chugach's Operations yard, which houses equipment the utility uses for repairs and replacements.

Net metering regulations in effect

The Regulatory Commission of Alaska's net metering regulations became effective on June 16. In essence, net metering allows a customer to install and use certain types of renewable generation to offset their monthly usage and sell excess power to their serving utility.

The net metering requirements adopted by the Commission apply to Chugach and nine other Alaska electric utilities.

The Commission's order limits customer generation to units up to 25 kilowatts. Installations

must comply with approved interconnection standards.

A net metering customer may offset some or all of their monthly use from their generator. Any excess power generated is accounted for on a monthly basis and credited in dollars at the utility's tariffed non-firm power rate. The dollar amount credit is used to reduce future monthly bills and does not expire.

Chugach already has approved interconnection standards and non-firm power buy-back rates

in its tariff. Chugach has filed with the RCA the final summary tariff necessary to implement net metering.

As of June 21, two Chugach members had applied to become net-metered customers.

The Municipality of Anchorage is considering zoning regulations to establish rules for "wind energy conversion systems".

For more on net metering, go to www.chugachelectric.com.



Small renewable systems are allowed under the RCA's net metering regulations.

Electronic voting update

Members may recall that – with the support and urging from Chugach and other cooperative organizations – the legislature this year approved a change to state statutes allowing members the option to vote electronically in co-op elections.



At its June 23 meeting the Chugach board approved a plan of action to move forward on electronic voting. Chugach representatives, joined by others from Matanuska and Golden Valley electric association and Matanuska Telephone Association, are working together to invite proposals from prospec-

tive vendors. If a vendor is selected, the Chugach Election Committee would then develop modified election procedures to incorporate electronic voting as an option in future Chugach elections. Proposed election procedures go to the board for approval.

Power thieves are costing you \$\$

Electricity theft is illegal, dangerous and a civil offense under Alaska Law (AS 42.20.030 and AS 42.20.040). Chugach will act to protect revenue from being lost due to electricity being taken without the knowledge or approval of the utility, including deliberate theft, the falsifying of meter readings, name fraud, billing errors, illegal wiring and faulty equipment.

Power Thieves



cal connections. Energy theft causes our members to pay more for their monthly electric bill. Power theft is also a matter of public safety. Chugach seeks to protect you and your family from energy theft situations that could involve shock or fire hazards.

If you have information regarding possible energy theft, we urge you to call the Chugach Power Theft Hotline at 762-4731. Your report can be anonymous.

Utility companies across the country lose millions of dollars each year due to illegal electri-

Chugach at work



Chugach crews recently installed a dry-out system on a transformer at the O'Malley Substation. The system separates and removes water from the mineral oil used as an insulating medium in the transformer which helps prevent premature equipment failure. Through its predictive maintenance program, Chugach learned that this transformer had an unacceptable level of water content in the insulating medium. {214538}



Chugach contractors are preparing property just west of Chugach's headquarters building. The area will house Chugach's relocated Operations yard, storing equipment from multiple yards, including transformers, switch cabinets and reels of cable. The yard will be fenced and lighted.

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

Main office:
 Monday - Friday
 8 a.m. - 5 p.m.

Member Services lobby: 5601 Electron Drive
 Monday - Friday
 8 a.m. - 6 p.m.

Member Services phone:
 Monday - Friday
 8 a.m. - 6 p.m.

The Chugach Outlet

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 P.O. Box 196300
 Anchorage, Alaska 99519-6300

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
<i>(Proposed fuel & purchased power adjustments effective 7/1/10 – 9/30/10)</i>	
Subtotal	\$ 90.83
2% MOA Underground Charge =	\$ 1.82
RCC \$0.000552 x kwh =	\$ 0.39
Total bill	\$93.04

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 affirmative action employer."

Corporate Mission: Through superior service, safely provide reliable and competitively priced energy.

Corporate vision: Powering Alaska's future

