

OUTLET

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www.chugachelectric.com



Railbelt utilities working together is focus of legislative agenda

Chugach has been working with the other Railbelt electric utilities on ways to better serve customers throughout the region which can lead to savings and improved reliability for customers. This was part of the message Chugach leadership took to Juneau in February when meeting with Governor Walker and lawmakers.

Topics discussed included power pooling, the creation of a Transmission Company (Transco), and a Unified System Operator (USO) as ways of seeking efficiency though teaming with others. In recent years, Chugach has joined with Municipal Light & Power (ML&P) to construct the Southcentral Power Project and purchase a portion of the Beluga River Unit gas field. Along

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CEO Lee Thibert, traveled with our board members to Juneau and had a great meeting with Gov. Walker. They updated the governor and lawmakers on some of the recent progress of the Railbelt utilities working together on behalf of Alaskans.

Annual meeting and election notes

Chugach's annual membership meeting will be held on Thursday, May 18, 2017 at the Dena'ina Civic & Convention Center. Two directors will be elected to the Chugach board in the upcoming election.

This year we are moving to a paperless election and voting will be done online. Chugach encourages members to join us in reducing paper waste and saving postage expense by viewing election materials and voting online. Online voting opens on Monday, April 17.

In the past, election packets were mailed out. This year,

all election materials will be conveniently located at www.chugachelectric.com.* Members will be able to view online all the election materials that used to come in the mail, become fully informed about the candidates and issues, and then vote online.

In order to join us in this effort and be ready to vote in this year's election, Chugach needs your email address. Call us at 563-7366, visit our website to complete an on-line form, or email us at service@chugachelectric.com.

*Paper ballots and election materials will be available upon request.

Do we have your email?

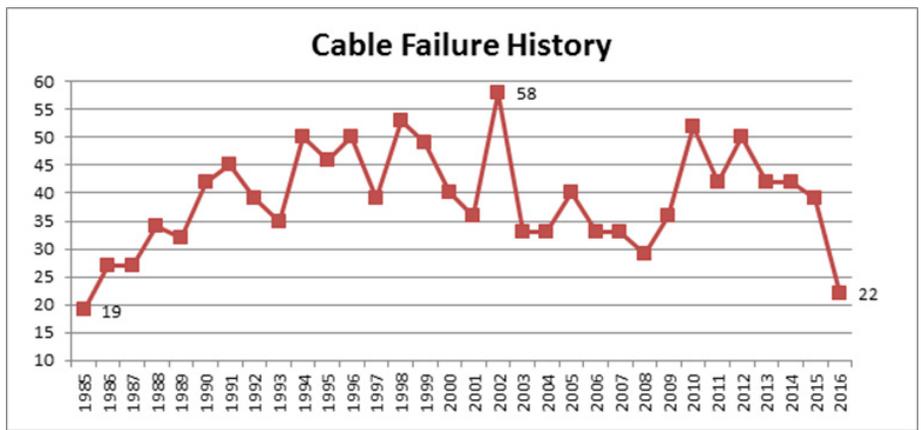
Chugach's 2017 Election is going paperless.

IMPORTANT NEWS!

Chugach sets record for lowest number of cable failures

A rehabilitation program, designed to reduce the number of underground cable failures, is bringing success to Chugach members. As an underground cable on the distribution system ages, it can fail and cause outages.

In 1999, Chugach started a cable rehab program, combined with a capital replacement program. Over time, failures declined to 30 per year. The program was stopped briefly, and then fully implemented again in 2010, with failures continuing to decline. 2016 was the lowest number since 1985, with 22 cable failures.



Legislative (cont'd from page 1)

with Matanuska Electric Association (MEA), Chugach and ML&P are implementing a power pool.

Power pooling saves money

Power pooling saves money by saving fuel. The most efficient units in the pool are used to meet the needs of customers as load grows, with each utility compensated for the use of its assets.

Hydroelectric and fossil-fueled generators are pooled for maximum efficiency. By running the most efficient units first, regardless of location or ownership, the utilities estimate the arrangement will jointly save \$12 million to \$16 million a year in fuel and operations and maintenance costs. It will also reduce CO2 emissions by 90,000 to 120,000 tons per year.

USO and Transco increase efficiency

The Railbelt utilities are entering the final phase of due diligence related to restructuring the Railbelt grid. We expect a decision on organizational structure by the end of 2017.

A Unified System Operator is a non-profit, independent, quasi-regulatory body operating under a regulatory compact with the RCA. Independence is assured by professional, stakeholder-representative governance and economic neutrality. The USO wouldn't own grid assets. {1169720}

A transmission-only utility (Transco) is an asset-owning utility, governed by its equity owners and regulated by the RCA.

Construction Update



Clearing began near Hope Substation on a four mile section of the 115 kV transmission line that goes from Quartz Creek to Anchorage. This section of line will be rebuilt to 230 kV standards later this year.



This year Chugach will reduce paper waste and postage expense by going paperless and viewing election materials online. This new effort will save over 1,000,000 sheets of paper or approximately 125 trees per year.

Save a tree



Say NO to paper

Follow us on



The Outlet

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