

Stetson Creek project progresses

Contractors continue to make progress on a major construction activity at Chugach's Cooper Lake Hydroelectric Project. Chugach is installing infrastructure to divert much of the flow of Stetson Creek into the Cooper Lake reservoir, and an outfall structure to siphon water from the reservoir into Cooper Creek, which also drains Stetson Creek.

By replacing the cold water of Stetson Creek with relatively warmer water from the reservoir, agency biologists hope to restore fish habitat in the lower reaches of Cooper Creek where it meets the

Kenai River. Resource managers estimate the combination of projects will raise the water by about 3 degrees F.

Construction on the \$22.2 million project began in 2013 with substantial completion expected by mid-December 2014.

Chugach estimates the diversion project will increase the annual energy output of the Cooper Lake project by about 10 percent. Chugach is providing \$12 million for the construction of this project, with a combination of State grants funding the balance.



Substantial completion of the Stetson Creek diversion project at Cooper Lake is expected by mid-December.

The Stetson Creek diversion project was a condition of a new 50-year license

Chugach received from the Federal Energy Regulatory

See Stetson, page 2

Hilcorp amendment could provide gas into 2019

Chugach requested approval from the Regulatory Commission of Alaska of a contract amendment that could assure an additional year of natural gas supply. The agreement was negotiated with Hilcorp Alaska, LLC.

Chugach currently has a

contract with Hilcorp that provides gas through the end of the first quarter of 2018. The amendment provides for additional gas volumes under a fixed price arrangement by extending the contract term for firm gas supply through March 31, 2019.

The amendment also provides the opportunity for Chugach to purchase non-firm / interruptible gas over the same period.

The amendment is contingent upon approval by the RCA. In its filing, Chugach requested a decision by Jan. 31, 2015.

Member Appreciation Week

Chugach will host its inaugural Member Appreciation Week Oct. 20 to 24 from 11:00 a.m. to 2:00 p.m. daily. {1200489}

Throughout the week, members are invited to learn about energy efficiency, public safety, member billing and payment

options, and much more.

A drawing will be held for a \$250 gift certificate that can be used to pay any Chugach account. Entries will be accepted in the lobby or online at www.chugachelectric.com.

For more information and a complete schedule of activities visit www.chugachelectric.com.



October is National Cooperative Month

Chugach is a member-owned cooperative – one way of organizing a business. Chugach is one of more than 900 electric cooperatives across the nation.

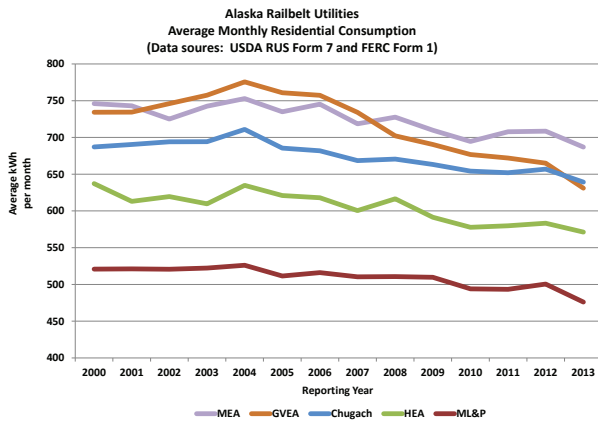
Seven cooperative principles set them apart from other businesses:

- Voluntary & open membership
- Democratic member control
- Members economic participation
- Autonomy & independence
- Education, training & information
- Cooperation among cooperatives
- Concern for community.

Railbelt-wide residential usage declines

Electric utilities throughout the Railbelt have seen a years-long decline in the amount of energy residential customers use each month. The accompanying chart shows the average monthly consumption

for residential customers of 5 different utilities. Though the total kilowatt-hours used vary from utility to utility, the downward trend is clear across the region.



Volunteers needed

Chugach is looking for members to serve on its annual meeting committees. A successful meeting depends upon volunteers who staff the Nominating, Bylaws and Election

committees. For more information call 762-4177, or visit Chugach's website at www.chugachelectric.com. Applications are due Oct. 30.

Chugach files rate adjustments

In late August Chugach requested approval from the Regulatory Commission of Alaska to make quarterly changes driven by the cost of purchasing fuel and power. The net effect of the changes is small, amounting to a 0.8 percent increase (or 87 cents) on the monthly bill of an

average residential customer using 650 kilowatt-hours of service. The changes are expected to go into effect Oct. 1 and remain in place for the final quarter of the year. Chugach typically makes adjustments to these charges each quarter to reflect changes in actual costs.

Cheney Lake undergrounding update

A project to underground about half a mile of distribution line near Cheney Lake in Northeast Anchorage has made good progress over the summer. The \$700,000 project is another in a series driven by an ordinance intended to accelerate the conversion of existing overhead lines to underground facilities. The program is funded by a 2 percent charge on the bills of members in the Municipality of Anchorage.



This photo shows a section of easement where the new underground line was installed prior to converting services for the homes on the left, and retiring the existing overhead power line. Park land, heavily forested with cottonwood trees, borders the right side of the easement.

The area was chosen for undergrounding because it was particularly hard hit during windstorms two years ago. In the first of three 100-mph windstorms that struck the Chugach system in September 2012, dozens of large cottonwood trees along the edge of Cheney Lake Park fell onto Chugach's adjacent distribution line, leading to

extensive repairs and lengthy outages.

Work on the conversion project began in June and is expected to be completed in October.

Stetson (cont'd from page 1)

Commission in 2007 for the continued operation of the Cooper Lake project. Like other hydro projects, the 19.2-megawatt Cooper Lake project provides some of the most economical energy on the Chugach system. In 2013

the generated cost of energy from Cooper Lake averaged 4.3 cents per kilowatt-hour, compared to 7.7 cents per kwh from Chugach's natural gas-fired plants.

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 \$0.09415 x kwh = | \$61.20 |
| Fuel \$0.04669 x kwh = | \$30.35 |
| Purchased power \$0.00870 x kwh = | \$5.66 |
| FIW renewable energy adj. \$0.00198 x kwh = | \$1.29 |
| <small>(Fuel, Purchased power and FIW renewable energy adjustment factors effective October 1, 2014 pending approval from the Regulatory Commission of Alaska)</small> | |
| Subtotal | 106.50 |
| 2% MOA Undergrounding Charge = | \$ 2.13 |
| Regulatory Cost Charge \$0.000754 x kwh = | \$ 0.49 |
| Total bill | \$109.12 |

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.