

01 02 18

RESOLUTION**Project Authorization - Retire INSS 138kV Facilities**

WHEREAS, Chugach Electric Association, Inc. (Chugach) has identified the need to replace existing 138 kV facilities at International Substation that are over fifty years old and have reached the end of their useful life;

WHEREAS, replacement of these facilities will increase reliability, safety and extend the life of the International Substation;

WHEREAS, Chugach has included the Retire INSS 138 kV Facilities in the 2018-2022 Capital Improvement Plan (CIP);

WHEREAS, Chugach has included funding in its 2018 Annual Operating budget for the Retire INSS 138 kV Facilities;


WHEREAS, Chugach has estimated the Retire INSS 138 kV Facilities at \$2,700,000;

NOW, THEREFORE, BE IT RESOLVED, that the Chugach Board of Directors' authorizes the Chief Executive Officer (CEO) to approve the project expenditures for Retire of the INSS 138kV Facilities at an estimated amount of \$2,700,000, with an estimated completion date of December 2018.

CERTIFICATION

I, James Henderson, do hereby certify that I am the Secretary of Chugach Electric Association, Inc., an electric non-profit cooperative membership corporation organized and existing under the laws of the State of Alaska: that the foregoing is a complete and correct copy of a resolution adopted at a meeting of the Board of Directors of this corporation, duly and properly called and held on the 24th day of January, 2018; that a quorum was present at the meeting; that the resolution is set forth in the minutes of the meeting and has not been rescinded or modified.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this corporation the 24th day of January, 2018.


Secretary

Chugach Project Authorization






01 02 18

Project Name: Retire INSS 138 kV Facilities

Project Category:

| | | | | |
|-----------------|-------------------------|---|----------------------|----------------|
| Safety | Incremental Load Growth | | New Service | R&R T&D |
| Agency Mandated | Reliability | X | Operating Efficiency | R&R Generation |

Accountabilities & Approvals

| | Signatures | Date |
|--|--|-----------|
| Board of Directors: Jim Henderson, Secretary |  | 1/24/18 |
| CEO: Lee Thibert, CEO |  | 1/24/18 |
| Executive Sponsor: Brian Hickey, Sr. VP, System Operations |  | 1/16/18 |
| Project Manager: Jon Sinclair, Sr. Mgr., Transmission |  | 1/16/18 |
| Project Engineer: Andrew Laughlin, Sr. Project Engineer |  | 1/15/2018 |

Purpose and Need:

This project will retire existing 138 kV facilities at the International Substation (INSS) that are between 40 and 50 years old, no longer in use, and have reached the end of their useful life. The two existing 138/34.5 kV transformer foundations at INSS will also be replaced under this project. The new transformer foundations will be installed to meet IEEE seismic and fire protection standards for improved safety and reliability. The foundations will also include oil containment. New 138 kV buswork will also be installed to connect INSS to the International Transmission Substation (ITSS).

Project Description:

When ITSS was installed as part of the SPP project, several of the 138 kV breakers and switches in INSS along with several section of the INSS 138 kV buswork became obsolete and were de-energized but never retired. This project will retire those 138 kV facilities and install new 138 kV buswork that will connect INSS to existing 138 kV breakers and switches in ITSS. In addition, the 138/34.5 kV transformers at INSS will get new foundations with oil containment. There will also be miscellaneous improvements to grounding, lighting systems, fencing and replacement of several control circuits.

Approval Amount: \$2,700,000

Budget ID: **10.0240** included in **2018-2022 CIP** @ \$2,700,000 and **2018 Budget** @ \$2,700,000

| | Labor | Contract | Materials | Total |
|----------|-----------|-------------|-----------|-------------|
| Forecast | \$350,000 | \$1,600,000 | \$750,000 | \$2,700,000 |