



**CHUGACH ELECTRIC ASSOCIATION, INC.
ANCHORAGE, ALASKA**

REGULAR BOARD OF DIRECTORS' MEETING

AGENDA

Mark Wiggin, Chair
Sisi Cooper, Vice Chair
Rachel Morse, Treasurer
Susanne Fleek-Green, Secretary

Jim Nordlund, Director
Dan Rogers, Director
Katherine Jernstrom, Director

September 17, 2025

4:00 p.m.

Chugach Board Room

- I. CALL TO ORDER (4:00 p.m.)
 - A. *Pledge of Allegiance*
 - B. *Roll Call*
 - C. *Safety Minute: Dangers of Downed Power Lines (Queen)*
 - D. *Electric Power Factoid: Electric Service Requirements (ESR) (Reid)*
- II. APPROVAL OF THE AGENDA* (4:10 p.m.)
- III. PERSONS TO BE HEARD (4:10 p.m.)
 - A. *Member Comments*
- IV. DIRECTOR REPORTS (4:30 p.m.)
 - A. *Alaska Power Association (APA) Report*
 - B. *Board Committee Reports (Audit & Finance, Operations & Governance)*
 - C. *Other Meeting Reports*
- V. CONSENT AGENDA* (4:45 p.m.)
 - A. *Board Calendar*
 - B. *Training and Conferences*
 - 1. *NWPPA Finance Committee, September 17, 2025, Virtual*
 - 2. *APA Annual Meeting, September 22 - 26, 2025, Cordova, AK*
 - 3. *NRECA Region 7&9 Meeting, October 6 – 8, 2025, Bellevue, WA*
 - 4. *NWPPA Board of Trustees Meeting, October 14 – 17, 2025, Colorado Springs, CO*
 - 5. *NRECA Winter School, December 12 - 16, 2025, Nashville, TN*
 - 6. *APA Legislative Conference, February 3 - 5, 2026, Juneau, AK*
 - 7. *NWPPA Board of Trustees Meeting, February 18 – 20, 2026, Vancouver, WA*

* *Denotes Action Items*

** *Denotes Possible Action Items*

9/16/2025 3:40:15 PM

8. *NRECA PowerXchange, March 6 - 11, 2026, Nashville, TN*

C. *Minutes*

1. *August 26 & 27, 2025, Strategic Planning & Regular Board of Directors' Meeting (Slocum)*

D. *Board Policy Updates (BP 103, 106, BP 206 & BP 208)*

E. *Foundation Board Policies*

F. *MAC Liaison Appointment*

G. *Director Expenses*

VI. **CEO REPORTS AND CORRESPONDENCE (4:45 p.m.)**

A. *Community Outreach Update (Hasquet) (4:45 p.m.)*

B. *Cents of Community Update (Clarkson) (4:50 p.m.)*

C. *Eklutna Update (Laughlin/Hasquet/Clarkson) (5:05 p.m.)*

D. *July 2025 Financial Statements and Variance Report (Millwood) (5:20 p.m.)*

E. *Gas Supply Update (Rudeck/Herrmann) (5:35 p.m.)*

F. *Business Development Report (Skaling) (5:55 p.m.)*

G. *Board Policy Scheduled Tasks (Miller) (6:10 p.m.)*

VII. **NEW BUSINESS (scheduled) (6:15 p.m.)**

A. *Approval of Collective Bargaining Agreements* (Millen/Menefee) (6:15 p.m.)*

B. *Equity Management Plan* (S. Highers/Millwood) (6:25 p.m.)*

C. *Foundation Financial Services* (Millwood) (6:45 p.m.)*

VIII. **DIRECTOR COMMENTS (7:00 p.m.)**

IX. **UNFINISHED BUSINESS (none)**

X. **EXECUTIVE SESSION (7:15 p.m.)**

(Recess 15-Minutes)

A. *Gas Supply Update (Rudeck/Herrmann) (7:30 p.m.)*

XI. **NEW BUSINESS (none)**

XII. **ADJOURNMENT* (8:00 p.m.)**

* **Denotes Action Items**

** **Denotes Possible Action Items**

Dangers of Downed Power Lines

Electrocution:

Direct contact **with** a downed line can be fatal, as can touching any object it has energized, such as fences, trees, or water pipes

Step Potential:

Electricity can flow into the ground from a downed line, creating a voltage gradient. If you have one foot closer to the source of the charge than the other, the voltage difference can shock you

Invisible Hazard:

A downed line doesn't have to spark, smoke, or make noise to be dangerous; it can be deadly even if it looks inactive

Energized Objects:

Downed lines can energize nearby objects, including fences, trees, bushes, buildings, and even manhole covers

What to do if you See a Downed Line

STOP

Immediately move away from line and anything it is touching

- At least 30 feet for a Distribution Line
- At Least 100 feet from a Transmission Line

LOOK

Survey the area for objects that may be energized

DO NOT TOUCH

Never attempt to move or touch the downed wire or anything it is in contact with

CALL 911

Report the downed line to authorities

WARN OTHERS

Keep others away from the area



Transmission Line



Distribution Line

Safety Tips

- Never stand under or near damaged trees or damaged utility equipment. Damaged objects and equipment could be unstable and fall at any time
- Never drive over or under damaged lines
- Always obey road closure signs and barricades
- Never approach a utility worker unless they have confirmed it is safe to do so



Safety Statistics for August 2025

Recordable Injuries			
Business Unit	2024 Totals	2024 August YTD	2025 August YTD
Power Generation	4	3	2
System Operations	6	5	7
Office & Administration	0	0	1
Total	10	8	10

DART Injuries			
Business Unit	2024 Totals	2024 August YTD	2025 August YTD
Power Generation	4	3	2
System Operations	6	5	7
Office & Administration	0	0	1
Total	10	8	10

Rates and Days Away & Restricted Workdays				
	2024 Totals	2024 August YTD	2025 August YTD	Industry Avg.
OSHA Rate	2.42	3.26	3.78	1.70
Lost Time Rate	1.45	1.81	1.89	0.70
DART Rate	1.94	1.45	3.78	0.30
Lost Workdays	344	335	411	N/A

Energy Factoid: Electric Service Requirements

Regular Board of Directors Meeting
September 17, 2025



Electric Service Requirements (ESR)

Information used by:

- Customers
- Engineers and Architects
- Contractors and Electricians
- Other involved in planning and constructing electric services and meter installations

Electric Service Requirements

What are Electric Service Requirements?

- Provides requirements for electric service
- Process and deliverables
- Supplements National Electric Code (NEC)

Why are they important?

- Safety
- Standardization
- Reliability



NEW SERVICE PROCEDURE CHECKLIST

The following represents a checklist of the basic procedures required to complete the Utility service application. Please consult the checklist below to make certain all the applicable items have been completed.

1. **Electrical Service Extension Request:** For Chugach service, the building owner or authorized representative must submit an Engineering Request for a new service on the Chugach website:
<https://memberforms.chugachelectric.com/EngineeringRequest/>
2. **Service Location:** You must provide to the Utility: 1) a site plan showing the proposed service location and location of other utilities; 2) the building outline; 3) any future building(s); 4) the property layout and site elevations; and 5) landscaping plans.
3. **Electrical Drawings:** For all commercial services and residential services over eight (8) units, you must provide the Utility with a complete set of MOA approved electrical drawings which include service entrance equipment and distribution panel information. Outside of the MOA inspection area, MOA approvals do not apply.
4. **Load Estimates:** For all services, you must provide the Utility with an estimate of the electrical demand load, based on the total connected load. Commercial services will require the electrical load information as furnished by the customer's engineer and approved by the MOA. Outside of the MOA inspection area, MOA approvals do not apply.

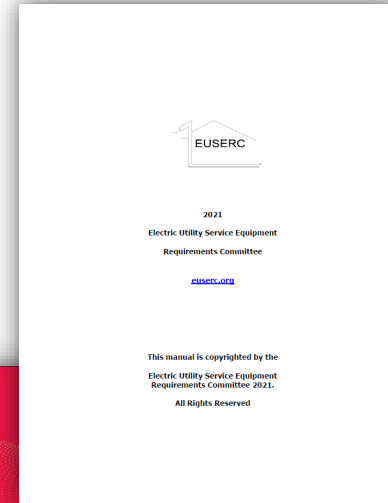
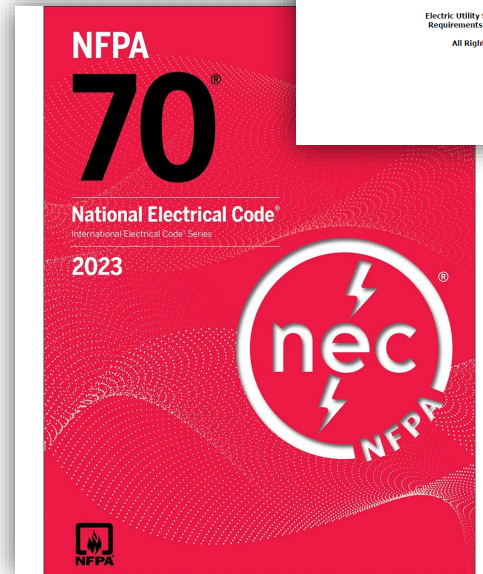
Once the above items are completed, the Utility can begin the necessary design.

5. **Permit and Inspection:** Contact the Municipality of Anchorage Development Services Department (See Directory) for procedures on obtaining the required permit and electrical inspection of your service entrance equipment. Outside of the MOA inspection area, contact the State of Alaska for inspection of non-residential and multi-family residential larger than duplexes.
6. **New Accounts:** You must establish an account with the Utility through the Customer Service Department (See Directory) for each new meter.
7. **Payments and Fees:** If required, it may be necessary to pay a deposit or fee to the Utility for such items as temporary services, trenching, concrete cutting and repair, and steam thawing.
8. **Construction Schedule:** Contact the Utility's Line Extension or Project Coordinator (See Directory) after the service entrance has been inspected for scheduling information.

Once items five through eight have been completed, the Utility crews can begin service construction.

How Are They Created

- Industry Standards
- Electric Utility Service Equipment Requirements Committee (EUSERC)
- Previous Experiences



2025 Edition

Updates Include:

- Compliance with 2020 National Electrical Code (NEC)
- Consolidates all information post ML&P acquisition
- Updated Service Maps
- Updated Contact Information
- Updated to Current Chugach Practices



September 2025

September 2025							October 2025						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
7	1	2	3	4	5	6	5	6	7	1	2	3	4
14	8	9	10	11	12	13	12	13	14	8	9	10	11
21	15	16	17	18	19	20	19	20	21	15	16	17	18
28	22	23	24	25	26	27	26	27	28	22	23	24	25
	29	30							29	30	31		

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Aug 31	Sep 1 Labor Day	2 12:00pm NWPPA Virtual Board Meeting (Morse) - CCBOD	3 8:30am NWPPA Labor and Work Force Development Virtual Meeting (Morse) - CCBOD	4 3:30pm FW: Governance Committee Packet Review (Microsoft Teams Meeting) - Stephanie Huddell	5	6
7	8	9	10 4:00pm Governance Committee Meeting (Board Room CR) - Stephanie Huddell	11	12 8:30am FW: Regular Board Meeting Packet Review (Microsoft Teams Meeting) - Stephanie Huddell	13
14	15	16	17 12:00pm NWPPA Finance Committee Virtual Meeting 4:00pm Regular Board of Directors Meeting (Board Room CR) -	18	19	20
21	22 8:00am	APA & AIE Annual Meeting - Cordova, AK - Stephanie Huddell				27 5:00pm
28	29	30	Oct 1	2	3	4

October 2025

October 2025							November 2025						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
5	6	7	1	2	3	4	2	3	4	5	6	7	1
12	13	14	8	9	10	11	9	10	11	12	13	14	8
19	20	21	15	16	17	18	16	17	18	19	20	21	15
26	27	28	22	23	24	25	23	24	25	26	27	28	22
			29	30	31		30						29

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Sep 28	29	30	Oct 1	2	3	4
5	6	7 5:30pm MAC Meeting - Stephanie Huddell	8	9	10	11
12	13 Indigenous Peoples' Day	14	15 4:00pm Operations Committee Meeting (Board Room CR) - Stephanie Huddell	16	17	18
19	20	21	22 4:00pm Regular Board of Directors Meeting (Board Room CR) - Stephanie Huddell	23	24	25
26	27	28	29	30	31	Nov 1

November 2025

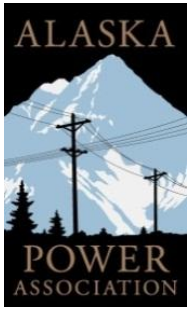
November 2025							December 2025						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
2	3	4	5	6	7	1	7	1	2	3	4	5	6
9	10	11	12	13	14	15	14	15	16	17	18	19	20
16	17	18	19	20	21	22	21	22	23	24	25	26	27
23	24	25	26	27	28	29	28	29	30	31			
30													

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Oct 26	27	28	29	30	31	Nov 1
2	3	4	5 4:00pm Audit & Finance Committee Meeting (Board Room CR) - Stephanie Huddell	6	7	8
9	10	11 Veterans' Day	12	13	14	15
16	17	18	19 4:00pm Regular Board of Directors Meeting (Board Room CR) - Stephanie Huddell	20	21	22
23	24	25	26	27 Thanksgiving	28 Friday Following Thanksgiving	29
30	Dec 1	2	3	4	5	6

December 2025

December 2025							January 2026						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
7	1	2	3	4	5	6	4	5	6	7	1	2	3
14	8	9	10	11	12	13	11	12	13	14	15	16	17
21	15	16	17	18	19	20	18	19	20	21	22	23	24
28	22	23	24	25	26	27	25	26	27	28	29	30	31

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Nov 30	Dec 1	2	3 4:00pm Audit & Finance Committee Meeting (Microsoft Teams Meeting) - Stephanie Huddell	4	5	6
7	8	9	10 4:00pm Regular Board of Directors Meeting (Board Room CR) - Stephanie Huddell	11	12	13
14	15	16	17	18	19	20
21	22	23	24 Christmas Eve	25 Christmas Day	26	27
28	29	30	31 New Year's Eve	Jan 1, 26	2	3

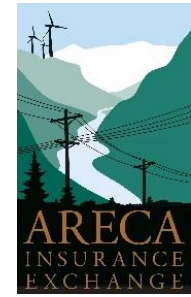


Alaska Power Association 74th Annual Meeting and ARECA Insurance Exchange Annual Meeting

September 23-26, 2025, Cordova Center, Cordova, Alaska

Hosted by:

Charting Energy Frontiers



Tuesday, September 23, 2025

9 a.m. to 5 p.m.	Alaska Directors Academy	Cordova Center Auditorium
10 a.m. and 3 p.m.	Plant Tours	Meet at Cordova Center
6:00 p.m. – 8:00 p.m.	Welcome Reception <i>Sponsored by Cordova Electric Cooperative</i>	Cordova Science Center

Wednesday, September 24, 2025

7:00 a.m. – 8:30 a.m.	Breakfast <i>Sponsored by Kotzebue Electric Association</i>	Cordova Center
7:30 a.m. - 4:00 p.m.	Registration desk open	Cordova Center – 2nd Floor
8:00 a.m. – 9:00 a.m.	ARECA Educational Foundation Meetings	Cordova Center
8:30 a.m. – 4:30 p.m.	NRECA Director Training	Cordova Center Auditorium
9:15 a.m. – 9:30 a.m.	AK 220 Shareholders Meeting	Cordova Center
9:00 a.m. – 4:00 p.m.	Companion Tour	Meet at Cordova Center
9:30 a.m. – 9:45 a.m.	Break <i>Sponsored by NWPPA, Alaska Village Electric Cooperative, BDO USA, Homer Electric Association</i>	Cordova Center
9:45 a.m. – 12:00 p.m.	APA Managers' Forum	Cordova Center
12:00 p.m. – 1:30 p.m.	Lunch <i>Sponsored by Federated Rural Electric Insurance Exchange</i>	Cordova Center
Keynote Lunch speaker:	Electric Utility Legal and Regulatory Update <i>Andy Leman, Counsel, Kemppel, Huffman & Ellis</i>	Cordova Center
2:00 p.m. – 4:00 p.m.	ARECA Insurance Exchange Trustees Meeting	Cordova Center
6:00 p.m. - 8:00 p.m.	ARECA Insurance Exchange Reception <i>Sponsored by ARECA Insurance Exchange</i>	TBD

Agenda subject to change without notice



National Rural Utilities
Cooperative Finance Corporation



8/29/2025

Thursday, September 25, 2025

7:00 a.m. – 8:30 a.m.	Breakfast <i>Sponsored by Chugach Electric Association</i>	Cordova Center
7:30 a.m. - 2:00 p.m.	Registration desk open	Cordova Center – 2nd Floor
8:00 am - 10:15 am	APA General Session I <i>Sponsored by Kemppe, Huffman & Ellis</i>	Cordova Center Theater
8:00 am – 8:05 a.m.	Welcome Remarks APA President Linda Freed, Director, Kodiak Electric Association	
8:05 am – 8:35 a.m.	Survive and Thrive in the New Normal Clay Koplin, CEO, Cordova Electric Cooperative	
8:35 a.m. – 9:15 a.m.	Intentional Actions: Making a Lasting Impact Sean Vanslyke, Chief Executive Officer, SEMO Electric Cooperative <i>Speaker Sponsor: Professional Computer Solutions</i>	
9:15 a.m. – 9:45 a.m.	Wildfire Policy in the West: Navigating Partisan Lines and Powerful Interests Kurt Miller, Executive Director, Northwest Public Power Association <i>Speaker Sponsor: Toth and Associates</i>	
9:45 a.m. – 10:15 a.m.	Alaska Energy Authority Update Curtis Thayer, Executive Director, Alaska Energy Authority	
10:15 a.m. - 10:45 a.m.	Break <i>Sponsored by Holmes, Weddle & Barcott, Copper Valley Electric Association</i>	Cordova Center
10:45 am - 12:15 pm	APA General Session II <i>Sponsored by City of King Cove</i>	Cordova Center Theater
10:45 a.m. – 10:50 a.m.	NRECA Election	
10:50 a.m. – 11:50 a.m.	CEO Panel – an Hour of Power, Moderated by Michael Rovito Participants: Yves Brower, BUECI GM, Brad Janorschke, HEA GM, Alec Mesdag, AEL&P CEO, Clay Koplin, CEC CEO, Brandon Shaw, IPEC CEO	
11:50 a.m. – 12:15 p.m.	Robert Venables, Executive Director, Southeast Conference	
12:15 p.m. – 2:15 p.m.	Lunch <i>Sponsored by Barrow Utilities and Electric Cooperative, Inc.</i> Teri Viswanath, Lead Economist, Power, Energy & Water, CoBank	Cordova Center
2:30 p.m. – 4:30 p.m.	APA Board of Directors meeting	Cordova Center
5:30 p.m. – 6:00 p.m.	Cocktails and Silent Auction Viewing	Cordova Center
6:00 p.m. – 7:00 p.m.	Buffet Dinner	Cordova Center
7:00 p.m. – 8:00 p.m.	Awards Banquet Program Banquet speaker: Joel Allen, Senior Vice President & Chief Banking Officer, CFC	Cordova Center
8:00 p.m. – 9:00 p.m.	ARECA Educational Foundation Auction	Cordova Center

Thanks to our Power Plant Level sponsors for their generous contributions to the APA/AIE Annual Meeting



National Rural Utilities
Cooperative Finance Corporation



Friday, September 26, 2025

7:00 a.m. – 8:30 a.m.	Breakfast <i>Sponsored by Naknek Electric Association</i>	Cordova Center
8:00 am – 11:00 am	APA General Session III <i>Sponsored by National Information Solutions Cooperative (NISC)</i>	Cordova Center Theater
8:00 a.m. – 8:45 a.m.	Global Demand for AI and What That Means for Alaska's Microgrids Sam Enoka, Founder & CEO, Greensparc	
8:45 a.m. – 9:15 a.m.	Trade Association Reports APA President Report: Linda Freed, Director, Kodiak Electric Association APA Treasurer Report: Jamie Matthews, CEO, Copper Valley Electric Association APA Executive Director Report: Crystal Enkvist, Executive Director, APA	
9:15 a.m. – 9:30 a.m.	National Rural Electric Cooperative Association Report Crystal Enkvist, Director, Region 9	
9:30 a.m. - 10:00 a.m.	Break <i>Sponsored by First National Bank Alaska, Alaska Electric Light & Power, GenPac, INN Electric Co-op</i>	Cordova Center
10:00 a.m. – 11:00 a.m.	APA General Session IV <i>Sponsored by Milwaukee Tool</i>	Cordova Center Theater
10:00 a.m. – 10:30 a.m.	Hydropower: The Caped Crusader of Clean Energy Kurt Miller, Executive Director, Northwest Public Power Association	
10:30 a.m. – 11:00 a.m.	Legislative Review Michae Rovito, Deputy Director, Alaska Power Association	
11:00 a.m.	Membership Networking Lunch (grab and go or stay!)	Cordova Center

Thanks to our Power Plant Level sponsors for their generous contributions to the APA/AIE Annual Meeting



National Rural Utilities
Cooperative Finance Corporation



8/29/2025

2025 Regions 7&9 Meeting

October 6 - 8, 2025 | Bellevue,
WA



Download the NRECA Events App
for the latest information on this
event.

Schedule

Schedule subject to change.

Printed: September 12, 2025 3:40 PM

MONDAY 10/06

7:00am - 8:30am

Pre-Conference Registration

8:00am - 12:00pm

PRE-CONFERENCE WORKSHOP

CEO/Staff Workshop: Strategic Succession Planning – Preparing your Co-op and People for the Future

Brian Allen, National Relationship Manager, Homestead Advisers

Leigh Taylor, Director, Executive Search, NRECA

Registration Required - CEOs and Cooperative Staff Only | Fee: \$250

Succession planning isn't just identifying possible replacements for existing key positions. It's about aligning leadership transitions with your cooperative's long-term strategy—anticipating future needs that may not yet exist, and evolving current positions to ensure the right people are in the right roles at the right time.

Taught by NRECA and Homestead Advisers, this workshop will guide you through the essential connection between strategic planning and succession planning. You'll learn to:

- Define succession planning and its importance
- Identify leadership roles and critical positions
- Prepare your organization for smooth transitions and effective knowledge transfer
- Identify the components necessary to develop a personalized retirement plan

Investing involves risk, including the loss of principal. Homestead Advisers Corp., a registered investment adviser with the U.S. Securities and Exchange Commission, is an indirect, wholly owned subsidiary of NRECA.

8:00am - 4:00pm

PRE-CONFERENCE WORKSHOP

CANCELED - 2600.1 Director Duties and Liabilities

8:00am - 4:00pm

PRE-CONFERENCE WORKSHOP

928.1 Artificial Intelligence and Electric Cooperatives

Registration Required

Artificial intelligence is transforming the electric industry, including cooperatives, by streamlining operations, improving reliability and enhancing member satisfaction. From processing vast amounts of meter data to automating key functions, AI is driving efficiency and innovation. In this course, gain a foundational understanding of AI—its terminology, implications, applications and strategic significance. Learn how to confidently discuss AI in the boardroom and assess whether this rapidly evolving technology has a role in your cooperative's future.

Fee: \$715

8:00am - 4:00pm

PRE-CONFERENCE WORKSHOP

947.1 Providing Feedback to Your CEO

Registration Required

A strong board-CEO relationship is essential for a cooperative's success, whether working with a newly appointed leader or an experienced executive. With more than a third of electric cooperative CEOs eligible to retire within five years, many boards are navigating the process of building a working relationship with a new CEO.

This session explores the importance of setting clear goals and expectations that align with the cooperative's mission. Explore why regular, constructive feedback is vital to the CEO's success and learn strategies for fostering open, trust-based communication. Gain practical insights on how to approach these conversations with unity, ensuring a collaborative and forward-thinking partnership.

Fee: \$815

1:00pm - 4:00pm

PRE-CONFERENCE WORKSHOP

CEO/Staff Workshop: Regional Reliability and Resiliency - Drivers & Innovative Solutions

Venkat Banunarayanan, Vice President, Integrated Grid, NRECA

Registration Required - CEOs and Cooperative Staff Only

Reliability and resiliency are the cornerstones of a strong power supply—essential for economic growth and vibrant communities. However, shifting market forces, evolving technologies, extreme weather events, policy changes and interdependent infrastructures are reshaping the electric industry. These challenges also open doors for innovation, requiring forward-thinking strategies to maintain a dependable energy supply.

This preconference workshop kicks off with an expert panel discussion, followed by a highly interactive, facilitated conversation. Participants will:

- Identify current and emerging challenges to power reliability and resiliency.
- Assess the regional impacts of these shifts and what they mean for their cooperative.
- Explore innovative solutions to address these challenges.

Come away with valuable peer insights into major obstacles and actionable opportunities for enhancing reliability and resiliency in an evolving energy landscape.

Fee: \$250

1:00pm - 5:00pm

Registration

4:00pm - 5:30pm

NETWORKING

NISC Update and Reception

5:00pm - 6:30pm

NETWORKING

America's Electric Cooperatives PAC Donor Appreciation Reception

We cordially invite all active America's Electric Cooperatives PAC members to an exclusive Thank You reception to celebrate your commitment to political engagement. Join us for an evening of food, beverages, door prizes, recognition and socializing with fellow PAC members. We appreciate your continued support.

Note: This event is exclusive for active members of America's Electric Cooperatives PAC (anyone who has contributed to America's Electric Cooperatives PAC in 2024 or 2025). If you are unsure of your America's Electric Cooperatives PAC membership status, please contact Amy Lewis at amy.lewis@nreca.coop. If you are not an America's Electric Cooperatives PAC member but would like to be, please make your contribution today at cooperative.com/pacdonation or contact amy.lewis@nreca.coop.

Contributions to the America's Electric Cooperatives PAC are not tax deductible for federal income tax purposes. Contributions to America's Electric Cooperatives PAC are voluntary and will be used for political purposes. You have the right to refuse to contribute without reprisal. Federal law prohibits contributions from foreign nationals who lack permanent resident status. Any contribution guidelines presented are merely suggestions. You are free to contribute more or less than the suggested amounts, or not at all. NRECA will not favor or disadvantage anyone by reason of the amount contributed or a decision not to contribute. *Federal law requires us to use our best efforts to collect and report the name, mailing address, occupation and name of employer of individuals whose contributions exceed \$200.

TUESDAY 10/07

7:30am - 8:30am

NETWORKING

CEO Breakfast

By Invitation Only

7:30am - 9:00am

Breakfast on Own

7:30am - 4:30pm

Registration

8:40am - 8:50am

MEMBER RESOLUTIONS

Region 7 Nominating Committee Meeting

8:40am - 8:50am

MEMBER RESOLUTIONS

Region 9 Nominating Committee Meeting

9:00am - 10:30am

GENERAL SESSION

Opening General Session

Jim Matheson, CEO, NRECA

Jim Robb, President and CEO, North American Electric Reliability Corporation (NERC)

Ashley Slater, Vice President, Regulatory Affairs, NRECA

Call to Order

Welcome CEO Address

Keynote Address

Hear from NERC as they provide a unique perspective on the practical realities of keeping the lights on as demand for power increases, and the evolving landscape co-ops must navigate amid policy changes, technology advancements, and market forces.

What Federal Regulations Mean for Co-ops Now

The federal regulatory environment is evolving at a rapid pace—sometimes shifting by the hour. New rulemakings, court decisions, and agency actions are reshaping the way electric cooperatives operate, from power plant regulations to grid reliability standards. With high stakes and increasing complexity, staying informed is more critical than ever. In this session, the NRECA government relations team will cut through the noise to provide a clear update on the most consequential federal actions affecting electric co-ops today. Get the latest insights on EPA, FERC, DOE, and more—and learn how cooperatives are working together to advocate for practical, sustainable outcomes.

Proposed Resolutions Briefing

This session will help prepare you to participate in the afternoon's Regional Resolutions Committee meeting by providing a briefing on the 2025 Compendium of Proposed Resolutions.

Featured Speakers



Jim Matheson



Ashley Slater



Jim Robb

10:30am - 11:00am

NETWORKING

Networking Break

Sponsored by



10:45am - 11:30am

CFC District Meeting

11:45am - 1:00pm

NETWORKING

Regionals Luncheon with Address by Andrew Don

Andrew Don, CEO, CFC

Sponsored by



1:15pm - 2:15pm

BREAKOUT

Under Fire: Wildfires, Grid Reliability, and the Co-op Response

Lauren Khair, Senior Director, Energy Research & Resilience, Business and Technology Strategies, NRECA

Megan Olmstead, Regulatory Affairs Director, Government Relations, NRECA

With wildfire seasons growing longer, hotter, and more destructive, electric cooperatives are on the front lines—protecting systems, maintaining reliability, and supporting communities through crisis. Wildfire risk is no longer a localized issue; it has become a national reliability challenge with significant operational, financial, and policy implications. This session will explore how co-ops are adapting to escalating wildfire threats, including strategies for vegetation management, system hardening, emergency response, and load-shedding protocols enhanced by advanced technology. We'll also examine how regulators, insurers, and policymakers are responding—highlighting the impact on co-ops navigating rising risks and increasing accountability.

Whether your co-op is in a high-risk zone or preparing for future challenges, this session will provide actionable strategies, lessons learned, and essential questions every co-op leader should be asking today.

1:15pm - 2:15pm

BREAKOUT**Leading the Charge: Regional Impact Through Political Engagement***Kelly Cushman, Vice President, Political Programs, NRECA*

Public policy decisions at the state and federal levels are shaping the future of electric cooperatives and the communities they serve. For co-op leaders, fostering a strong culture of political engagement isn't just beneficial—it's essential. This session takes a regional approach, analyzing how co-ops in your state are performing in PAC participation, mobilizing VCP advocates and leveraging grassroots outreach. By diving into key data, we'll identify strengths, opportunities and comparisons with other regions, equipping you to lead with impact.

Discover how effective advocacy influences the policies that matter most to your members. Learn how sharing your co-op's unique story can strengthen relationships with policymakers and amplify your voice. We'll also explore strategies to maximize PAC participation, grassroots engagement and other advocacy tools to drive meaningful policy outcomes.

Whether your co-op is leading the charge in political engagement or looking to enhance its influence, this session will provide insights, success stories and practical strategies to help shape the policies that shape your future.

2:30pm - 4:00pm

GENERAL SESSION**General Session 2***Jeffrey Connor, COO, NRECA**Phil Irwin, President & CEO, Federated Rural Electric Insurance Exchange**Martin Littrel, President/CEO, Meade County RECC**Mike Partin, CEO, Sequachee Valley Electric Co-op & NRECA Board President***President's Address****Regional Awards****Federated Rural Electric Insurance Exchange Update****Spotlight on Safety****Secretary-Treasurer's Report****Industry Breakthroughs and Their Impact on Your Cooperative**

Discover how cooperatives in your region have leveraged a recent development to strengthen their operations and drive impact. Learn firsthand how these changes shaped their success and gain valuable insights into strategies that can position other co-ops for future growth. Walk away with real-world examples of victories from electric cooperatives that can inspire and guide your own path forward.

Featured Speakers**Jeffrey Connor****Martin Littrel****Mike Partin****Phil Irwin**

4:15pm - 5:00pm

MEMBER RESOLUTIONS

Regions 7&9 Resolutions Committee Meeting

For NRECA Voting Members Only

Join the Regional Resolutions Committee meeting to explore the Compendium of Proposed Resolutions—a collection of resolutions advanced by the National Resolutions Committee, along with amendments and additional proposals from past Regional Meetings.

The Regional Resolutions Committee meeting is your opportunity to learn more about the Compendium of Proposed Resolutions—a compilation of the proposed resolutions forwarded by the National Resolutions Committee and any additional resolutions or amendments from prior Regional Meetings. Audience members are encouraged to ask questions, and gain insights into the resolutions shaping cooperative policy. Voting members are invited to submit new resolutions sponsored by their cooperative's board or statewide association for committee consideration.

5:30pm - 7:00pm

NETWORKING

Welcome Reception

Sponsored by



WEDNESDAY 10/08

7:30am - 9:00am

NETWORKING

Breakfast

7:30am - 10:30am

Registration

9:15am - 10:45am

GENERAL SESSION

Closing General Session

*Pat Mangan, Sr Principal, Governance Education, NRECA**Cale McCall, Youth Program Manager, Event Education and Programming, NRECA**Meredith Miller, Principal Data Scientist, NRECA**Ryan Newlon, Principal, Cybersecurity Solutions, NRECA***Investing in the Future: Youth Tour & Youth Leadership Council**

Discover how NRECA youth programs are shaping the next generation of cooperative leaders, fostering engagement and commitment to the co-op mission. Hear firsthand stories from program alumni and see how these experiences strengthen leadership pipelines, empowering young professionals to carry the cooperative legacy forward.

Cyber Risk and Co-op Governance: A New Tool for Smarter Decision-Making

Cybersecurity is an increasingly critical business risk—and a growing responsibility for cooperative boards. This session introduces a powerful new tool, developed in partnership with DeNexus, to help quantify cybersecurity's impact on enterprise risk. By removing uncertainty, directors can shift from reactive approaches to integrating cybersecurity into long-term business strategy.

While cybersecurity investments don't always present a clear ROI, risk quantification provides the missing link. It supports stronger governance, justifies hard-to-measure costs, and enables data-driven decisions that enhance a co-op's overall cyber posture.

Governance Talk Live! Handling the Large Load: Governance Considerations for Data Centers, Manufacturing and Crypto

As large commercial loads become more common, cooperatives must be ready to make informed decisions—before the opportunity or challenge arises. This session delves into critical governance factors, including who should be involved in the decision-making process, what key questions boards should consider in advance, and how to effectively manage risk, infrastructure demands, and cost responsibilities. Gain valuable insight from real co-op experiences and take away practical strategies to guide your board's approach.

Featured Speakers**Cale McCall****Pat Mangan****Ryan Newlon****Meredith Miller**

11:00am - 11:45am

MEMBER RESOLUTIONS

Region 7 Business Meeting

11:00am - 11:45am

MEMBER RESOLUTIONS

Region 9 Business Meeting

Winter School for Directors

December 12 - 16, 2025 | Nashville, TN

Schedule

Schedule subject to change.

Printed: September 12, 2025 3:43 PM

FRIDAY 12/12

7:00am - 8:00am

BREAKFAST
Breakfast

7:00am - 4:00pm

REGISTRATION
Registration

8:00am - 4:00pm

CREDENTIALLED COOPERATIVE DIRECTOR (CCD)
2600 Director Duties and Liabilities

Boards are entrusted with guiding the affairs of the cooperative, and that responsibility carries important legal and ethical obligations. This session explores the core duties of loyalty, obedience, and due care, emphasizing the importance of directors acquiring the foundational knowledge and skills needed to fulfill their roles effectively within the cooperative framework.

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

908.1 Political Engagement for Directors

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

925.1 Co-op Bylaws: Guiding Principles and Current Issues

The evolving structure of the U.S. electric industry has led to increased scrutiny from both consumers and regulators. In response, many electric cooperatives are facing new challenges that require their bylaws to address emerging issues such as shifting membership dynamics, "large load" exceptions to state territorial laws, diversified service offerings, distributed generation, and changes in state or federal regulations.

This session will support directors, CEOs, and cooperative agents in conducting a thorough review of their bylaws and will explore the implications these developments may have for future revisions.

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

965.1 Electric Vehicles: Strategy and Policy Consideration

Electric vehicles (EVs) are gaining momentum both globally and across the United States, driven by rising sales, a growing variety of models, and widespread media coverage. Within the electric cooperative industry, EVs are increasingly part of strategic planning discussions and boardroom conversations, with many cooperatives now owning at least one EV.

This session is designed to equip directors with the insights needed to make informed strategy and policy decisions about EVs and their potential impact on cooperative operations and member engagement.

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

975.1 Capital Credits Issues and Decisions

Adopting and implementing a capital credits policy is a core responsibility of a cooperative's board of directors and management. As elected representatives of the membership, directors must have a thorough understanding of the policy and be prepared to clearly explain its purpose, rationale, and implementation to members who have questions.

Join this session to strengthen your grasp of capital credits and gain the confidence to communicate your co-op's policy with clarity and credibility.

Course Fee \$715

11:30am - 1:00pm

LUNCH ON YOUR OWN

Lunch on Your Own

SATURDAY 12/13

7:00am - 8:00am

BREAKFAST

Breakfast

7:00am - 4:00pm

REGISTRATION

Registration

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

926.1 Navigating in the Era of Uncertainty

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

929.1 Current Governance Issues in Policy Development

Effective governance begins with clear, purposeful policies. This course repositions policy not just as procedure—but as a proactive leadership tool that sets expectations, drives accountability, and strengthens boardroom performance.

Designed to help co-op directors lead with confidence and clarity, the course revisits core governance principles while exploring how well-crafted policies reinforce board effectiveness. Participants will engage in dynamic discussions around today's most pressing issues facing rural cooperatives—from evolving member needs to regulatory shifts—and examine sample policies that align with and support strategic oversight in real-world contexts.

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

935.1 Appraising and Compensating the CEO

A cooperative board holds a critical responsibility: fairly and effectively evaluating and compensating its chief executive officer. Appraisal involves using established performance metrics to assess the CEO's leadership and impact. Compensation builds on that appraisal to develop a structured salary range and approve appropriate compensation.

This course equips directors to carry out these duties with transparency and confidence—laying the groundwork for a strong, respectful, and enduring relationship between the board and its CEO.

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

988.1 The Board's Role in Safety

Creating and nurturing a strong safety culture is the top priority for every electric cooperative board. In close partnership with the CEO, board members must provide vigilant oversight of safety performance—continually reinforcing the organization's commitment to safety from the top down.

Yet, many boards struggle to strike the right balance between guiding safety outcomes and staying appropriately distanced from day-to-day operations. This course empowers distribution cooperative boards to find that equilibrium while effectively fulfilling their oversight responsibilities.

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

901.1 Basic Parliamentary Procedure for Directors

This session offers a practical overview of parliamentary procedure to help directors participate more effectively in board meetings. Participants will explore the purpose and benefits of formal meeting protocols, gain familiarity with the core principles of Robert's Rules of Order, and learn how structured procedures contribute to more focused, fair, and efficient decision-making.

Course Fee \$715

8:00am - 4:00pm

CREDENTIALLED COOPERATIVE DIRECTOR (CCD)

2620 Board Operations and Process

The board of directors is responsible for overseeing the affairs of the cooperative, with official actions typically taken by majority vote during properly convened meetings. This session examines the legal requirements for conducting board meetings and explores the human dynamics and group processes that contribute to productive, effective decision-making.

Course Fee \$715

11:30am - 1:00pm

LUNCH ON YOUR OWN

Lunch on Your Own

SUNDAY 12/14

7:00am - 8:00am

BREAKFAST

Breakfast

7:00am - 4:00pm

REGISTRATION

Registration

8:00am - 4:00pm

CREDENTIALLED COOPERATIVE DIRECTOR (CCD)

2640 Financial Decision Making

Strong financial oversight is essential to effective board leadership. This course equips directors with the tools to evaluate their cooperative's financial position through core financial statements and key performance ratios used in planning and reporting.

Participants will also explore how board decisions—on everything from budgeting to strategic investment—directly shape the financial health of their organization.

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

903.1 The Role of the Board Chair in Conducting Effective Meetings

Effective leadership at the board level begins with strong meeting management. As the board chair, responsibilities include structuring meetings, fostering open and respectful dialogue, guiding deliberations toward clear decisions, and ensuring the cooperative continues to advance its mission.

This interactive course is designed to equip board chairs with essential skills for presiding over productive meetings. Participants will engage in hands-on activities that simulate common challenges and practice strategies to navigate them with confidence. The material will be presented in a practical framework in compliance with Robert's Rules of Order.

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

919.1 Cooperative Structure: A Strategic Advantage

In an energy landscape marked by volatility and rapid transformation, the cooperative business model stands out as a strategic asset for electric co-ops. When co-ops remain true to their purpose and operate according to cooperative principles and values, they unlock the potential to elevate their members' quality of life in meaningful ways.

This course empowers directors to embrace the full value of the cooperative structure. Through a deeper understanding of its guiding principles, participants will learn how to apply cooperative ideals to decision-making, strategy, and governance—turning values into a vehicle for long-term member success.

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

921.1 Risk Oversight: The Board's Role in Risk Management

Electric cooperative boards today face a complex and unprecedented risk landscape. From financial volatility and regulatory shifts to cybersecurity threats, evolving technologies, demographic changes, and the growing influence of Environmental, Social, and Governance (ESG) factors—directors must be equipped to navigate it all.

This course delivers essential principles and actionable tools to strengthen your cooperative's risk oversight, including risk processes tailored to the unique structure and mission of electric cooperatives. Through engaging discussions and co-op-specific case studies, learn to lead with clarity and resilience and explore the distinct roles of boards and management in recognizing, evaluating, and mitigating risk.

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

926.1 Navigating in the Era of Uncertainty

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)**928.1 Artificial Intelligence and Electric Cooperatives**

Artificial intelligence is revolutionizing the electric industry—and cooperatives are no exception. From streamlining the analysis of large-scale meter data to boosting system reliability and enhancing member experience, AI is accelerating core functions and opening new possibilities.

This course equips electric cooperative directors with a foundational grasp of AI—its terminology, practical applications, strategic value, and potential impact on their organization. Participants will gain the confidence to engage in informed boardroom discussions and assess whether this rapidly evolving technology belongs in their cooperative's future.

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)**960.1 Value of the Generation, Transmission, and Distribution Relationship**

In today's rapidly shifting electric industry, directors and CEOs—especially those appointed to serve on Generation & Transmission (G&T) boards—must bring a broad, informed perspective to the table. This session is designed to empower all cooperative leaders with a deeper understanding of the challenges, risks, and strategic responsibilities that G&T boards navigate to deliver reliable and cost-effective power to their member systems.

Through fast-paced and interactive discussions, participants will explore the distinct oversight duties of G&T boards and how they differ from those of distribution boards. This is a must-attend opportunity to strengthen your leadership role and ensure your boardroom decisions are grounded in industry insight and cooperative impact.

Course Fee \$715

11:30am - 1:00pm

LUNCH ON YOUR OWN

Lunch on Your Own

MONDAY 12/15

7:00am - 8:00am

BREAKFAST

Breakfast

7:00am - 4:00pm

REGISTRATION

Registration

8:00am - 4:00pm

CREDENTIALLED COOPERATIVE DIRECTOR (CCD)

2610 Understanding the Electric Business

To govern effectively, directors of electric distribution cooperatives must grasp the evolving operational landscape. This course offers a strategic overview of the key challenges electric co-ops face.

Through practical frameworks and decision-making tools, participants will strengthen their ability to exercise due diligence and contribute meaningfully to boardroom discussions on operational issues.

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

913.1 Cooperative Fundamentals, Legacy and Economic Impact

Successful leadership in cooperatives starts with understanding what makes them fundamentally different. This course empowers directors to lead with purpose at the core—placing people and community over profit.

Participants will dive into the values and principles that define the cooperative business model, uncovering how these foundational elements create long-term advantages in today's competitive landscape.

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

950.1 Practical Communication Strategies for Directors

Clear, confident communication is essential to effective board governance. This course equips directors with the tools to navigate boardroom dynamics through impactful face-to-face interactions, strong preparation, and skilled active listening.

By drawing on real-world scenarios, explore how to apply critical soft skills—like empathy—to foster trust, encourage collaboration, and enhance decision-making.

Course Fee \$815

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

955.1 Your Board's Culture: Its Impact on Effectiveness

Every boardroom has a culture — whether intentional or accidental. From strong and collaborative to fragmented or conflicted, these underlying norms and values shape how decisions are made and how effectively the board governs. Even when logical procedures are in place, a misaligned culture can hinder meaningful discussion, strategic deliberation, and thoughtful decision-making.

This session helps directors recognize the influence of boardroom culture on performance. Learn how to assess your current environment, uncover cultural blind spots, and build the foundation for a healthier, more effective governance dynamic.

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

976.1 Power Supply Decision Making

Generation and transmission investment decisions are central to a G&T's duty to serve its distribution cooperative members. From coal-fired generation, which often began with lower capital costs but demanded ongoing investment due to shifting emissions regulations, to nuclear generation, marked by massive upfront costs shaped by evolving laws, prolonged construction, and high interest rates — each path was shaped by strategic foresight. And as today's energy landscape becomes increasingly uncertain, future investments will require the same level of vision, planning, and purpose.

This course equips directors to navigate the complexities of those decisions — past, present, and future — with greater clarity and confidence. Join us to better understand your governance role in ensuring wise, forward-looking generation and transmission decisions.

Course Fee \$715

11:30am - 1:00pm

LUNCH ON YOUR OWN

Lunch on Your Own

TUESDAY 12/16

7:00am - 8:00am

BREAKFAST

Breakfast

7:00am - 3:00pm

REGISTRATION

Registration

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

2630 Strategic Planning

The long-term health of your cooperative rests squarely in the hands of the board. As stewards of its future, directors must be equipped to think strategically, set meaningful goals, and allocate resources effectively. That means understanding financial policy, budget review, and ongoing performance monitoring — all essential parts of advancing the organization's mission.

This session is designed to strengthen your ability to lead in these areas. Learn how to participate actively in strategic planning, sharpen your oversight, and ensure the organization stays on course toward its vision.

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

927.1 Cybersecurity: The Board's Oversight Role

As cyber threats accelerate and digitization reshapes our industry, electric cooperative boards face a critical challenge—balancing innovation with risk. With members expecting reliable service and seamless digital engagement, your leadership in cybersecurity is more vital than ever.

This session equips directors with the insights and tools to navigate complex decisions around cyber risk. Learn how to work alongside your CEO and management team to evaluate risk tolerance, protect cooperative assets, and drive digital transformation responsibly.

Course Fee \$715

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

937.1 Applying Emotional Intelligence in the Boardroom

Emotional intelligence isn't just a personal asset—it's a boardroom advantage. Like any skill, it can be sharpened with training and deliberate practice. This session dives into the four core competencies of emotional intelligence:

- Self-awareness
- Self-management
- Social awareness & empathy
- Relationship management

Join fellow directors in developing these essential skills to build stronger connections with peers and your CEO, navigate boardroom dynamics with greater emotional agility and elevate your leadership impact. Don't miss this opportunity to deepen your insight and lead with greater confidence and emotional clarity.

Course Fee \$815

8:00am - 4:00pm

BOARD LEADERSHIP CERTIFICATE (BLC)

974.1 Rate Making Strategies and Policy Decisions for Electric Cooperative Boards

The rate-making process is often described as both an art and a science — blending rigorous mathematical analysis with thoughtful judgment and experience, and a deep understanding of organizational dynamics and member needs. And in today's challenging landscape—marked by rising costs, flat or declining sales and shifting member expectations—Boards of Directors, CEOs, and staff face mounting pressure to design fair, sustainable rate structures that support financial objectives, satisfy lender requirements and uphold reliability and service standards.

In this session, sharpen the strategic insight and practical tools needed to lead rate-making decisions with clarity and confidence. Engage with peers, expand your perspective and dive into the pressing challenges that demand your leadership.

Course Fee \$715

11:30am - 1:00pm

LUNCH ON YOUR OWN

Lunch on Your Own

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

Tuesday and Wednesday
August 26 – 27, 2025
8:30 a.m.

REGULAR BOARD OF DIRECTORS' MEETING

Recording Secretary: Heather Slocum

I. CALL TO ORDER

Chair Wiggin called the Regular Board of Directors' Meeting to order at 8:39 a.m. at the BP Energy Center, 1014 Energy Court, Anchorage, Alaska.

A. Pledge of Allegiance

Chair Wiggin lead the Board in the Pledge of Allegiance.

B. Roll Call

Board Members Present:

Mark Wiggin, Chair

Sisi Cooper, Vice Chair

Susanne Fleek-Green, Secretary – *arrived at 11:12 a.m.*

Rachel Morse, Treasurer

Dan Rogers, Director

Jim Nordlund, Director

Katherine Jernstrom, Director

Guests and Staff Attendance Present:

Arthur Miller

Matt Clarkson

Sherri Highers

Andrew Laughlin

Allan Rudeck, Jr.

Katie Millen

Trish Baker

Julie Hasquet

Dustin Highers

Mike Miller

Stephanie Huddell

Kate Ayers

Taylor Asher

Dan Herrmann

Bart Armfield

Buddi Richey

Heather Slocum

Mark Schneider, CFC

Ann Shankroff, CFC

Samantha Owen, McMillen

Sean Ellenson, McMillen

Julianne Rosset, McMillen

Joel Groves, Polarconsult
Alaska

Ryan McLaughlin, AEA

Jim Mendenhall, AEA

Bryan Carey, AEA

Consultant

Nat Herz, Member

C. Safety Minute – BP Energy Center Safety Briefing

Matt Clarkson, Chief Legal Officer, gave a safety briefing of the BP Energy Center.

D. Electric Power Factoid – Fleet Management

Steve Nawa, Manager, Fleet and Warehouse, presented on fleet management and answered questions from the Board.

II. APPROVAL OF AGENDA

Director Jernstrom moved, and Director Cooper seconded the motion to approve the agenda with amendments. The motion passed unanimously.

Director Fleek-Green was not present at time of vote.

III. PERSONS TO BE HEARD (NONE)

Director Fleek-Green arrived at 11:12 a.m.

IV. CONSENT AGENDA

A. Board Calendar

B. Training Conferences

- 1. APA Annual Meeting, September 23-26, 2025, Cordova, AK*
- 2. NRECA Region 7 & 9 Meeting, October 6-8, 2025, Bellevue, WA*

C. Minutes

- 1. June 25, 2025, Amended Regular Board of Directors' Meeting (Cacy)*
- 2. July 30, 2025, Regular Board of Directors' Meeting (Slocum)*

D. Director Expenses

Director Expenses were provided in the Board Packet.

Director Cooper moved, and Director Morse seconded the motion to approve the consent agenda. The motion passed unanimously.

V. NEW BUSINESS

A. Introductions and Opening Comments (Wiggin/Schneider)

Mark Wiggin, Chair, and Mark Schneider, CFC, provided introductions and opening comments.

B. Renewables

1. Decarbonization Roadmap (D. Highers/Schneider)

Dustin Highers, VP, Corporate Programs, presented the Decarbonization Roadmap and answered questions from the Board.

2. Dixon Diversion (Carey/McLaughlin/ Mendenhall)

Ryan McLaughlin and Jim Mendenhall, AEA, and Bryan Carey, AEA Consultant, presented on the Dixon Diversion project and answered questions from the Board.

VI. EXECUTIVE SESSION*

A. Renewables

1. Hydroelectric Power Options in Southcentral Alaska (Ellenson/Owen)

B. Strategic Plan Overview (Wiggin/Miller/Schneider)

Director Morse moved, and Director Cooper seconded the motion that pursuant to Alaska Statute 10.25.175(c)(1) and (3), the Board of Directors go into executive session to: 1) discuss and receive reports regarding matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; and 2) discuss with its attorneys matters the immediate knowledge of which could have an adverse effect on the legal position of the cooperative. The motion passed unanimously.

VII. RECESS

The meeting recessed at 3:00 p.m.

VIII. RECONVENE MEETING

The meeting reconvened in Executive Session on August 27, 2025, at 8:40 a.m. at the BP Energy Center, Anchorage Alaska.

IX. EXECUTIVE SESSION CONT.

A. Gas Supply and Storage (Rudeck/Herrmann/Armfield)

B. Revenue Growth Strategies (Schneider)

C. Visioning for Chugach's Future (Schneider)

D. Wrap-Up (Schneider)

The meeting reconvened in open session at 2:53 p.m.

X. DIRECTOR REPORTS

A. Board Committee Reports (Audit & Finance, Operations, and Governance)

Director Jernstrom reported that the Governance Committee has not met since the last Board meeting, and the next Governance Committee meeting is scheduled for September 10, 2025.

Director Morse reported on the Audit & Finance Committee meeting held on August 20, 2025. Director Cooper was elected as Vice-chair of the committee.

Director Nordlund reported on the Operations Committee meeting on August 13, 2025.

B. Other Meeting Reports

1. Strategic Planning, Executive Session Recap

Chair Wiggin recapped the topics from Executive Session for the public record.

XI. CEO REPORTS AND CORRESPONDENCE

A. Community Outreach (Hasquet)

Julie Hasquet, Sr. Manager Corporate Communications reported on community outreach activities and answered questions from the Board.

B. Eklutna Update (Laughlin/Clarkson/Hasquet)

No report – topic postponed.

*C. Rate Case and Cents of Community (Clarkson)**

Matt Clarkson, Chief Legal Officer, updated the Board on the Rate Case and the Cents of Community program and answered questions from the Board.

XII. NEW BUSINESS

Recess (10 Minutes)

A. Economic Dispatch (Laughlin/M. Miller/Schneider)

No report – topic postponed.

B. Chugach Electric Association Charitable Foundation Board of Trustees (Nordlund/Rogers/Fleek/Green)*

Director Nordlund summarized the process for the creation of the Cents of Community Chugach Foundation and answered questions from the Board.

Director Nordlund moved, and Director Cooper seconded the motion that the Chugach Board of Directors appoint the following candidates to serve staggered four-year terms on the Chugach Foundation Board of Trustees beginning October 1, 2025: Jean Sauget and Irene Tresser to serve for one year, Bil Popp and Selma Khan to serve for two years, Katie Conway and Marnie Isaacs to serve for three years, and Rebecca Garrett to serve for four years. The motion passed unanimously.

C. Hydroelectric Power Options in Southcentral Alaska (Ellenson/Owen)

Sean Ellenson, McMillen, and Samantha Owen, McMillen, presented hydroelectric power options in Southcentral Alaska and answered questions from the Board.

XIII. DIRECTOR COMMENTS

Director comments were made at this time.

XIV. ADJOURNMENT

At 4:10 p.m. Director Cooper moved, and Director Fleek-Green seconded the motion to adjourn. The motion passed unanimously.

Susanne Fleek-Green, Secretary

Date Approved: September 17, 2025

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

September 17, 2025

ACTION REQUIRED

AGENDA ITEM NO. V. D.

<u> </u>	Information Only
<u> X </u>	Motion
<u> </u>	Resolution
<u> </u>	Executive Session
<u> </u>	Other

TOPIC

Board Policy Updates

DISCUSSION

The Chugach Electric Association, Inc. (Chugach or Association) Board of Directors establishes board policies that govern the direction of the Association, including governance, operations, finance, human resources, and strategic planning. The policies are designed to ensure that the Association operates effectively, ethically, and in accordance with its mission and values. The policies support and complement the Bylaws.

Chugach continues to review its Board Policies and is proposing revisions to the following policies:

1. *BP 103 – Duties and Responsibilities of the Board of Directors*
2. *BP 106 – Director Duties and Standards of Conduct*
3. *BP 206 – Statement of Functions of the Operations Committee*
4. *BP 208 – Statement of Functions of the Governance Committee*

A summary of the proposed changes to each policy is provided in Attachment I. Attachment II includes the proposed updated Board Policies, presented in both redline and clean versions.

On September 10, 2025, the Governance Committee recommended the Chugach Board of Directors approve the modifications to Board Policies 103, 106, 206, and 208 as presented.

MOTION

Consent Agenda

Chugach Electric Association, Inc.
Anchorage, Alaska

Attachment I:
Summary of Modifications to Board Policies 103, 106, 206, and 208

1. Board Policy 103 – Duties and Responsibilities of the Board of Directors

- Changed the responsibility for conducting the annual performance evaluation of the Chief Executive Officer from the Operations Committee to the Governance Committee.
- Updated the deadline for the written performance evaluation of the Chief Executive Officer from the prior requirement to complete the evaluation on or before the first Board meeting in April to align with the performance cycle timeline identified in the Chief Executive Officer's Executive Employment Agreement.

2. Board Policy 106 – Director Duties and Standards of Conduct

- Added new requirement for conducting orientation with newly elected Board members within 30 days following Chugach's annual meeting.
- Added new provision for presenting an overview of the Association's fiduciary duties, Code of Ethics, and Conflict of Interest policies to the full Board of Directors within 45 days of the annual meeting, during a Regular Board meeting.
- Minor formatting edits.

3. Board Policy 206 – Statement of Functions of the Operations Committee

- Removed the responsibility of conducting the annual performance evaluation of the Chief Executive Officer from the duties of the Operations Committee.

4. Board Policy 208 – Statement of Functions of the Governance Committee

- Added the responsibility of conducting the annual performance evaluation of the Chief Executive Officer to the duties of the Governance Committee.
- Added language to the duties and responsibilities to include providing recommendations on operational, performance, and strategic initiatives.

Chugach Electric Association, Inc.
Anchorage, Alaska

Attachment II:
Proposed Updated Board Policies

CHUGACH ELECTRIC ASSOCIATION, INC.

BOARD POLICY: 103

DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

I. OBJECTIVE

To describe the major duties and responsibilities of the Board of Directors (“Board”). The Board of Directors is tasked with the management of the business and affairs of the Association. All of the powers of the Association are conferred upon and may be exercised by the Board of Directors, except as reserved to or conferred upon the members by law, the articles of incorporation, or the bylaws. It is the purpose of this Policy to enumerate the major duties and responsibilities of the Board.

II. CONTENT

Full compliance with this Policy is mandatory and Directors are expected to foster a culture of transparency, integrity, and honesty.

A. General duties and responsibilities of the Board are as follows:

1. Ensure that the legal requirements, as set forth in the Articles of Incorporation, the Bylaws, and regulations applicable to the Association are complied with including, but not necessarily limited to:
 - a. Relevant federal, State and local statutes, ordinances and regulations.
 - b. The Indenture of Trust and other loan covenants, loan agreements and financing agreements.
 - c. Requirements of federal and State regulatory agencies and commissions with jurisdiction over the Association’s activities.
2. Select and employ a competent Chief Executive Officer and delegate to him or her, the complete responsibility and authority to select and direct employed personnel and to terminate employment if such action becomes necessary, within the limitations of Association policy, procedures and collective bargaining agreements.
3. The Board Chair shall be responsible for ensuring that the performance of the Chief Executive Officer is evaluated each year by the Board Governance Committee and that a written report to the full Board is provided consistent with the performance cycle timeline identified in the Chief Executive Officer’s Executive Employment Agreement on the results of such evaluation.

The evaluation is to include a recommendation on salary adjustment when appropriate. Once reviewed and approved by the Board, the results of such evaluation are to be provided to and discussed with the Chief Executive Officer.

4. Hold well-planned and effectively conducted Board Meetings in a timely manner sufficiently often to stay well-informed about Association matters; to provide policy guidance; and, to take action on Association business as necessary and appropriate. The preliminary agenda for such meetings shall be developed by the Board Chair in consultation with the Chief Executive Officer. The agenda should be transmitted to Board Members in advance of the Board Meeting with sufficient supporting information to facilitate the decision-making process.
5. Ensure that complete and accurate minutes of the Board and annual and special membership meetings are prepared and maintained. Except as specified otherwise in the Association's Bylaws, minutes will generally be prepared in accordance with the "Guidelines for Taking Meeting Minutes" contained in the most recent version of *Robert's Rules of Order*, and shall be kept and maintained at the Association headquarters and distributed to all Board members.
6. Ensure open discussion and information exchange about all matters that come before the Board.
7. Authorize the funds, facilities, equipment, and human resources necessary to carry out the mission and objectives of the Association.
8. Establish committees when necessary.
9. Through the Chair, in consultation with the Chief Executive Officer and the Committee Chair, refer matters to committees for examination and investigation, receive reports from those committees and take appropriate action as a result of such reports; provided that referral of a matter to a committee will not preclude the Board from taking action on that matter.
10. Select and appoint Board Counsel, as required.
11. Arrange periodically for an evaluation of Board performance and for a systematic program to keep the Board informed and educated about the Association's business and operations.
12. Periodically review this Board policy regarding the functions, duties and responsibilities of the Board and review the Association's objectives and goals, as recommended by the Chief Executive Officer and the strategy to achieve those objectives and goals.

B. Financial duties and responsibilities of the Board are as follows:

1. Ensure the fiscal soundness of the organization.
2. Review the Association's financial statements.
3. Review the consolidated operating and capital budgets as recommended by the Chief Executive Officer including all budget revisions. Approve the operating and capital budgets, and budget revisions greater than \$1,000,000.
4. Review on an annual basis, the long-range financial forecasts to determine the financial needs of the Association and how they will be met.
5. Review staff recommendations on financial policies and practices and review sources and strategies for financing.
6. Protect the assets of the Association through appropriate risk management policies and coverages and by ensuring that lending covenants are met or exceeded.
7. Adopt and ensure appropriate controls for the exercise of authority delegated to Board Officers, the Chief Executive Officer, and other employees.
8. Approve depositories for funds of the Association and those authorized to sign checks, drafts, notes, contracts, deeds, mortgages, and other instruments on behalf of the Association.
9. Establish policies governing the investment of funds of the Association and periodically review the investment of funds to make sure the principal is safe and the rate of return is reasonable and discuss with the Chief Executive Officer any action required.
10. In consultation with the Chief Executive Officer and Chief Financial Officer, establish target Equity to Total Capitalization Ratio and Capital Credit Rotation Policy to ensure progress towards target equity ratio.
11. Adopt proposed base rate changes.
12. Review annually the Capital Improvement Plan.
13. Review and approve major contracts exceeding Chief Executive Officer authority, as required.
14. Develop basic policies to ensure that major purchases are done competitively, where appropriate.

15. Establish policies governing the payment of travel, out-of-pocket and other expenses of Directors.

C. Operations duties and responsibilities of the Board are as follows:

1. Consider and adopt short-range and long-range plans with respect to:
 - a. objectives and major goals for the Association that are in conformance with the Articles of Incorporation and the Bylaws as well as all applicable federal and state laws; and
 - b. operating programs, services, and activities developed and recommended by the Chief Executive Officer.
2. Review and adopt any changes necessary to the Delegations of Authority (Board Policy 401) from the Board to the Chief Executive Officer.
3. Review, in consultation with the Chief Executive Officer, the Association's bylaws and recommend any changes required to meet current operating conditions, which changes shall be recommended to the Bylaws Committee.
4. Review periodically the method of nominating Directors to make sure the process encourages nominations which are representative of the composition of the membership and make recommendations to the Nominating and Bylaws Committees regarding any proposed changes to that process.
5. Ensure that controls are established which can be used in evaluating the effectiveness of Association operations by:
 - a. examining periodic reports from the Chief Executive Officer to ensure conformity to the Board's approved objectives, policies, major goals, plans and programs. These reports should be of sufficient scope to enable the Board of Directors to: prevent unauthorized action; determine how operations in key performance areas are progressing; predict trends and forecast results; determine where remedial or corrective action may be required; measure results against annual work plans and budgets; measure performance against plans and policies; and
 - b. examining the independent management audit if such an audit is undertaken and ensuring that Board-approved recommendations are carried out.
6. In consultation with the Chief Executive Officer, review (a) proposed revisions to the Association's wage and salary plan for non-bargaining unit employees; (b) major employee benefit programs; and (c) strategies to be

utilized in labor negotiations and/or proposed contract changes. Adopt changes to those plans and programs as appropriate.

7. In consultation with the Chief Executive Officer, review member attitude studies and public and member relations programs, including member involvement and communication, so that a continuous program of member, public, and governmental relations is carried out to obtain understanding and support for Association objectives.
8. Keep members informed about issues affecting the Association through the Association website, newsletters and other publications, annual reports and membership meetings. Every reasonable effort shall be made to keep the members advised of the long-range outlook on power costs, and as far in advance as possible, on the need for adjustments in rates.
9. In consultation with the Chief Executive Officer, review market research and marketing plans and programs to improve load factors and energy sales and to help the members make more efficient use of electric energy. Adopt changes to those plans and programs as appropriate.
10. In consultation with the Chief Executive Officer, review and adopt legislative strategies and legislation to be supported or opposed by the Association.
11. In consultation with the Chief Executive Officer, review the Association's relations with Alaska Power Association (APA) and with other organizations, agencies and entities as necessary and adopt policies with regard to those entities.
12. Review recommendations of the Chief Executive Officer on the selection of principal consultants to the Board and approve the selection of those consultants.
13. Endeavor to improve the quality of the environment through supporting the implementation of business practices that reduce or eliminate waste and encourage the recycling and environmentally sound disposal of waste.
14. Encourage the active participation of the members through committees and review, in accordance with Board Policy 602, the applications of those interested in serving on Member Standing Committees.
15. Review periodically programs and plans for Director education and development, so that Board members may be well informed about changing member needs and how the Association might meet those needs. This includes increasing knowledge and understanding of the Association's business and operations, participating in conferences, workshops, seminars, and other professional activities deemed advantageous to the Association.

16. Assisting new Board members to develop a greater understanding of the Association and their basic responsibilities and duties, including arranging for training of new Board members about the Association's objectives, plans, policies, operations, and programs.

III. RESPONSIBILITIES

- A. The Board may delegate any or all of these responsibilities to a committee of the Board or Chief Executive Officer as long as such action is not inconsistent with the Association's Bylaws or other legal requirements.
- B. It shall be the responsibility of the Board Chair to see that the foregoing functions are effectively carried out.

Date Approved: September 17, 2025

Attested: _____
Susanne Fleek-Green
Secretary of the Board

CHUGACH ELECTRIC ASSOCIATION, INC.

BOARD POLICY: 103

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I. OBJECTIVE

To describe the major duties and responsibilities of the Board of Directors (“Board”). The Board of Directors is tasked with the management of the business and affairs of the Association. All of the powers of the Association are conferred upon and may be exercised by the Board of Directors, except as reserved to or conferred upon the members by law, the articles of incorporation, or the bylaws. It is the purpose of this Policy to enumerate the major duties and responsibilities of the Board.

II. CONTENT

Full compliance with this Policy is mandatory and Directors are expected to foster a culture of transparency, integrity, and honesty.

A. General duties and responsibilities of the Board are as follows:

1. Ensure that the legal requirements, as set forth in the Articles of Incorporation, the Bylaws, and regulations applicable to the Association are complied with including, but not necessarily limited to:
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 - c. Requirements of federal and State regulatory agencies and commissions with jurisdiction over the Association’s activities.
2. Select and employ a competent Chief Executive Officer and delegate to him or her, the complete responsibility and authority to select and direct employed personnel and to terminate employment if such action becomes necessary, within the limitations of Association policy, procedures and collective bargaining agreements.
3. The Board Chair shall be responsible for ensuring that the performance of the Chief Executive Officer is evaluated each year by the Board ~~Operations~~ Governance Committee and that a written report to the full Board is provided consistent with the performance cycle timeline identified in the Chief Executive Officer’s Executive Employment Agreement on or before the first

~~Board meeting in April~~ on the results of such evaluation. The evaluation is to include a recommendation on salary adjustment when appropriate. Once reviewed and approved by the Board, the results of such evaluation are to be provided to and discussed with the Chief Executive Officer.

4. Hold well-planned and effectively conducted Board Meetings in a timely manner sufficiently often to stay well-informed about Association matters; to provide policy guidance; and, to take action on Association business as necessary and appropriate. The preliminary agenda for such meetings shall be developed by the Board Chair in consultation with the Chief Executive Officer. The agenda should be transmitted to Board Members in advance of the Board Meeting with sufficient supporting information to facilitate the decision-making process.
5. Ensure that complete and accurate minutes of the Board and annual and special membership meetings are prepared and maintained. Except as specified otherwise in the Association's Bylaws, minutes will generally be prepared in accordance with the "Guidelines for Taking Meeting Minutes" contained in the most recent version of *Robert's Rules of Order*, and shall be kept and maintained at the Association headquarters and distributed to all Board members.
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10. Select and appoint Board Counsel, as required.
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7. Adopt and ensure appropriate controls for the exercise of authority delegated to Board Officers, the Chief Executive Officer, and other employees.
8. Approve depositories for funds of the Association and those authorized to sign checks, drafts, notes, contracts, deeds, mortgages, and other instruments on behalf of the Association.
9. Establish policies governing the investment of funds of the Association and periodically review the investment of funds to make sure the principal is safe and the rate of return is reasonable and discuss with the Chief Executive Officer any action required.
10. In consultation with the Chief Executive Officer and Chief Financial Officer, establish target Equity to Total Capitalization Ratio and Capital Credit Rotation Policy to ensure progress towards target equity ratio.
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 - a. objectives and major goals for the Association that are in conformance with the Articles of Incorporation and the Bylaws as well as all applicable federal and state laws; and
 - b. operating programs, services, and activities developed and recommended by the Chief Executive Officer.
2. Review and adopt any changes necessary to the Delegations of Authority (Board Policy 401) from the Board to the Chief Executive Officer.
3. Review, in consultation with the Chief Executive Officer, the Association's bylaws and recommend any changes required to meet current operating conditions, which changes shall be recommended to the Bylaws Committee.
4. Review periodically the method of nominating Directors to make sure the process encourages nominations which are representative of the composition of the membership and make recommendations to the Nominating and Bylaws Committees regarding any proposed changes to that process.
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 - a. examining periodic reports from the Chief Executive Officer to ensure conformity to the Board's approved objectives, policies, major goals, plans and programs. These reports should be of sufficient scope to enable the Board of Directors to: prevent unauthorized action; determine how operations in key performance areas are progressing; predict trends and forecast results; determine where remedial or corrective action may be required; measure results against annual work plans and budgets; measure performance against plans and policies; and
 - b. examining the independent management audit if such an audit is undertaken, and ensuring that Board-approved recommendations are carried out.
6. In consultation with the Chief Executive Officer, review (a) proposed revisions to the Association's wage and salary plan for non-bargaining unit employees; (b) major employee benefit programs; and (c) strategies to be

utilized in labor negotiations and/or proposed contract changes. Adopt changes to those plans and programs as appropriate.

7. In consultation with the Chief Executive Officer, review member attitude studies and public and member relations programs, including member involvement and communication, so that a continuous program of member, public, and governmental relations is carried out to obtain understanding and support for Association objectives.
8. Keep members informed about issues affecting the Association through the Association website, newsletters and other publications, annual reports and membership meetings. Every reasonable effort shall be made to keep the members advised of the long-range outlook on power costs, and as far in advance as possible, on the need for adjustments in rates.
9. In consultation with the Chief Executive Officer, review market research and marketing plans and programs to improve load factors and energy sales and to help the members make more efficient use of electric energy. Adopt changes to those plans and programs as appropriate.
10. In consultation with the Chief Executive Officer, review and adopt legislative strategies and legislation to be supported or opposed by the Association.
11. In consultation with the Chief Executive Officer, review the Association's relations with Alaska Power Association (APA) and with other organizations, agencies and entities as necessary and adopt policies with regard to those entities.
12. Review recommendations of the Chief Executive Officer on the selection of principal consultants to the Board, and approve the selection of those consultants.
13. Endeavor to improve the quality of the environment through supporting the implementation of business practices that reduce or eliminate waste and encourage the recycling and environmentally sound disposal of waste.
14. Encourage the active participation of the members through committees and review, in accordance with Board Policy 602, the applications of those interested in serving on Member Standing Committees.
15. Review periodically programs and plans for Director education and development, so that Board members may be well informed about changing member needs and how the Association might meet those needs. This includes increasing knowledge and understanding of the Association's business and operations, participating in conferences, workshops, seminars, and other professional activities deemed advantageous to the Association.

16. Assisting new Board members to develop a greater understanding of the Association and their basic responsibilities and duties, including arranging for training of new Board members about the Association's objectives, plans, policies, operations, and programs.

III. RESPONSIBILITIES

- A. The Board may delegate any or all of these responsibilities to a committee of the Board or Chief Executive Officer as long as such action is not inconsistent with the Association's Bylaws or other legal requirements.
- B. It shall be the responsibility of the Board Chair to see that the foregoing functions are effectively carried out.

Date Approved: ~~September 17, 2024~~ March 17, 2025

Attested: _____

Susanne Fleek-Green
Secretary of the Board

CHUGACH ELECTRIC ASSOCIATION, INC.

BOARD POLICY: 106

DIRECTOR DUTIES AND STANDARDS OF CONDUCT

I. OBJECTIVE

To describe and set forth the fiduciary duties of Directors, to clarify the standards of conduct for which Directors will be held accountable when serving on the Board, and to define prohibited conduct for the Directors.

II. CONTENT

A. Directors are subject to legal standards of fiduciary responsibility. These include the duties of care and loyalty.

1. Under the duty of care, Directors are required to:
 - a. Exercise that degree of care that an ordinarily prudent person would exercise under similar circumstances.
 - b. Have or acquire the minimum knowledge and skills necessary to direct the affairs of the Association.
 - c. Make every effort to attend all applicable meetings of the Board or Board committee and to study materials sent prior to each Board or committee meeting.
 - d. Study and adhere to all obligations imposed by the Articles of Incorporation, the Bylaws, contractual agreements, and Board Policies.
2. Under the duty of loyalty, Directors are required to:
 - a. Elevate the best interests of the Association and its members over any personal interests.
 - b. Maintain undivided loyalty to the Association, which requires that there be no conflict between duty and self-interest.
 - c. Refrain from using their position of trust and confidence with the Association to further private interests.
 - d. Exert all reasonable and lawful efforts to ensure that the Association is not deprived of any advantage to which it is entitled.

- B. Directors must act in good faith. Every Director in expressing his or her views, questions, concerns, positions, and activities relating to Association policies, rates, charges, programs, etc., shall be given the benefit of the assumption that the Director is pursuing the best interests of the Association. In turn, good faith requires that:
1. Directors reveal all information or interests which they may have that may bear upon action being considered by the Board or management;
 2. Directors not pursue a position, inquiry, recommendation or motion for the purpose of unduly harassing or annoying another Director or member of management during a Board or committee meeting or during outside meetings;
 3. Directors not exercise any special privilege that is not available to the general membership unless in a Board or committee meeting, or while acting upon authority delegated by the whole Board; and
 4. Directors' communications with employees other than management, if made at all, shall be casual and conducted on a friendly and courteous basis and not for the purpose of influencing an employee's position or attitude concerning Association-related activities, or concerning such activities or the employment positions of other Association employees, or seeking Association information or data.
- C. Directors shall act only through the Board.
1. The Board recognizes that should any Director undertake in private conversation with others to make commitments for the Board of Directors, unless directed officially by the Board, that Director becomes involved in a serious breach of policy that might disrupt the entire organization. The Director shall be subject to reprimand from fellow Directors should a Director attempt to make commitments unofficially for the Board.
 2. The Directors shall refrain as individuals from discussing management and personnel problems with personnel of the Association. The Board of Directors, in consultation with the Chief Executive Officer, may confer with key personnel at regular or special meetings of the Board.
 3. The "flow" of authority for the management of the Association shall be through the Board of Directors to the Chief Executive Officer. The Board of Directors shall require full, complete and timely information from the Chief Executive Officer concerning pertinent matters in connection with the management of the Association as set forth in Board Policies.
- D. Director's initiatives for Board of Directors' meetings. Any Director may propose a topic for discussion at an upcoming board meeting or committee meeting. The Chief

Executive Officer and the Board Chair will consider any such proposal as a possible item of new business for regular Board meetings. For Committee meetings, the Chair of the Committee will consider any such proposal in consultation with the Chief Executive Officer.

- E. Directors shall comply with the Association's Bylaws, Articles of Incorporation, Board policies, and applicable local, state and federal laws.

Within 30 days following Chugach's Annual Meeting, the Chief Executive Officer, along with designated senior executive management, shall conduct an orientation session for all newly elected Board members. At a minimum, this session will provide:

1. An overview of the Association's key initiatives and strategic priorities;
2. A review of the electric cooperative governance structure;
3. A summary of relevant Board policies and procedures; and
4. Information on Board member education and certifications, including but not limited to opportunities offered by the National Rural Electric Cooperative Association and the Alaska Power Association.

In addition, the Board Chair, or their designee(s), shall assist new Board members in developing a broader understanding of the Association as outlined in Board Policy 103. This includes clarifying the basic responsibilities and duties of Board service and arranging training on the Association's objectives, plans, policies, operations, and programs.

Within 45 days following the Annual Meeting, the Chief Executive Officer, or their designee, shall provide the Board with an overview of the Association's fiduciary responsibilities, Code of Ethics, and Conflict of Interest policies during a regularly scheduled Board meeting.

- F. Directors shall comply with Board Policy 605, Request for Association Information. A Director shall not:

1. Use Association information in any manner that is not in the best interests of the Association;
2. Individually conduct negotiations or make contacts or inquiries on behalf of the Association and/or the Board unless officially designated to do so;
3. Disclose confidential Association information in violation of Board Policy 605, Requests for Association Information, and Board Policy 105, Confidential Information;

4. Directors shall comply with any Association policy, with any direction provided by the Chief Executive Office, and with applicable law with regard to any Confidential Information.

G. Director serving as Liaison or Representative. Any Director appointed by the Board to serve as a Liaison or as a Representative of the Board to any member committee, trade or other organization, or to any third party or group (collectively, “Entity”) shall:

1. Act solely within the scope of any direction provided by the Board and/or by the Board Chair either by resolution or otherwise.
2. Provide adequate notice of important matters coming before the Entity and meaningful opportunities to provide guidance to the Board and the Chief Executive Officer.
3. Represent the Association’s best interest in all votes taken by the Entity.
4. Keep the Board and management fully informed of all significant Entity activities.

H. Media and Public Statements.

1. Any Director may speak with the media on behalf of the Association only if he or she has been designated as an Association media spokesperson on the topic or issue.
2. Subject to paragraph 1, a Director is encouraged to be an ambassador of the Association and, subject to rules regarding confidentiality, to promote the activities and actions of the Board with the Association’s membership. In so doing, a Director must stay faithful to the intent of the Board as expressed in its official statements, and should not reinterpret or re-characterize the Board’s actions to reflect the Director’s own view. While having the right and responsibility to exercise independent judgment and to express dissenting opinions during Board deliberations, a Director also has the obligation outside the Boardroom to respect and support decisions of the majority, even when the Director dissented from the majority view. Provided that the limitations of this paragraph are honored, a Director may express personal views on any topic of public debate, which may include, generic discussion of matters of public policy involving the Association’s activities. It is not a violation of this Policy for an incumbent Director, during the course of a campaign for re-election, to describe or explain that Director’s voting record and to state positions on issues concerning the Association.

I. Prohibited Conduct.

1. Directors of the Association are prohibited from:

- a. Receiving gifts, fees, loans, or favors from suppliers, contractors, consultants, financial houses, employees, or other Directors which may reasonably obligate or induce Directors to compromise their duties and responsibilities to negotiate, obligate, inspect, audit, purchase or consider, award, or authorize the Chief Executive Officer (“CEO”) to enter into contracts in the best interests of the Association. Payment for a Director’s meal for the purpose of discussing Association business matters is not prohibited if the cost or value of the meal is \$100.00 or less per person. This section does not prohibit Directors from receiving contributions to their campaigns for election to the Board of Directors in accordance with any policy or procedure established by the Board for such campaign contributions;
 - b. Using Association information in any manner that is not in the best interests of the Association;
 - c. Individually conducting negotiations or making contacts or inquiries on behalf of the Association and/or the Board of Directors unless officially designated to do so;
 - d. Disclosing confidential Association information in violation of Board Policy 605, “Requests for Association Information” and Board Policy 105, “Confidential Information”;
 - e. Acquiring or having a financial interest in any Association property;
 - f. Having a financial interest in a competing enterprise or being a supplier, contractor, consultant, or other entity with which the Association does business, except as provided in Article IV, Section 3(a)(4) of the Bylaws. Directors may own securities in a publicly-owned company unless ownership of such securities provides the Director with the ability to materially influence or affect the business relationship between the Association and such publicly-owned company;
 - g. Having other interests in or relationships with an outside organization or individual having business dealings with the Association if the interest or relationship would impair the ability of the Director to serve the best interests of the Association.
2. Directors are also prohibited from being:
- a. An employee of the Association;
 - b. An employee of a competing enterprise except as provided in Article IV, Section 3(a)(2) of the Bylaws;

- c. A member, officer, director or employee of any union local currently acting as a bargaining agent for Association employees;
- d. A person living in the same household with and financially interdependent with any person included in subparagraphs a. b. and c. of Section I.1. above;
- e. A member of a standing or ad hoc member committee as described in Article XV, Section 1 of the Association's Bylaws.

3.

J. Enforcement.

- 1. The Board Chair is authorized to ensure compliance with this Policy. Any Director may request the review of actions taken by another Director by requesting a meeting with that Director and the Board Chair to discuss concerns.
- 2. If that discussion does not resolve the concern or if the compliance issue arises out of a potential breach of Board Policy 106, Section II.C, the Director questioning the action of another Director may deliver to each Director a notice, signed by at least two Directors, setting forth the charges against such other Director. The Director against whom the charges are brought shall be informed in writing of the charges at least ten (10) days prior to the meeting of the Board. This meeting shall be presided over by the Board Chair unless he/she is the charged party or the charging party in which case the presiding officer shall be the Vice Chair. At such Board meeting and in the presence of the Director charged, the person or persons bringing the charges shall present evidence of non-compliance. The Director charged shall have an opportunity to present evidence in support of a defense to the charges. The Director may be disciplined or censured only by a 3/4ths majority vote of the entire Board, less the member charged, finding that the Director failed to comply with one or more Board Policies. Any such review of compliance undertaken by the Board and any action taken by the Board shall be reflected in the minutes of the meeting at which such review occurred.
- 3. Disciplinary action under this section is in addition to the right of the membership to remove a Director.

III. RESPONSIBILITIES

- A. Each Director shall make every reasonable effort to adhere to this Policy.
- B. The Board Chair is responsible for bringing non-adherence with this Policy to the attention of Directors.

- C. Any Director whose conduct violates section II.I of this Policy may be subject to removal pursuant to Article IV, Section 3(c) or Section 7 of the Association's Bylaws.
- D. The Association's Board of Directors shall be responsible for administration of this policy

Date Approved: September 17, 2025

Attested: _____
Susanne Fleek-Green
Secretary of the Board

CHUGACH ELECTRIC ASSOCIATION, INC.

BOARD POLICY: 106

DIRECTOR DUTIES AND STANDARDS OF CONDUCT

I. OBJECTIVE

To describe and set forth the fiduciary duties of Directors, to clarify the standards of conduct for which Directors will be held accountable when serving on the Board, and to define prohibited conduct for the Directors.

II. CONTENT

A. Directors are subject to legal standards of fiduciary responsibility. These include the duties of care and loyalty.

1. Under the duty of care, Directors are required to:
 - a. Exercise that degree of care that an ordinarily prudent person would exercise under similar circumstances.
 - b. Have or acquire the minimum knowledge and skills necessary to direct the affairs of the Association.
 - c. Make every effort to attend all applicable meetings of the Board or Board committee and to study materials sent prior to each Board or committee meeting.
 - d. Study and adhere to all obligations imposed by the Articles of Incorporation, the Bylaws, contractual agreements, and Board Policies.
2. Under the duty of loyalty, Directors are required to:
 - a. Elevate the best interests of the Association and its members over any personal interests.
 - b. Maintain undivided loyalty to the Association, which requires that there be no conflict between duty and self-interest.
 - c. Refrain from using their position of trust and confidence with the Association to further private interests.
 - d. Exert all reasonable and lawful efforts to ensure that the Association is not deprived of any advantage to which it is entitled.

- B. Directors must act in good faith. Every Director in expressing his or her views, questions, concerns, positions, and activities relating to Association policies, rates, charges, programs, etc., shall be given the benefit of the assumption that the Director is pursuing the best interests of the Association. In turn, good faith requires that:
1. Directors reveal all information or interests which they may have that may bear upon action being considered by the Board or management;
 2. Directors not pursue a position, inquiry, recommendation or motion for the purpose of unduly harassing or annoying another Director or member of management during a Board or committee meeting or during outside meetings;
 3. Directors not exercise any special privilege that is not available to the general membership unless in a Board or committee meeting, or while acting upon authority delegated by the whole Board; and
 4. Directors' communications with employees other than management, if made at all, shall be casual and conducted on a friendly and courteous basis and not for the purpose of influencing an employee's position or attitude concerning Association-related activities, or concerning such activities or the employment positions of other Association employees, or seeking Association information or data.
- C. Directors shall act only through the Board.
1. The Board recognizes that should any Director undertake in private conversation with others to make commitments for the Board of Directors, unless directed officially by the Board, that Director becomes involved in a serious breach of policy that might disrupt the entire organization. The Director shall be subject to reprimand from fellow Directors should a Director attempt to make commitments unofficially for the Board.
 2. The Directors shall refrain as individuals from discussing management and personnel problems with personnel of the Association. The Board of Directors, in consultation with the Chief Executive Officer, may confer with key personnel at regular or special meetings of the Board.
 3. The "flow" of authority for the management of the Association shall be through the Board of Directors to the Chief Executive Officer. The Board of Directors shall require full, complete and timely information from the Chief Executive Officer concerning pertinent matters in connection with the management of the Association as set forth in Board Policies.
- D. Director's initiatives for Board of Directors' meetings. Any Director may propose a topic for discussion at an upcoming board meeting or committee meeting. The Chief

Executive Officer and the Board Chair will consider any such proposal as a possible item of new business for regular Board meetings. For Committee meetings, the Chair of the Committee will consider any such proposal in consultation with the Chief Executive Officer.

- E. Directors shall comply with the Association's Bylaws, Articles of Incorporation, Board policies, and applicable local, state and federal laws.

Within 30 days following Chugach's Annual Meeting, the Chief Executive Officer, along with designated senior executive management, shall conduct an orientation session for all newly elected Board members. At a minimum, this session will provide:

1. An overview of the Association's key initiatives and strategic priorities;
2. A review of the electric cooperative governance structure;
3. A summary of relevant Board policies and procedures; and
4. Information on Board member education and certifications, including but not limited to opportunities offered by the National Rural Electric Cooperative Association and the Alaska Power Association.

In addition, the Board Chair, or their designee(s), shall assist new Board members in developing a broader understanding of the Association as outlined in Board Policy 103. This includes clarifying the basic responsibilities and duties of Board service and arranging training on the Association's objectives, plans, policies, operations, and programs.

Within 45 days following the Annual Meeting, the Chief Executive Officer, or their designee, shall provide the Board with an overview of the Association's fiduciary responsibilities, Code of Ethics, and Conflict of Interest policies during a regularly scheduled Board meeting.

- F. Directors shall comply with Board Policy 605, Request for Association Information. A Director shall not:

1. Use Association information in any manner that is not in the best interests of the Association;
2. Individually conduct negotiations or make contacts or inquiries on behalf of the Association and/or the Board unless officially designated to do so;
3. Disclose confidential Association information in violation of Board Policy 605, Requests for Association Information, and Board Policy 105, Confidential Information;

4. Directors shall comply with any Association policy, with any direction provided by the Chief Executive Office, and with applicable law with regard to any Confidential Information.

G. Director serving as Liaison or Representative. Any Director appointed by the Board to serve as a Liaison or as a Representative of the Board to any member committee, trade or other organization, or to any third party or group (collectively, "Entity") shall:

1. Act solely within the scope of any direction provided by the Board and/or by the Board Chair either by resolution or otherwise.
2. Provide adequate notice of important matters coming before the Entity and meaningful opportunities to provide guidance to the Board and the Chief Executive Officer.
3. Represent the Association's best interest in all votes taken by the Entity.
4. Keep the Board and management fully informed of all significant Entity activities.

H. Media and Public Statements.

1. Any Director may speak with the media on behalf of the Association only if he or she has been designated as an Association media spokesperson on the topic or issue.
2. Subject to paragraph 1, a Director is encouraged to be an ambassador of the Association and, subject to rules regarding confidentiality, to promote the activities and actions of the Board with the Association's membership. In so doing, a Director must stay faithful to the intent of the Board as expressed in its official statements, and should not reinterpret or re-characterize the Board's actions to reflect the Director's own view. While having the right and responsibility to exercise independent judgment and to express dissenting opinions during Board deliberations, a Director also has the obligation outside the Boardroom to respect and support decisions of the majority, even when the Director dissented from the majority view. Provided that the limitations of this paragraph are honored, a Director may express personal views on any topic of public debate, which may include, generic discussion of matters of public policy involving the Association's activities. It is not a violation of this Policy for an incumbent Director, during the course of a campaign for re-election, to describe or explain that Director's voting record and to state positions on issues concerning the Association.

I. Prohibited Conduct.

1. Directors of the Association are prohibited from:

- a. Receiving gifts, fees, loans, or favors from suppliers, contractors, consultants, financial houses, employees, or other Directors which may reasonably obligate or induce Directors to compromise their duties and responsibilities to negotiate, obligate, inspect, audit, purchase or consider, award, or authorize the Chief Executive Officer (“CEO”) to enter into contracts in the best interests of the Association. Payment for a Director’s meal for the purpose of discussing Association business matters is not prohibited if the cost or value of the meal is \$100.00 or less per person. This section does not prohibit Directors from receiving contributions to their campaigns for election to the Board of Directors in accordance with any policy or procedure established by the Board for such campaign contributions;
 - b. Using Association information in any manner that is not in the best interests of the Association;
 - c. Individually conducting negotiations or making contacts or inquiries on behalf of the Association and/or the Board of Directors unless officially designated to do so;
 - d. Disclosing confidential Association information in violation of Board Policy 605, “Requests for Association Information” and Board Policy 105, “Confidential Information”;
 - e. Acquiring or having a financial interest in any Association property;
 - f. Having a financial interest in a competing enterprise or being a supplier, contractor, consultant, or other entity with which the Association does business, except as provided in Article IV, Section 3(a)(4) of the Bylaws. Directors may own securities in a publicly-owned company unless ownership of such securities provides the Director with the ability to materially influence or affect the business relationship between the Association and such publicly-owned company;
 - g. Having other interests in or relationships with an outside organization or individual having business dealings with the Association if the interest or relationship would impair the ability of the Director to serve the best interests of the Association.
2. Directors are also prohibited from being:
- a. An employee of the Association;
 - b. An employee of a competing enterprise except as provided in Article IV, Section 3(a)(2) of the Bylaws;

- c. A member, officer, director or employee of any union local currently acting as a bargaining agent for Association employees;
- d. A person living in the same household with and financially interdependent with any person included in subparagraphs a. b. and c. of Section I.1. above;
- ~~e.~~ A member of a standing or ad hoc member committee as described in Article XV, Section 1 of the Association's Bylaws.

~~e.~~

J. Enforcement.

1. The Board Chair is authorized to ensure compliance with this Policy. Any Director may request the review of actions taken by another Director by requesting a meeting with that Director and the Board Chair to discuss concerns.
2. If that discussion does not resolve the concern or if the compliance issue arises out of a potential breach of Board Policy 106, Section II.C, the Director questioning the action of another Director may deliver to each Director a notice, signed by at least two Directors, setting forth the charges against such other Director. The Director against whom the charges are brought shall be informed in writing of the charges at least ten (10) days prior to the meeting of the Board. This meeting shall be presided over by the Board Chair unless he/she is the charged party or the charging party in which case the presiding officer shall be the Vice Chair. At such Board meeting and in the presence of the Director charged, the person or persons bringing the charges shall present evidence of non-compliance. The Director charged shall have an opportunity to present evidence in support of a defense to the charges. The Director may be disciplined or censured only by a 3/4ths majority vote of the entire Board, less the member charged, finding that the Director failed to comply with one or more Board Policies. Any such review of compliance undertaken by the Board and any action taken by the Board shall be reflected in the minutes of the meeting at which such review occurred.
3. Disciplinary action under this section is in addition to the right of the membership to remove a Director.

III. RESPONSIBILITIES

- A. Each Director shall make every reasonable effort to adhere to this Policy.
- B. The Board Chair is responsible for bringing non-adherence with this Policy to the attention of Directors.

- C. Any Director whose conduct violates section II.I of this Policy may be subject to removal pursuant to Article IV, Section 3(c) or Section 7 of the Association's Bylaws.
- D. The Association's Board of Directors shall be responsible for administration of this policy

Date Approved: September 17, 2025

Attested: _____
Susanne Fleek-Green
Secretary of the Board

CHUGACH ELECTRIC ASSOCIATION, INC.

BOARD POLICY: 206

STATEMENT OF FUNCTIONS OF THE OPERATIONS COMMITTEE

I. OBJECTIVE

To state the functions of the Operations Committee. The purpose of the Operations Committee shall be to study, examine, and report on matters assigned to it by the Board of Directors.

II. DUTIES AND RESPONSIBILITIES

- A. Provides recommendations to the Chugach Board of Directors on operational, performance, and strategic initiatives.
- B. Review other matters as may be specifically assigned to it by the Board.

III. COMMITTEE ORGANIZATION

- 1. The Committee shall be comprised of five Board members.
- 2. A quorum of the Committee shall consist of three members.
- 3. The Board Chair, in consultation with the Vice Chair, Secretary, Treasurer, and the Chief Executive Officer, shall appoint the Committee Chair as well as the Directors to serve on the Committee. The Committee shall elect from its members a Vice Chair.
- 4. The Committee shall meet as needed. The Committee Chair shall convene all meetings of the Committee. In their absence, the Committee Vice Chair shall convene meetings. The Committee Chair or a quorum of the Committee may call a special meeting of the Committee.
- 5. The Committee Chair may appoint sub-committees from the Committee's membership to study specific areas. Written statements of the functions of such sub-committees should be prepared and reviewed periodically.

Date Approved: September 17, 2025

Attested: _____
Susanne Fleek-Green
Secretary of the Board

CHUGACH ELECTRIC ASSOCIATION, INC.

BOARD POLICY: 206

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I. OBJECTIVE

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II. DUTIES AND RESPONSIBILITIES

- A. Provides recommendations to the Chugach Board of Directors on operational, performance, and strategic initiatives.

~~Annually conduct the performance evaluation for the Chief Executive Officer pursuant to Board Policy 702 and provide a written report to the Board of Directors detailing the results of such evaluation on or before the first Board meeting in April as required by Board Policy 103.~~

- B. Review ~~such~~ other matters as may be specifically assigned to it by the Board.

III. COMMITTEE ORGANIZATION

1. The Committee shall be comprised of five Board members.
2. A quorum of the Committee shall consist of three members.
3. The Board Chair, in consultation with the Vice Chair, Secretary, Treasurer, and the Chief Executive Officer, shall appoint the Committee Chair as well as the Directors to serve on the Committee. The Committee shall elect from its members a Vice Chair.
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Date Approved: _____ September 17, 2025⁴

Attested: _____

Susanne Fleek-Green
Secretary of the Board

CHUGACH ELECTRIC ASSOCIATION, INC.

BOARD POLICY: 208

STATEMENT OF FUNCTIONS OF THE GOVERNANCE COMMITTEE

I. PURPOSE

The purpose of the Governance Committee is to assist the Board of Directors by developing new or enhancing existing policies aimed at Board working relationships and examine the annual election process to determine if improvements can be made that would be beneficial to the Association.

Polices for improving working relationships and overall board functioning will address expected board behaviors that support group decisions and direction as determined by the Board. These polices will address both internal and external or public behavioral expectations. Polices will specifically describe appropriate communication guidelines for representation of the Association's business matters in the public.

Polices for improving Board working relationships may include corrective actions for Board members acting outside the policies and expected behaviors as generally described in governance polices.

Annual election polices or recommendations for potential bylaw changes will be aimed at improving the continuity of the Board and minimizing the disruption of Board turnover.

The Governance Committee will fulfill the responsibilities as enumerated in Section III of this Policy.

II. COMPOSITION

The Governance Committee shall be comprised of three or more directors as determined by the Board. Committee members may enhance their familiarity with Governance matters by participating in educational programs conducted by the Association or an outside consultant or other programs. The Committee may also retain the services of a qualified consultant with Board Governance expertise to assist it in the performance of its responsibilities.

The Board Chair shall appoint the Governance Committee chairperson. The Governance Committee shall elect from its membership a vice chair and appoint a recording secretary if and as needed. The Committee shall meet as needed.

III. RESPONSIBILITIES

The responsibilities of the Committee are to:

1. Recommend to the Board of Directors specific policy changes that will improve Board working relationships.
2. Recommend to the Board of Directors specific policy changes that will improve Board communications guidelines for communicating Association matters in public.
3. Recommend to the Board of Directors specific policies that delineate the duties of Board liaisons and Board members that may act as representatives in business matters external to the Association.
4. Recommend to the Board of Directors specific policies that delineate appropriate Board relationships with Association employees and appropriate lines of communications ensuring support for the Chief Executive Officer.
5. Recommend to the Board of Directors specific policy changes describing corrective actions that may be taken for violations of Governance Policies and or Board members acting beyond or outside their authority.
6. Recommend specific requirements and policies that may improve Board continuity and minimize disruptions resulting from Board turnover.
7. Recommend specific requirements and policies for candidates running for the Board of Directors.
8. Recommend to the Board of Directors guidelines for attending meetings outside of the liaison role as well as training and conferences.
9. Review, on a regular schedule, the Board Policies and recommend any needed changes to the full Board.
10. Annually conduct the performance evaluation for the Chief Executive Officer pursuant to Board Policy 701 and provide a written report to the Board of Directors detailing the results of such evaluation, consistent with the performance cycle timeline identified in the Chief Executive Officer's Executive Employment Agreement.

Date Approved: September 17, 2025

Attested: _____
Susanne Fleek-Green
Secretary of the Board

CHUGACH ELECTRIC ASSOCIATION, INC.

BOARD POLICY: 208

STATEMENT OF FUNCTIONS OF THE GOVERNANCE COMMITTEE

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Annual election polices or recommendations for potential bylaw changes will be aimed at improving the continuity of the Board and minimizing the disruption of Board turnover.

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3. Recommend to the Board of Directors specific policies that delineate the duties of Board liaisons and Board members that may act as representatives in business matters external to the Association.
4. Recommend to the Board of Directors specific policies that delineate appropriate Board relationships with Association employees and appropriate lines of communications ensuring support for the Chief Executive Officer.
5. Recommend to the Board of Directors specific policy changes describing corrective actions that may be taken for violations of Governance Policies and or Board members acting beyond or outside their authority.
6. Recommend specific requirements and policies that may improve Board continuity and minimize disruptions resulting from Board turnover.
7. Recommend specific requirements and policies for candidates running for the Board of Directors.
8. Recommend to the Board of Directors guidelines for attending meetings outside of the liaison role as well as training and conferences.
9. Review, on a regular schedule, the Board Policies and recommend any needed changes to the full Board.
- 9.10. Annually conduct the performance evaluation for the Chief Executive Officer pursuant to Board Policy 701 and provide a written report to the Board of Directors detailing the results of such evaluation, consistent with the performance cycle timeline identified in the Chief Executive Officer's Executive Employment Agreement.

Date Approved: September 17th, 2025~~May 25, 2016~~

Dougherty

Attested: _____

Susanne Fleek-Green~~Bruce M.~~

Secretary of the Board

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

September 17, 2025

ACTION REQUIRED

AGENDA ITEM NO. V. E.

<u> </u>	Information Only
<u> X </u>	Motion
<u> </u>	Resolution
<u> </u>	Executive Session
<u> </u>	Other

TOPIC

Chugach Electric Association Charitable Foundation (Foundation) Policies.

DISCUSSION

On May 19, 2023, Chugach Electric Association, Inc. (Chugach) membership passed bylaw amendment Article XII, Miscellaneous, Section 4. Utility Bill Round Up Program.

On November 20, 2024, the Chugach Board of Directors approved the Articles of Incorporation and Bylaws and for the Chief Executive Officer to form Chugach Electric Association Charitable Foundation (Foundation).

On December 11, 2024, The Chugach Board of Directors appointed Susanne Fleek-Green, Jim Nordlund, and Dan Rogers to serve as the initial directors (Trustees) of the Foundation.

On August 27, 2025, the Chugach Board of Directors selected Jean Sauget and Irene Tresser to one-year terms; Bill Popp and Selma Khan to two-year terms; Katie Conway and Marnie Isaacs to three-year terms; and Rebecca Garrett to a four-year term on the Chugach Foundation Board of Trustees, effective October 1, 2025.

On September 10, 2025, the Governance Committee reviewed the proposed policies for the Foundation and recommended the Chugach Board of Directors recommend the Chugach Electric Association Charitable Foundation Board of Trustees approve and adopt the initial policy suite as presented, prior to the formal seating of the full Board of Trustees on October 1, 2025.

Prior to the formal seating of these Trustees, it is both prudent and in the best interest of Chugach and the Foundation for the initial Trustees to formally adopt a suite of foundation policies. These policies

will provide a framework for governance and offer clear guidance for implementation as the Foundation begins operations.

The attached policies are designed to promote transparency, enhance accountability, and ensure compliance with nonprofit best practices and legal standards. They support responsible governance, sound financial stewardship, and effective oversight of charitable programs. Each policy has been tailored to align with the Foundation's mission, its current organizational structure, and projected program growth.

These policies will serve as the foundation for all interactions among the Board, staff, and partners, and will be reviewed and updated regularly to support the Foundation's evolving role in the community.

MOTION

Consent Agenda

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

September 17, 2025

ACTION REQUIRED

AGENDA ITEM NO. V. F.

<u> </u>	Information Only
<u> X </u>	Motion
<u> </u>	Resolution
<u> </u>	Executive Session
<u> </u>	Other

TOPIC

Board Liaison to the Member Advisory Council (MAC)

DISCUSSION

On May 25, 2016, Chugach Electric Association, Inc. (Chugach) Board of Directors (Board), in compliance with Article XIV of the Association's Bylaws, adopted Board Policy 601, Member Advisory Council (MAC). The purpose of Policy 601 is to establish a formal means for the members to advise the Board of Directors on topics requested by the Board in a scope of work, and otherwise to serve as a sounding board for the Board in the evaluation of issues which affect the members.

The Board Chair may appoint a liaison to the Council from the Board of Directors either for a specific task or in general. The liaison shall be available to advise and assist the Council on issues of relevance.

Board Policy 106, Director Duties and Standards of Conduct, provides that a Director serving as a liaison or representative shall (i) act solely within the scope of any direction provided by the Board and/or by the Board Chair either by resolution or otherwise; (ii) provide adequate notice of important matters coming before the Entity and meaningful opportunities to provide guidance to the Board and the Chief Executive Officer; (iii) represent the Association's best interest in all votes taken by the Entity; and (iv) keep the Board and management fully informed of all significant Entity activities.

On December 11, 2024, Director Susanne Fleek-Green was appointed to serve as the liaison to the MAC for the January 1, 2025, to December 31, 2025, term.

On July 22, 2025, Director Fleek-Green formally requested to resign from this liaison appointment. At that time, Director Katherine Jernstrom indicated her willingness to assume the role through the remainder of the term.

On September 12, 2025, Board Chair Mark Wiggin appointed Director Jernstrom to serve as liaison to the MAC for the remainder of the term, expiring December 31, 2025.

MOTION

Consent Agenda

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

September 17, 2025

ACTION REQUIRED

AGENDA ITEM NO. V.G.

<u> </u>	Information Only
<u> X </u>	Motion
<u> </u>	Resolution
<u> </u>	Executive Session
<u> </u>	Other

TOPIC

Director Expenses

DISCUSSION

The Directors' expenses will be submitted for approval at the board meeting.

MOTION

(Consent Agenda)

SEPT.
2025

Outreach Update

Regular Board of Directors' Meeting
September 17, 2025

Committee advertising

Trunk or Treat

Mark H. interview with
public radio on heat pumps

Arthur interview with
Alaska Center for Energy
& Power

Eklutna tour – NWPPA Environmental Task Force



CHUGACH
POWERING ALASKA'S FUTURE
**GET INVOLVED WITH
YOUR ELECTRIC CO-OP**

APPLY NOW:
[www.chugachelectric.com/
annual-meeting](http://www.chugachelectric.com/annual-meeting)

DEADLINE TO APPLY:
November 3, 2025
5 p.m.



September 9, 2025



The Honorable Mike Dunleavy
Office of the Governor
P.O. Box 110001
Juneau, AK 99811

Re: Eklutna Hydroelectric Project, Fish and Wildlife Program Implementation

Dear Governor Dunleavy:

Thank you again for approving the Proposed Final Fish and Wildlife Program with modifications last October. We appreciate the time you and your staff put into this decision. We are writing to update you on the progress of implementing the Final Program since your approval. Below is a summary of the Project Owners' efforts over the past several months.

Lakeside Trail Repairs

Per Section 2.5.1 of the Final Program, the Project Owners were required to provide a one-time payment of \$234,000 to Chugach State Park (or another entity as directed by Chugach State Park) by January 31, 2025, for lakeside trail repairs that address erosion-related Project impacts. This payment was made on January 30, 2025, as directed by Chugach State Park. Recent correspondence from the Chugach State Park Superintendent confirms that these repairs have been completed.

Monitoring and Adaptive Management Committee

Per Section 3.1 of the Final Program, a Monitoring and Adaptive Management Committee (Committee) must be established to execute the Monitoring and Adaptive Management Plan. The Committee must consist of one voting representative from Alaska Department of Fish and Game (ADFG), Alaska Department of Natural Resources (ADNR), National Marine Fisheries Service (NMFS), U.S. Fish and Wildlife Service (USFWS), Native Village of Eklutna (NVE), and a Governor appointee. As of April 2025, all voting members of the Committee have been appointed and are as follows:

- ADFG – Ken Bouwens, Habitat Division, Southcentral Regional Supervisor
- ADNR – Tom Barrett, Water Section Chief
- NMFS – Sean McDermott, Habitat Conservation Division, Anchorage Office Supervisor
- USFWS – Jennie Spegon, Southern Alaska Conservation Office, Ecological Services
- NVE – Marc Lamoreaux, Land and Environment Director
- Governor Appointee – Bryan Carey, former AEA Director of Owned Assets

The Final Program also states that the Committee chair will be selected by members of the Committee. A meeting was held on May 22, 2025, for this purpose and Ken Bouwens from ADFG was selected to serve as the Committee chair.

Fixed Wheel Gate Study

Per Section 4.1 of the Final Program, the Project Owners are required to conduct a more detailed feasibility study of the fixed wheel gate (including a stability analysis and Class 3 cost estimate) within three years of the Governor's issuance of the Final Program.

This study was initiated in July 2025 and should be completed in early 2026. The results of the study will be provided to the Committee as required by the Final Program.

Pumped Storage Hydro Study

Per Section 4.3 of the Final Program, the Parties to the 1991 Agreement and NVE must study pumped storage hydropower (PSH) upon terms and conditions they mutually agree to. The terms and conditions must include level of engineering, level of cost analysis, what Party or Parties will fund the study and in what amounts, and any other matters the Parties find necessary to implement this limited reopener. The study should be consistent with studies performed for other alternatives reviewed by the Project Owners and should be undertaken immediately, but this study should not delay the implementation of the Final Program or the review and study of the fixed wheel gate.

Chugach and MEA convened a meeting of the Parties and NVE on December 18, 2024, to discuss the terms and conditions of the PSH study. At that meeting, the Municipality of Anchorage (MOA) volunteered to conduct and fund the study, which was agreed to by the other Parties. The MOA retained Stantec, an environmental and engineering consultancy with Alaska experience, to conduct the PSH study. The MOA subsequently hosted a series of four meetings from April through June of 2025 to discuss the phased approach, the scope of the studies, process proposed by the MOA, the selection criteria, and potential PSH alternatives. The Parties reached agreement on the terms and conditions of the scope of the study and the process in August 2025, and the Technical Working Group for the study is currently reviewing and ranking the potential PSH alternatives based on the selection criteria. It is anticipated that this study will be completed in early 2026.

Eklutna River Release Facility

As stated above and per your decision document dated October 2, 2024, the PSH study should not delay the implementation of the Final Program. The Project Owners have therefore continued to move forward planning efforts associated with permitting and design of the Eklutna River Release Facility. We have begun coordination with ADNR regarding land ownership and management authority to determine the necessary approval process and established an engineering team to initiate final design in 2026. We have also been in coordination with the MOA regarding the requirements for executing the drafted agreements with Anchorage Water

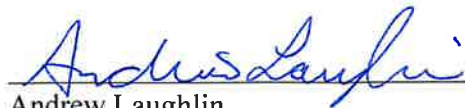
and Wastewater Utility (AWWU) that are part of, and appended to, the Final Program. The Anchorage Assembly's approval of the negotiated AWWU agreements is necessary for the MOA to execute those documents. In April 2025, the Anchorage Assembly took up the AWWU agreements for consideration. Chugach and MEA expected approval of the AWWU agreements at that time, but ultimately the Assembly referred the AWWU agreements to the Municipal Attorney, with the direction that she bring it back to the Assembly for approval once the PSH study scope and process have been agreed between the Parties. Therefore, now that the PSH scope and process have been agreed to, we expect the Assembly to approve the negotiated AWWU agreements, which must be executed by the end of 2025 in order to remain on schedule for implementing the Final Program and preserve the carefully negotiated agreement regarding use of the AWWU facilities for the Eklutna River Release Facility, water rights, compensation, and related matters.

Conclusion

We are pleased to report the progress to date on implementation of the Final Fish and Wildlife Program.

Please let us know if you have any questions about implementation efforts to date or planned implementation efforts in the future. We look forward to working with the Committee in the coming years to continue implementing the Final Program.

Sincerely,



Andrew Laughlin
Chief Operating Officer
Chugach Electric Association, Inc.



Tony Zellers
Chief Operating Officer
Matanuska Electric Association, Inc.

cc: Rachel Bylsma, Office of the Governor
Mark Spafford, MOA
Ken Bouwens, ADFG
Tom Barrett, ADNR, Water Section
Justin Dipaola-Allen, ADNR, Chugach State Park
Sean McDermott, NMFS
Jennie Spegon, USFWS
Marc Lamoreaux, NVE
Bryan Carey, Governor appointee
Curtis Thayer, AEA



July 2025

Monthly Financial Report



Month to Date Results

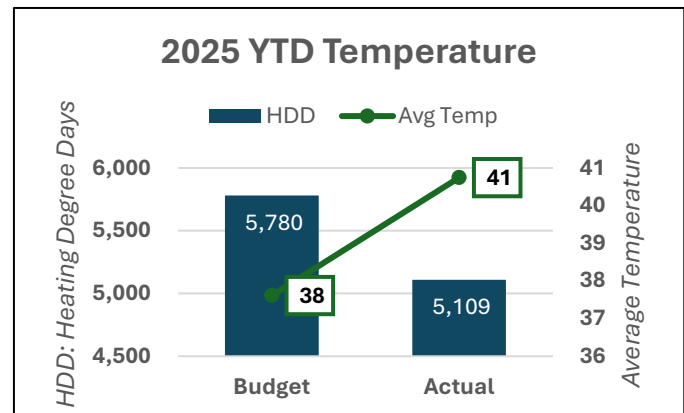
Total sales for July finished above projections, primarily due to increased power pool sales to MEA, while retail sales were up marginally higher than budget. Total revenue exceeded budget by \$2.2 million (8%), primarily due to higher than anticipated recovery of fuel and purchased power costs. Fuel expense was \$1.9 million (38%) higher than budget due to the use of higher cost contracted fuel. Total operating expenses, less fuel and purchased power, were \$0.5 million (3%) higher than budget, following the same trend seen over the last several months.

Non-operating margins were \$0.3 (138%) higher than budget due to better-than-expected realized gains in the BRU ARO fund. The total margin loss of \$1.0 million was \$0.2 million (27%) higher than budget.

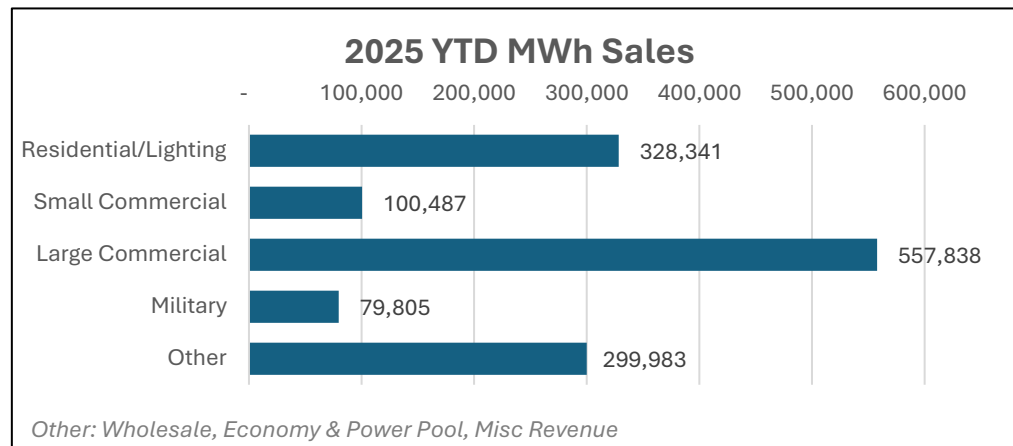
Year to Date Results

Sales and Revenues

Total year-to-date Heating Degree Days (HDD) were 671 days (12%) below expectations, while average temperatures were 8% higher than anticipated. While total sales reached 1.4 million MWh, surpassing the budget by .03 million MWh (2%), primarily driven by power pool sales to MEA, which exceeded the budget by .06 million MWh (28%).



The rise in MEA sales obscures the effects that the exceptionally warm year has had on retail customers, which encompasses residential, small commercial, large commercial, military, and lighting. This segment generated 78% of total year-to-date sales and finished July at 0.03 million MWh (2%) lower than budget. Retail base revenues were \$4.6 million (3%) below budget due to lower than anticipated sales. However, this shortfall was partially mitigated by



higher than expected fuel revenue recovery of \$3.2 million (6%), resulting in total retail revenue finishing \$1.4 million (1%) under budget.

Operating Expenses

Fuel expenses, including contracted fuel, storage, transportation, and BRU operating costs were \$7.0 million (18%) higher than budget. The warmer temperatures experienced in the first quarter led to a strategic change in the usage ratio of BRU to contracted fuel. It is important to note that all fuel and purchased power costs, excluding those associated with the Eklutna Purchase Power Agreement (PPA), are recovered through the fuel and purchased power adjustment process resulting in no impact to margins.

Production expense was under budget by \$2.5 million (10%) due to lower contract services and labor costs.

Transmission expenses were under budget by \$1.5 million (22%) primarily due to lower labor and contract services costs for system control and field operations.

Distribution operations and maintenance expenses were over budget by \$1.0 million (6%) primarily due to an increase in labor costs stemming from outage repairs and maintenance following the January winter storm and clearing efforts.

Administrative and other expenses were materially on budget.

Depreciation and amortization expenses were under budget by \$0.2 million (0.4%) primarily due to a lower than expected BRU depreciation expense as a result of underlift activity.

Net interest expense consists of interest on long-term debt, other interest expense, and interest charged to construction. Net interest expense was over budget by \$0.8 million (3%) due to carrying a higher-than-expected commercial paper balance, unbudgeted fees and lower interest charged to construction as a result of construction delays caused by weather conditions.

Non-operating margins consist of interest income, allowance for funds used during construction (AFUDC), capital credits, patronage dividends and others. Non-operating margins were over budget by \$1.1 million (70%) primarily due to increased interest income and realized gains in the BRU ARO fund, which was partially offset by lower AFUDC due to construction delays caused by weather conditions.

Despite the year-to-date margin shortfall, our year-end forecast remains unchanged at a margin of \$9.1 million, generating an MFI/I of 1.18 and TIER of 1.21.

Supplemental Information

CHUGACH ELECTRIC ASSOCIATIONS, INC. STATEMENT OF OPERATIONS MONTH ENDING JULY 31, 2025

(in thousands)

	Actual	Budget	Variance
Operating Revenue	\$ 30,461	\$ 28,307	\$ 2,154
Fuel	7,039	5,119	1,920
Production	3,629	3,058	572
Purchased Power	2,474	2,240	234
Transmission	660	863	(203)
Distribution	2,539	2,678	(139)
Consumer accounts	1,060	1,108	(48)
Administrative, General and Other	4,615	4,253	361
Depreciation & Amortization	6,041	6,040	1
Total Operating expenses	28,057	25,359	2,698
Long-term debt and other	4,190	4,280	(90)
Charged to construction	(217)	(292)	76
Interest Expense, Net	3,973	3,987	(14)
Net operating margins	(1,569)	(1,039)	(530)
Interest Income	198	154	43
Allowance for funds used during construction	(96)	53	(150)
Capital credits, patronage dividends and others	436	18	418
Total nonoperating margins	537	225	312
Assignable margins	(1,032)	(814)	(218)

CHUGACH ELECTRIC ASSOCIATIONS, INC.
STATEMENT OF OPERATIONS
SEVEN MONTHS ENDING JULY 31, 2025

(in thousands)

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Operating Revenue	\$ 216,361	\$ 216,355	\$ 6
Fuel	45,063	38,051	7,012
Production	21,931	24,404	(2,473)
Purchased Power	17,559	17,350	209
Transmission	5,343	6,876	(1,533)
Distribution	18,495	17,451	1,044
Consumer accounts	7,154	7,288	(134)
Administrative, General and Other	32,372	32,391	(18)
Depreciation & Amortization	41,871	42,049	(178)
Total Operating expenses	189,790	185,860	3,930
Long-term debt and other	29,968	29,581	387
Charged to construction	(1,460)	(1,906)	446
Interest Expense, Net	28,508	27,675	833
Net operating margins	(1,936)	2,821	(4,757)
Interest Income	1,634	1,115	519
Allowance for funds used during construction	136	345	(209)
Capital credits, patronage dividends and others	930	125	805
Total nonoperating margins	2,701	1,586	1,115
Assignable margins	765	4,407	(3,642)
 MFI/I	 1.03	 1.15	
TIER	1.03	1.17	

CHUGACH ELECTRIC ASSOCIATION, INC.
STATEMENT OF OPERATIONS
SEVEN MONTHS ENDING JULY, 2025 AND 2024

(in thousands)

	2025	2024	Variance
Operating Revenue	\$ 216,361	\$ 208,866	\$ 7,496
Fuel	45,063	41,716	3,347
Production	21,931	23,720	(1,789)
Purchased Power	17,559	17,183	377
Transmission	5,343	5,493	(149)
Distribution	18,495	17,323	1,172
Consumer accounts	7,154	6,666	488
Administrative, General and Other	32,372	29,482	2,890
Depreciation & Amortization	41,871	40,328	1,544
Total Operating expenses	189,790	181,910	7,879
Long-term debt and other	29,968	27,887	2,080
Charged to construction	(1,460)	(1,248)	(212)
Interest Expense, Net	28,508	26,639	1,868
Net operating margins	(1,936)	316	(2,252)
Interest Income	1,634	1,396	238
Allowance for funds used during construction	136	249	(113)
Capital credits, patronage dividends and others	930	613	317
Total nonoperating margins	2,701	2,259	442
Assignable margins	765	2,575	(1,810)
 MFI/I	 1.03	 1.09	
TIER	1.03	1.12	

BALANCE SHEET

As of July 31, 2025 and December 31, 2024

ASSETS & OTHER DEBITS	Unaudited 7/31/2025	Audited 12/31/2024	CHANGE
<i>(in thousands)</i>			
Electric Plant in Service	\$ 2,297,649	\$ 2,272,412	\$ 25,237
Construction Work in Progress	125,739	109,800	15,939
Total Utility Plant	2,423,388	2,382,212	41,176
Accum. Prov. for Depreciation/Amortization	(875,602)	(835,757)	(39,845)
Net Utility Plant	1,547,786	1,546,455	1,331
Nonutility Property - Net	77	77	0
Operating lease right-of-use assets	3,982	3,546	436
Financing lease right-of-use Assets	179	190	(11)
Investment in Assoc. Organizations	6,223	6,420	(197)
Special Funds	42,509	37,679	4,830
Restricted Cash Equivalents & Other	30	30	0
Long-term Prepayments	0	79	(79)
Total Other Property & Investments	53,000	48,021	4,979
Cash & Restricted Cash	10,768	24,661	(13,893)
Special Deposits	61	55	6
Restricted cash equivalents	500	500	0
Fuel Cost / other under recovery	10,018	10,457	(439)
BRU capital surcharge under - recovery	35,503	35,134	369
Accounts Receivable - Net	56,010	63,575	(7,565)
Materials and Supplies	61,429	55,455	5,974
Fuel Stock	10,971	16,398	(5,427)
Prepayments	8,965	6,327	2,638
Other current assets	6,220	6,358	(138)
Total Current & Accrued Assets	200,445	218,920	(18,475)
Deferred Debits	98,305	100,915	(2,610)
Total Assets & Other Debits	1,899,536	1,914,311	(14,775)

CHUGACH ELECTRIC ASSOCIATION, INC.
BALANCE SHEET

As of July 31, 2025 and December 31, 2024

LIABILITIES & OTHER CREDITS	Unaudited 7/31/2025	Audited 12/31/2024	CHANGE
<i>(in thousands)</i>			
Memberships	\$ 2,065	\$ 2,051	\$ 14
Patronage capital	201,415	201,159	256
Other	18,446	18,234	212
Total Margins & Equities	221,926	221,444	482
Bonds payable	1,138,100	1,180,917	(42,817)
Notes Payable	8,436	10,944	(2,508)
Unamortized Debt Issuance Costs	(5,962)	(6,188)	226
Operating lease liabilities	3,937	3,508	429
Financing lease liabilities	175	183	(8)
Total Long-Term Debt	1,144,686	1,189,364	(44,678)
Current installment of long-term obligations	57,290	56,740	550
Commercial Paper	150,000	122,000	28,000
Accounts Payable	32,070	26,289	5,781
Consumer Deposits	1,586	3,780	(2,194)
Accrued interest	10,186	11,367	(1,181)
Salary, wages and benefits	12,980	12,479	501
Fuel Payable	5,732	5,446	286
Undergrounding ordinance liabilities	4,832	4,311	521
Provision for rate refund	31	3,125	(3,094)
Other Current Liabilities	762	2,187	(1,425)
Total Current liabilities	275,469	247,724	27,745
Deferred Compensation	1,794	1,926	(132)
Other Liabilities, Non-Current	930	757	173
Deferred Liabilities	17,167	13,840	3,327
BRU Regulatory Liability	65,364	70,602	(5,238)
Cost of Removal Obligation	172,200	168,654	3,546
Total Liabilities & Other Credits	1,899,536	1,914,311	(14,775)
Equity Ratio	16.29%	15.74%	

Business Development Report

Third Quarter 2025

This quarterly report provides updates on the activities and deliverables identified in the Business Development Plan. The plan and this report are organized into the following four portfolio areas.

1. Electrify Transportation
2. Electrify Heating
3. Provide Member Choices
4. Pursue Community and Business Development

Electrify Transportation

EV Adoption and Load Growth

Chugach tracks the adoption of electric vehicles (EVs) and receives vehicle registration data on a biannual basis to quantify the growing number of EVs served by the Chugach system. The most recent data provides detailed EV counts as of July 1, 2025. The number of EVs in the Chugach service area continues to grow at a steady pace, increasing over 30% year-over-year for all EVs, including battery electric (BEV) and plug-in hybrid (PHEV) vehicles. Nearly 2,200 EVs are registered within the Municipality of Anchorage, of which approximately 90% are within the Chugach service area. The local EV density is approximately 74 EVs per 10,000 Anchorage residents, which is comparable to many urban areas in Lower48. Railbelt communities contain over two-thirds of all EVs, representing about 3,300 of the more than 4,900 EVs statewide.

EVs continue to become more accessible to Alaskan buyers with new models and competitive pricing available from familiar brands. Manufacturer and federal tax incentives available in 2025 have helped to make EVs more affordable for Chugach members, although constraints on shipping EVs to Alaska have limited physical supply of new EVs. Convenience and reduced operating costs are still the primary motivations for Chugach members switching to an EV. The cost of charging an EV at Chugach rates continues to be less than half the cost of fueling a comparable gasoline vehicle. Tesla remains the most common manufacturer representing over 40% of all local EVs but continues to lose market share as EV sales from other manufacturers increase.

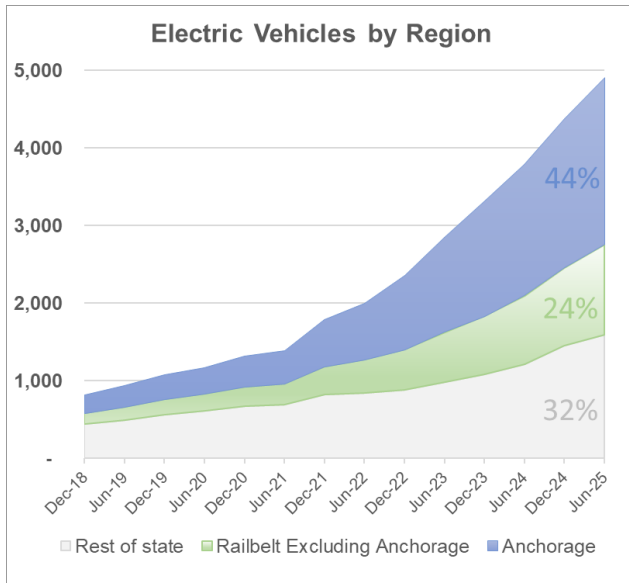


Figure 1: Regional distribution of EVs

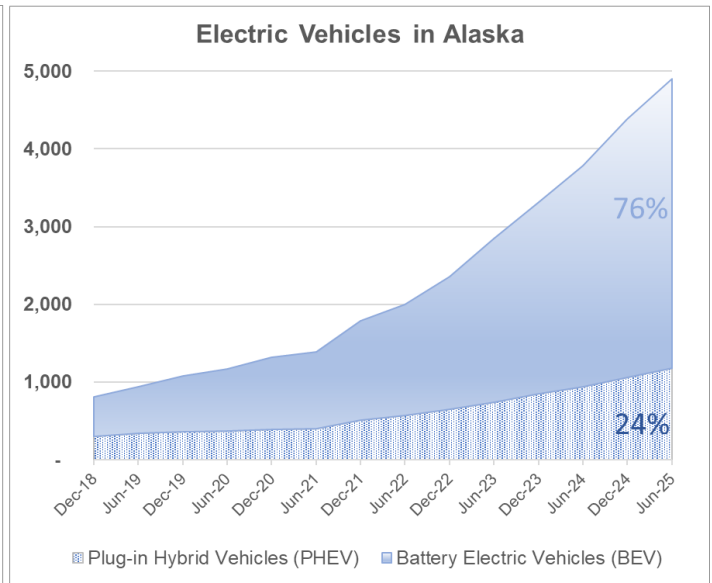


Figure 2: Portion of BEV and PHEV registrations

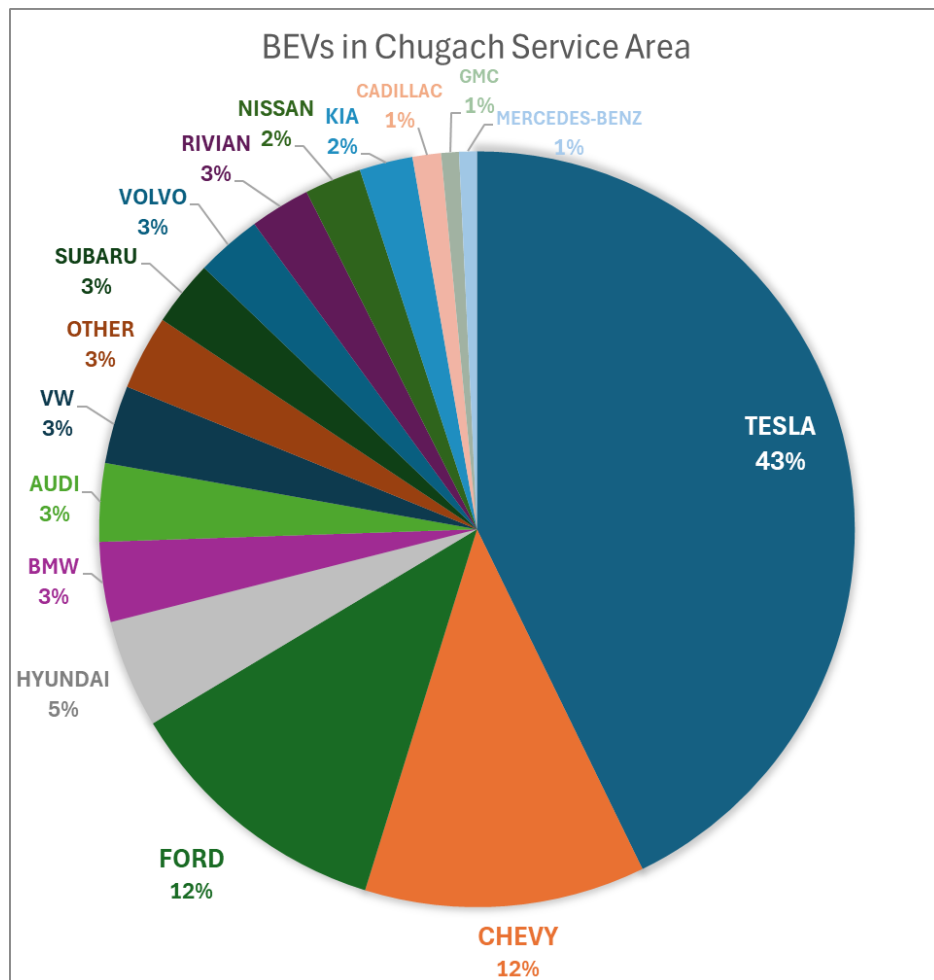


Figure 3: Portion of BEV by brand

EV Charging Activity

Activity at the Chugach headquarters DC fast charging site has steadily increased over the past year. The charging station has served over 2,100 individual charging sessions and delivered more than 85,000 kWh of electricity since opening. Use has increased with the number of EVs, and this site continues to be particularly useful to new EV owners who are often charging for their first time. Use averages around eight charging sessions per day, delivering over 10,200 kWh per month. Together with two other public DCFC sites in Anchorage this totals over 25,000 kWh per month.

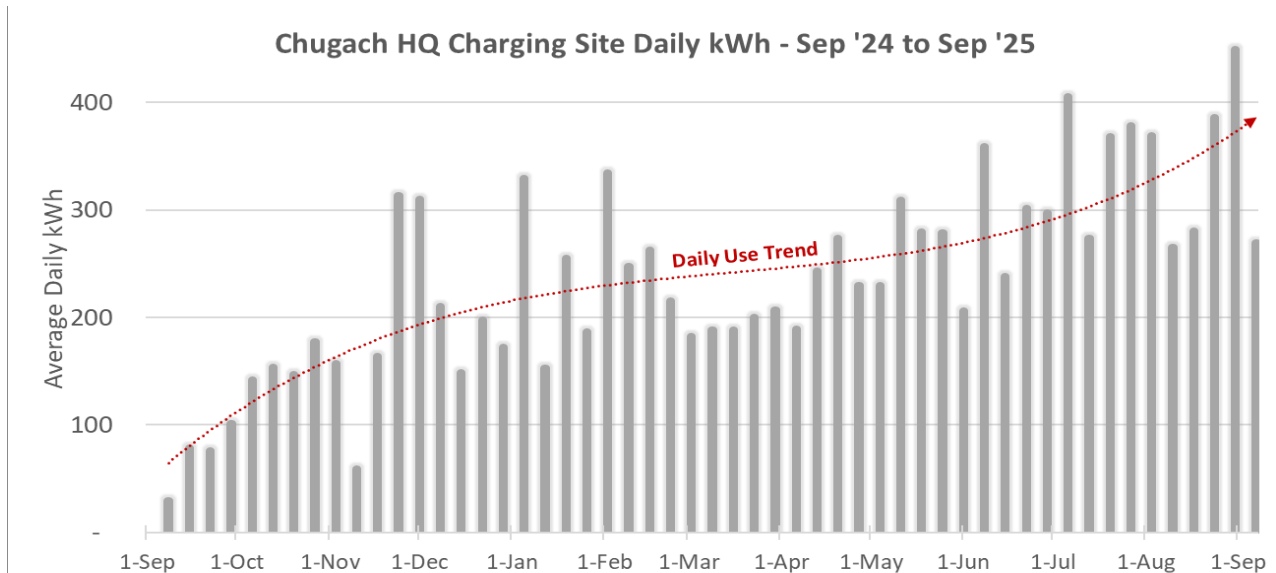


Figure 4: Daily average energy for each week since the charging station opened to the public in 9/2024

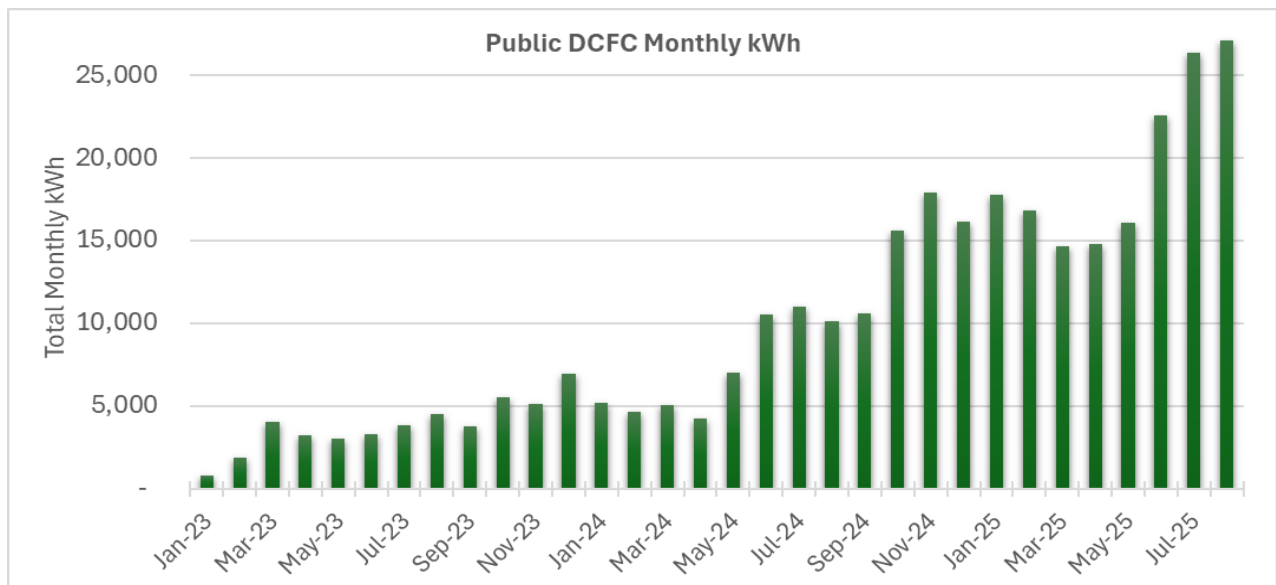


Figure 5: Public DCFC charging since 1/2023 at the Dimond Center, Alaska Rock Gym, and Chugach HQ sites.

Charging EVs at residential service locations continues to serve approximately 94% of all EV charging activity. The percentage of public charging is steadily increasing as public charging sites become more available, and as the number of commuter vehicles and EVs from outside the Chugach service area use public chargers in Anchorage while traveling through the region.

Chugach is launching an initiative to accelerate EV adoption by self-developing new public DC fast charging sites at strategic locations across the service area. This includes a plan to address the lack of charging infrastructure between Anchorage and the Kenai Peninsula, which is currently a significant barrier to regional EV adoption. This plan will reduce the maximum distance between charging sites to approximately 60 miles. The Business Development team has identified preferred locations along the Seward and Sterling Highways and is working with commercial members to develop the sites.

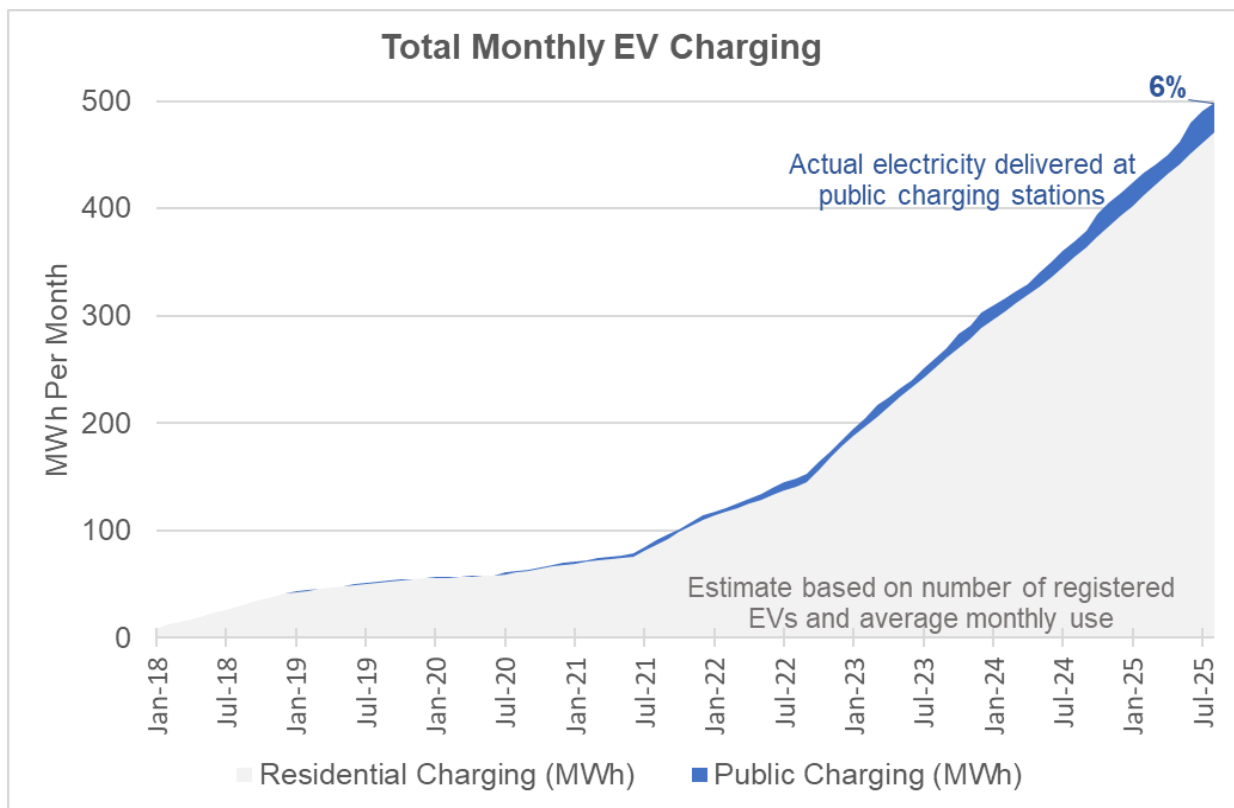


Figure 6: Total EV charging activity based on estimated residential use and metered energy to public charging sites

Chugach Fleet EV Charging in Development

Chugach is installing a dedicated electric service and approximately four new Level 2 chargers near the vehicle maintenance shop to support new electric fleet vehicles that are planned for procurement within the next two years. This fleet charging site will also be used as an example for Chugach commercial members that are considering fleet electrification.

Electrify Heating

Heat Pump Potential and the Chugach Approach

The University of Alaska Center for Economic Development (CED) recently published a policy brief on heat pump deployment in Alaska based on their independent analysis. Key findings include that electric heat pumps can reduce natural gas consumption by approximately 24% compared to natural gas heating, which can help extend the life of existing Cook Inlet natural gas resources. The report notes that current operating costs for residential heat pumps are approximately 72% higher than natural gas heating but rising natural gas prices will narrow the price gap towards cost parity at around \$20/Mcf. The report also encourages several policy recommendations to accelerate heat pump adoption including innovative electric rate design, support for workforce development, investment in grid infrastructure, and public education.

Chugach continues to consider how to best integrate a heat pump in the new Cooper Landing operations building to be constructed in 2026. Several heat pump options have been considered including a ground source system, and air source systems including air-to-air and air-to-water, along with various backup heat sources and integrations. The preferred option is a residential-style air-to-air source heat pumps to provide primary heating (and cooling) for the building. The heat pump system is expected to serve most of the heating load and will be programmed to transition to a fuel-based backup system that will provide supplemental heat during the coldest periods. Chugach is expected to save money any hour the heat pump is operating compared to the fuel-oil system, but the fuel-oil system will provide a robust backup heating source and ensure that the facility has sufficient heating even during extreme cold days. The heating system design options are underway, and final decisions are expected soon.

This heat pump will provide a meaningful opportunity for Chugach to demonstrate the effectiveness of heat pumps in the Cooper Landing area, which is a prime location for new heat pump installations due to the lack of natural gas infrastructure in the area. Heat pumps provide an opportunity for Chugach members to electrify their heating to reduce the use of natural gas or other heating fuels and reduce carbon emissions. Modern cold-climate heat pumps have competitive operating costs in locations where they are displacing delivered heating fuel or propane.

The Chugach Annex building heat pump is being installed this fall and will provide another opportunity for Chugach to gain first-hand experience with a hybrid heat pump system with integrated natural gas axillary heating. This system is expected to reduce fuel costs significantly by switching to electric heating at Chugach's house power rates. Additionally, and unexpectedly, the up-front equipment and installation cost of this system was less expensive than the incumbent natural gas heating system and air conditioning, thereby producing lower capital expense, lower fueling costs, and an excellent demonstration project for Chugach and its members.

Provide Member Choices

Community Solar Program

The Retherford Solar project achieved commercial operation in July, and the Chugach Community Solar program launched August 1, 2025. 263 Chugach members are now receiving solar benefits from the facility, which generated nearly 71,000 kWh in the first month of operation, enough to offset approximately 25 metric tons of CO₂. The waitlist for the program continues to grow with 55 members waiting for 277 panels. Planning is underway for a second community solar project to allow Chugach to expand the community solar program to meet the strong interest from members.



Figure 7: Photo from the Community Solar ribbon cutting in August, 2025.

Innovative Rate Programs

As part of the general rate case Chugach introduced a new Economic Development Rate (EDR) to encourage load growth from certain types of commercial activity within two years of a new service. The rate will provide an economic incentive to commercial members who establish new or incremental loads of 1,000 to 5,000 kW from manufacturing activity. The EDR will provide a discount on the demand charge that declines on an annual basis.

Chugach continues to prepare for launch of the Time of Use rate pilot for residential and small commercial members. The rate pilot will be available to 500 residential and 500 small commercial members, with up to 100 net-metered members.

New Tools to Understand Distributed Resources

The Business Development team has been exploring different tools to help Chugach better understand the number and characteristics of distributed generation and distributed loads on the distribution system to ensure Chugach is well positioned and making informed decisions about growth in these areas. Two different software tools are under evaluation for potential testing starting in Q4 2025. The tools use advanced metering infrastructure (AMI) data to identify members with distributed solar generation, electric vehicles, stationary batteries, and other distributed energy resources (DERs). The tools can also characterize each facility by estimating the capacity and energy production of the DERs. Chugach currently has no visibility on actual energy produced by solar or used by EVs behind-the-meter, as only the net of the solar production or residential load that flows through the meter is measured. These sophisticated software tools can estimate actual energy production using custom algorithms and regional solar data. The tools can also detect meters that may have distributed solar behind the meter outside of a formal interconnection agreement with Chugach, which could pose a safety hazard if the installation was not performed to code and has not been examined by Chugach.

The Business Development team is also planning a voluntary program that will incentivize members to provide behind-the-meter solar production data to Chugach in exchange for a bill credit. This approach is expected to be a cost-effective method to validate the software estimates of solar energy production with a target sample of about 100 member-owned distributed generation systems.

In addition to identifying and characterizing each distributed resource, the software tools can aggregate distributed generation to identify potential impacts on the distribution system. This may include concentrated areas of rooftop solar generation or simultaneous EV charging loads. This will help Chugach understand local grid constraints at the distribution transformer, voltage impacts to the distribution line throughout the year, and aggregated impacts at the feeder, substation, and system level. The software will provide an assessment of additional capacity for

new solar or EVs at specific points on the distribution system. Additional software functionality may provide dynamic capacity that could allow increased solar penetration using dynamic curtailment during critical hours to prevent back feeding of feeders or other undesirable overload conditions.

The EV charging characterization will support Chugach’s evaluation of EV charging loads and the impacts on distribution transformers to prevent accelerated degradation of transformers from increased EV charging. The information obtained may inform an EV charging program to optimize use of existing transformers and avoid early replacement costs.

Continued Growth of Net Metered Installations

In 2024, 120 Chugach members installed net metered solar on their properties totaling 823 kW, an 18 percent increase in the capacity of net metered generation to a total of about 5.45 MW of installed capacity as of December 31, 2024. In comparison, the installed capacity for 2025 year-to-date has increased by 257 kW to about 5.7 MW, or an increase of 6 percent. Many solar systems are installed during the summer and activated in fall, so this number is expected to increase by the end of the year. Figure 8 shows the growth in the number and installed capacity of net metered installations since program inception. Note the average capacity per installation has been increasing in recent years.

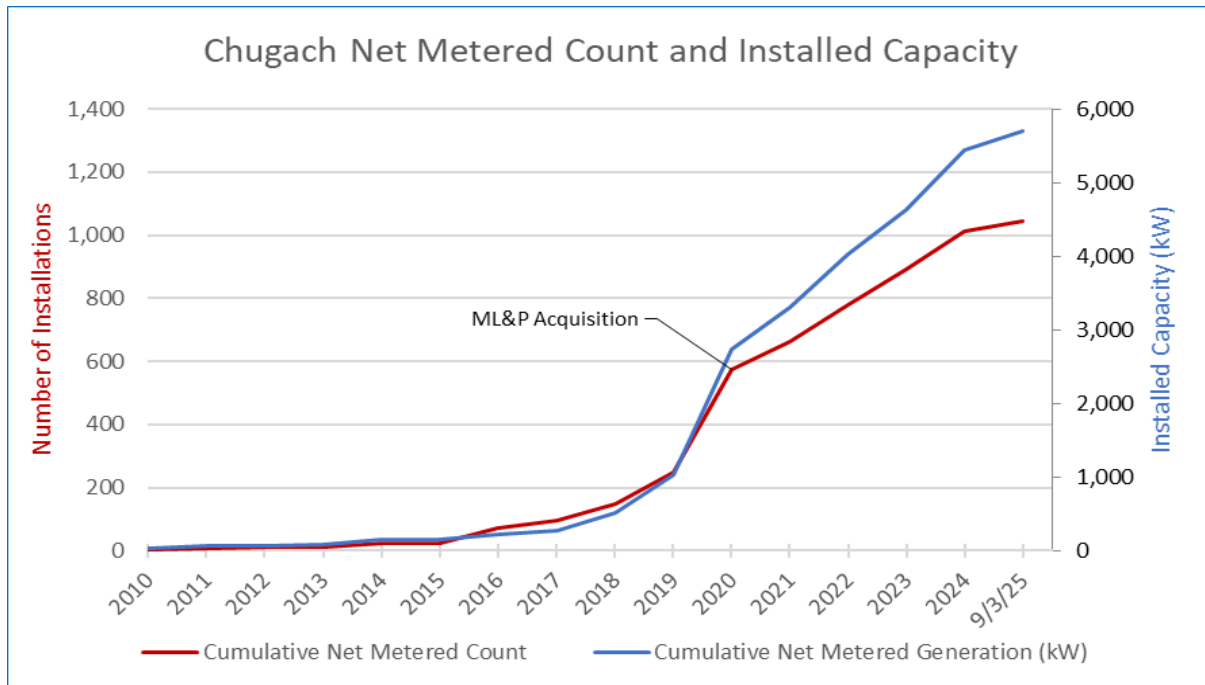


Figure 8: Graph of the history of installed capacity of net metered installations on the Chugach system.

Community and Business Development

Seeking Data Centers to Support Load Growth and Affordable Rates

Chugach continues to pursue and work with data center developers to build out the identified 30 MW of available, highly efficient generation capacity. Most of this work is conducted under non-disclosure agreements. Additional context was described in the Business Development Report for 2nd quarter 2025.

Adding a data center to Chugach’s service area would help stabilize the declining sales that Chugach has experienced over the past 15 years. The declining sales have contributed to higher electric rates. An opportunity to serve one or more data centers up to 30 MW would benefit all members by increasing energy sales, which lowers electric rates by distributing fixed cost over a larger volume of energy sold.

While Alaska has historically not been a preferred region for data center development, several factors are now making Alaska more compelling to developers. A primary reason is due to the cold climate which reduces the cooling costs for data centers. Additionally, Alaska provides a U.S.-flagged location that is physically isolated and on separate electric grid from data centers in the Lower 48. There is a growing need for edge computing, serving local data “inference” requests, and for processing batches of computing that is temporally flexible. These and other drivers mean that Chugach is well positioned to see an increase in electric sales coming from new and expanded data centers in the next several years.

Chugach has begun discussions to lease its properties at the north campus following the consolidation of the two campuses in Q4 of 2025. Potential data centers and others have begun considering the available properties as shown on the map below which identifies the approximate property boundaries following re-platting of the properties.

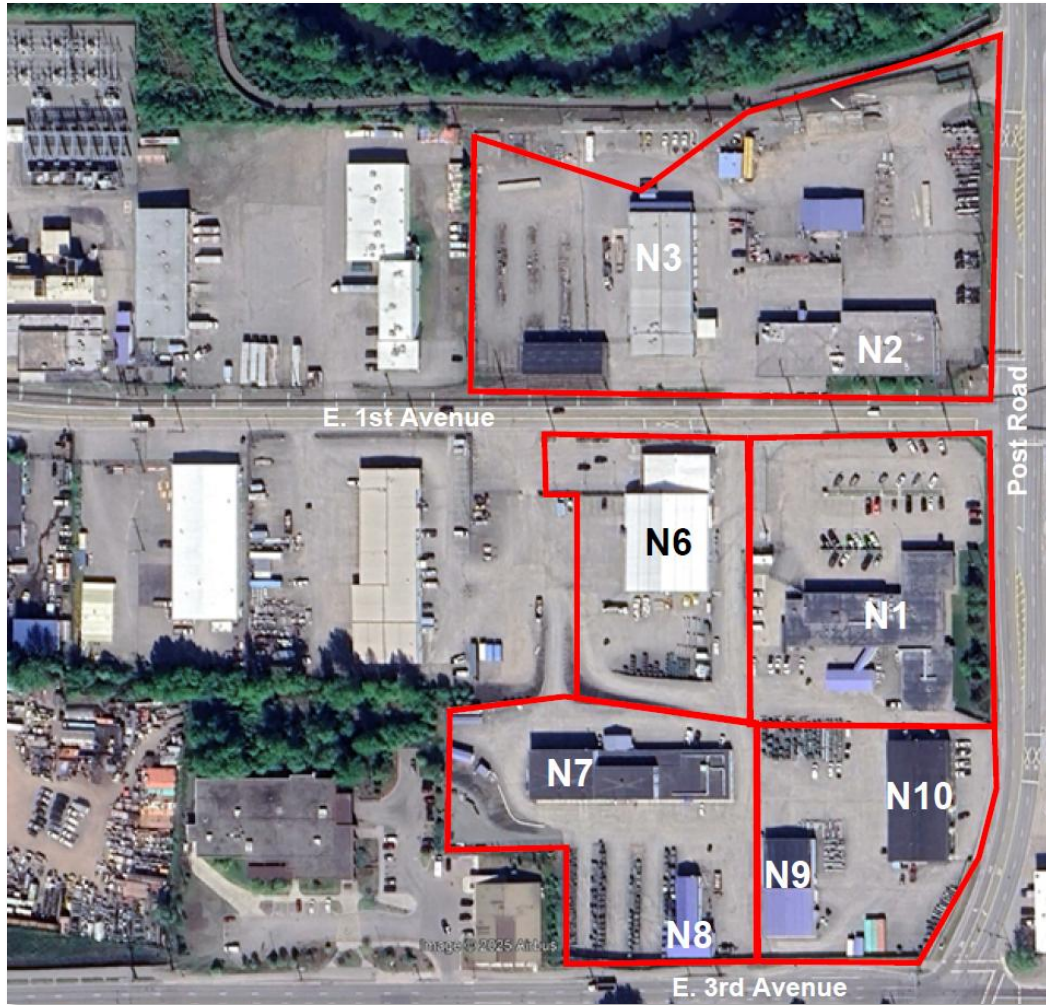


Figure 9: Chugach North Campus facilities for potential consideration for data center development and other purposes.

Building Permit Applications

Through August 2025, the total year-to-date value of permit applications was less than one percent lower than the same period in 2024. The estimated value of permit applications of all types through May was \$404 million, compared to \$406 million for the same period in 2024. The applications include both alterations and new construction in the residential, commercial and government sectors.

New Commercial Construction



Figure 8. Construction continues for at the new Kendall Ford location near the corner of 100th Avenue and C Street



Figure 9. Construction continues for a new Courtyard Marriott in Midtown along C Street. The hotel is expected to feature 141 beds and open in spring of 2026.



Figure 10. Construction continues for a new skilled nursing facility at the Alaska Native Medical Center campus. The \$70M facility is located on the ANMC campus and will feature 80 beds as part of the 92,000 square-foot facility.



Figure 11. Construction continues for a new emergency medical facility at the Alaska Native Medical Center campus near the corner of Tudor and Elmore Roads. The \$257M facility will expand the services available at ANMC.



Figure 12. Construction continues for a new cargo facility at the Anchorage International Airport south of FedEx.



Figure 13. Construction nears completion on a new Three Bears store in Cooper Landing near Sunshine corner. The complex will also host other types of development including lodging and gas station.



Figure 14. Construction has started for a new commercial facility on the corner of Benson & Denali. The site was formerly occupied by a Denny's Restaurant that was removed in 2024.

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

September 17, 2025

ACTION REQUIRED

AGENDA ITEM NO. VII. A.

	Information Only
X	Motion
	Resolution
	Executive Session
	Other

TOPIC

Approval of the tentative Collective Bargaining Agreements covering the terms and conditions of employment for the International Brotherhood of Electrical Workers (IBEW) Office and Engineering, Generation, and Outside Plant bargaining unit personnel.

DISCUSSION

The tentative 2025 - 2028 Collective Bargaining Agreements covering the terms and conditions of employment for the IBEW Office and Engineering, Generation, and Outside Plant bargaining unit, personnel were discussed at the July 30, 2025, Regular Board of Directors' meeting in executive session.

Consistent with Board Policy 404, Chugach Electric Association, Inc. (Chugach or Association) negotiated tentative agreements with the IBEW to renew the Collective Bargaining Agreements covering the terms and conditions of employment for bargaining unit personnel for the July 1, 2025, through June 30, 2028, period. After the tentative agreements were accepted by the bargaining units' employees, the agreements and anticipated costs were posted on August 19, 2025, to the Chugach web page for the Association Membership to review.

The combined estimated financial impact of the 2025 – 2028 IBEW Labor Agreements is nineteen million, eight hundred four thousand dollars. over the three-year term, allocated by group as follows:

- Office and Engineering: five million four thousand dollars
- Generation: seven million, one hundred thirty thousand dollars.
- Outside Plant: seven million, six hundred sixty-nine thousand dollars.

MOTION

Move that the Chugach Board of Directors approve the 2025 – 2028 International Brotherhood of Electrical Workers Local 1547, Office and Engineering, Generation, and Outside Plant Agreements.

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

September 17, 2025

ACTION REQUIRED

AGENDA ITEM NO. VII.B

<u> </u>	Information Only
<u> X </u>	Motion
<u> </u>	Resolution
<u> </u>	Executive Session
<u> </u>	Other

TOPIC

Equity Management Plan

DISCUSSION

Chugach Electric Association, Inc. (Chugach) is required to file an Equity Management Plan as an informational filing with the Regulatory Commission of Alaska (RCA) by September 26, 2025. The RCA indicated concerns regarding capital retirements despite limited liquidity and a low equity-to-total-capitalization ratio (Equity Ratio) and the anticipated need for renewable energy investment to address gas shortfall and environmental goals.

Chugach engaged Charles River Associates International (CRA) who recommended an Equity Ratio target of 30% - 40%. To address the RCA's concern regarding capital credit requirements, Chugach will be limiting annual capital credit retirements to the lesser of 2.5% of Chugach's total equities and margins or 25% of the prior fiscal year's assignable margins until Chugach's Equity Ratio equals or exceeds 30%.

The 2026-2035 Equity Management Plan is expected to produce margins from \$16.0 million in 2026 to \$19.3 million in 2035, a Margins for Interest/Interest (MFI/I) ratio from 1.33 in 2026 to 1.48 in 2035, and an Equity Ratio from 16% in 2026 to 32.0% in 2035. These results are based on a Total Cost of Electric Service from \$367.4 million in 2026 to \$521.8 million in 2035 and Total Revenue ranging from \$382.9 million in 2026 to \$540.5 million in 2035.

MOTION

Move that the Chugach Board of Directors approve the 2026-2035 Equity Management Plan in all material respects as discussed and summarized in the attached Equity Management Plan, approve an Equity Ratio target between 30% - 40%, and approve limiting annual capital credit retirements to the lesser of 2.5% of Chugach's total equities and margins or 25% of the prior fiscal year's assignable margins until Chugach's Equity Ratio equals or exceeds 30%.

EQUITY MANAGEMENT PLAN

September 2025

DRAFT



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COMPANY OVERVIEW

Chugach Electric Association, Inc. (Chugach) is a regulated, not-for-profit, Alaska electric cooperative, organized in 1948, that engages in the generation, transmission and distribution of electricity to approximately 90,300 members receiving power from approximately 113,600 locations in Anchorage and upper Kenai Peninsula areas. In addition, Chugach supplies substantially all of the power requirements to the City of Seward (Seward) as a wholesale customer. Chugach also engages in power pool transactions with Matanuska Electric Association, Inc. (MEA). Chugach is managed by the Chief Executive Officer and guided by Chugach's seven-member Board of Directors, who are elected to staggered four-year terms by and from its membership.

Vision Statement

Responsibly developing energy to build a clean, sustainable future for Alaska.

Mission Statement

We provide safe, reliable and affordable electricity through superior service and sustainable practices, powering the lives of our members.

Values

Guided by our values of safety, reliability, accountability and sustainability, we are committed to serving our members, the community, and the Chugach team.

EXECUTIVE SUMMARY

Chugach's 2026-2035 Equity Management Plan (Plan) is prepared in accordance with the requirements of Board Policy 303, assuring efficient use of debt and equity while achieving required service reliability levels and compliance with regulatory and contractual obligations, indenture requirements, debt agreements, laws and other regulations.

The Plan demonstrates how Chugach manages its debt, equity, rates and capital credits to achieve its financial goals. It establishes a specific equity target range and a plan to achieve it that supports the cooperative's strategic goals, maximizes financial health and enables access to debt capital at the lowest possible cost. The Plan aims at striking a balance between providing member benefits, meeting lender expectations and ensuring long-term financial sustainability.

Chugach's equity level is a key indicator of financial health and maintaining an appropriate equity level is a primary goal of Chugach's Plan. Strong financial performance is necessary to maintain access to capital at reasonable cost. Access to capital is a significant consideration as prior to 1991, the majority of Chugach's debt funding was federally financed through the Rural Electrification Administration (REA). Since that time, Chugach has used a combination of financing alternatives through cooperative lenders and the public and private capital debt markets. Taking advantage of lower transaction fees, customized terms, reduced regulatory burden and faster access to capital, the majority of Chugach's debt today is private capital market debt. Continued access to the capital markets is critical as Chugach is limited in its eligibility for federally financed debt, which is a distinction compared to other Railbelt utilities.

Changes in our credit ratings could affect our ability to access capital. We maintain an Issuer Credit Rating (ICR) from Standard & Poor's Rating Services (S&P) of "BBB" (Stable) and an Issuer Default Rating (IDR) from Fitch Ratings (Fitch) of "A-" (Stable). S&P and Moody's currently rate our commercial paper at "A-1" and "P-2", respectively. If these agencies were to downgrade our ratings, particularly below investment grade, our commercial paper rates could increase immediately, and we may be required to pay higher interest rates on financing. Additionally, our potential pool of investors and funding sources could decrease.

Goals

- A target equity-to-total-capitalization ratio (Equity Ratio) range between 30 and 40 percent; and
- Continuation of annual capital credit retirements, with retirements limited to the lesser of 2.5% of Chugach's equities and margins or 25% of the prior fiscal year's assignable margins until Chugach's Equity Ratio equals or exceeds 30%

Target Equity Ratio

In determining the target Equity Ratio, many factors must be considered including cost of debt, debt covenants, capital investments, rate levels, financial flexibility and capital credit retirement plans.

Chugach's target Equity Ratio is a range between 30 and 40 percent as recommended by Kurt G. Strunk, of Charles River Associates International (CRA), in the Financial Inputs to the Equity Management Plan dated September 2025 and included as Attachment A.

An Equity Ratio of 30 percent or greater permits Chugach to return capital credits unimpeded by debt covenants, helps to maintain current bond ratings and provides access to debt at the lowest possible cost while maximizing financial flexibility.

Capital Credit Retirements and Unclaimed Capital Credits

Chugach credits to our members all amounts received from them for the furnishing of electricity in excess of operating costs, expenses and provision for reasonable reserves. These excess amounts, or assignable margins, are considered capital furnished by our members and are credited to their accounts and held until such future time as they are retired and returned without interest. Approval of capital credit retirements are at the discretion of Chugach's Board of Directors.

Capital credit retirements demonstrate the value and are a key principle of the cooperative business model. Capital credit retirements are issued in accordance with the requirements of Board Policy 304, which establishes the goals

of remaining in compliance with Indenture and debt agreement requirements, maintaining or progressing toward an equity target level established by the Board, using a retirement method approved by the Board and communicating and promoting cooperative principles. Absent an event of default, Chugach's Indenture and other debt agreements limit distributions of patronage capital to Chugach's members in each year equal to the lesser of 5% of Chugach's equities and margins or 50% of the prior fiscal year's assignable margins if Chugach's aggregate equities and margins are less than 30% of Chugach's long-term debt and equities and margins. Additionally, Chugach is required to maintain a minimum consolidated margins and equities balance of \$150.0 million.

To provide tangible evidence of members' ownership in Chugach and to meet members' expectations, annual capital credit retirements are limited to the lesser of 2.5% of Chugach's equities and margins or 25% of the prior fiscal year's assignable margins until Chugach's Equity Ratio equals or exceeds 30%.

Unclaimed capital credits are retained by Chugach as donated capital, contributing positively to Chugach's equity without impacting rates. Historically, capital credit retirements result in approximately 40% retained by Chugach.

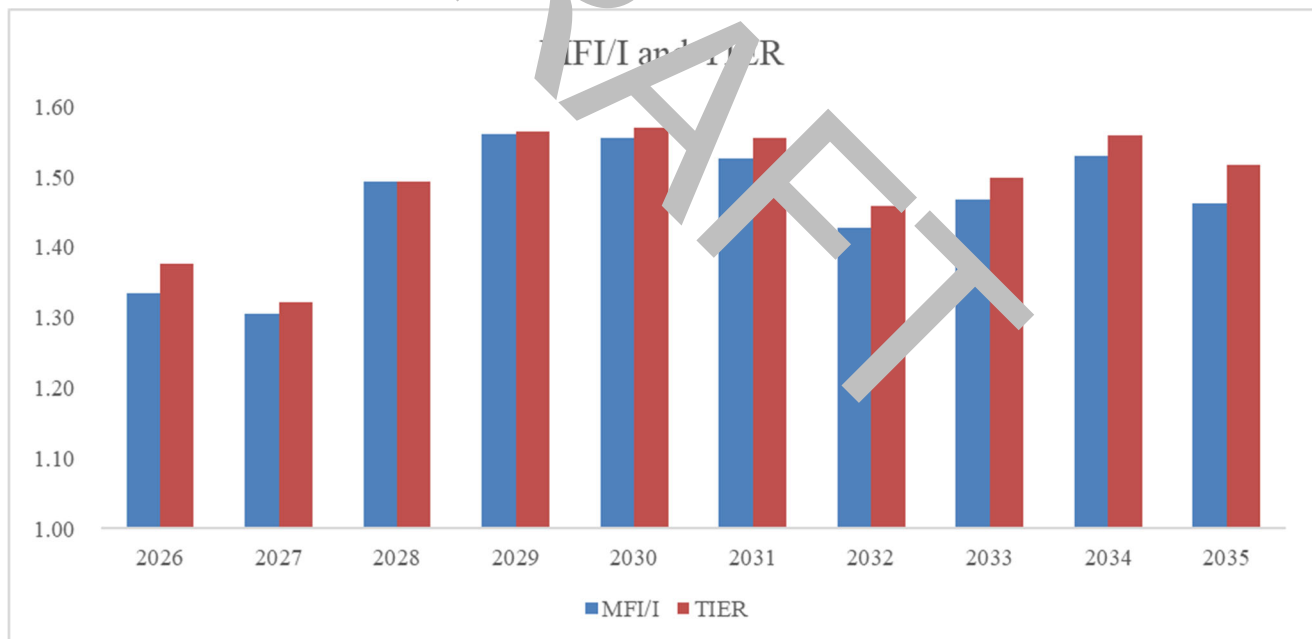
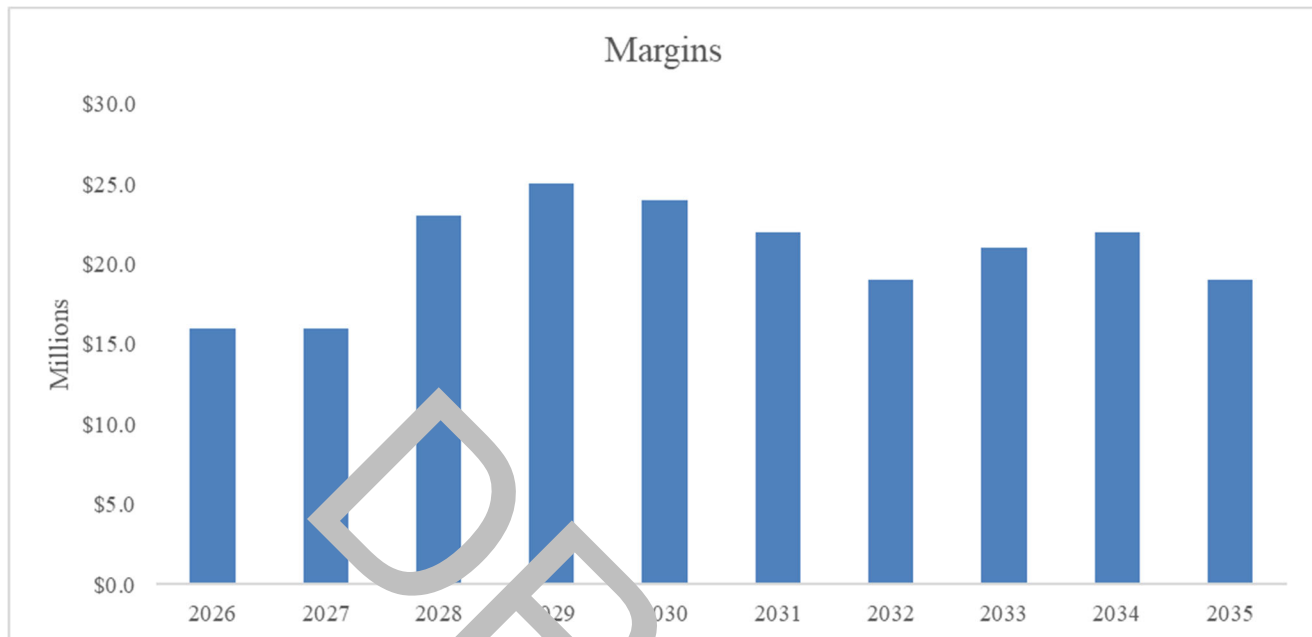
Times Interest Earned Ratio (TIER) and Margins For Interest / Interest (MFI/I)

The regulatory environment in Alaska requires cooperatives to use a debt service coverage approach to ratemaking. TIER is designed to ensure Chugach maintains a coverage ratio that allows Chugach to remain in compliance with its debt covenants. TIER is determined by dividing the sum of assignable margins plus long-term interest expense (excluding capitalized interest) by long-term interest expense (excluding capitalized interest). Chugach's current authorized TIER for ratemaking purposes on a system basis is 1.55. Since the effective date of its current authorized TIER, Chugach has achieved TIER's between 1.15 and 1.24. Factors contributing to these results include, but are not limited to, decreased sales levels, inflationary driven cost increases and regulatory lag. Despite this historical trend, Chugach is not planning to request an increase in its authorized TIER at this time.

The Second Amended and Restated Indenture of Trust (Indenture) and other debt agreements requires Chugach to either set rates reasonable expected to yield or achieve an MFI/I ratio equal to at least 1.10. Changes in base rates are expected through the submittal of Simplified Rate Filings (SRF) or general rates cases.

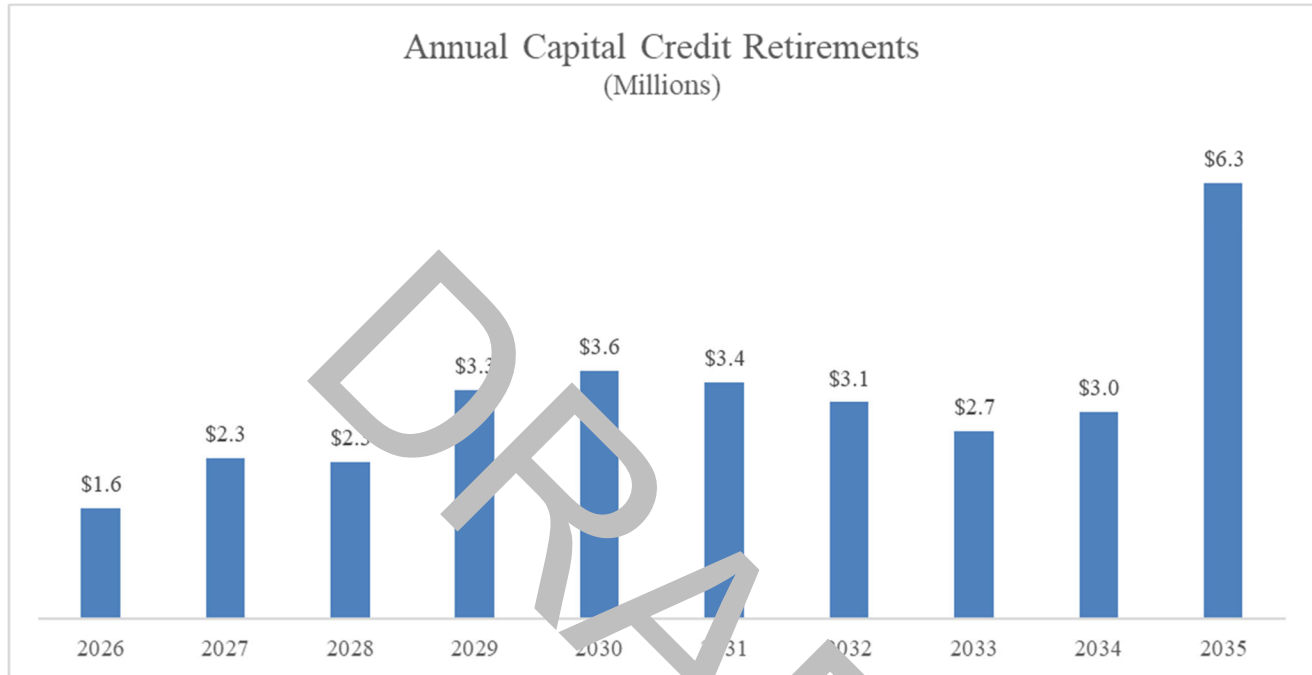
SCHEDULE I – PROJECTED MARGINS, MFI/I AND TIER RATIOS

Margins are forecasted to range from a low of \$15.9 million to a high of \$25.1 million during the planning period. The MFI/I ratio is expected to range from a low of 1.31 to a high of 1.56 and the TIER ratio is expected to range from a low of 1.32 to a high of 1.57, during the planning period.



SCHEDULE II – PROJECTED CAPITAL CREDIT RETIREMENTS

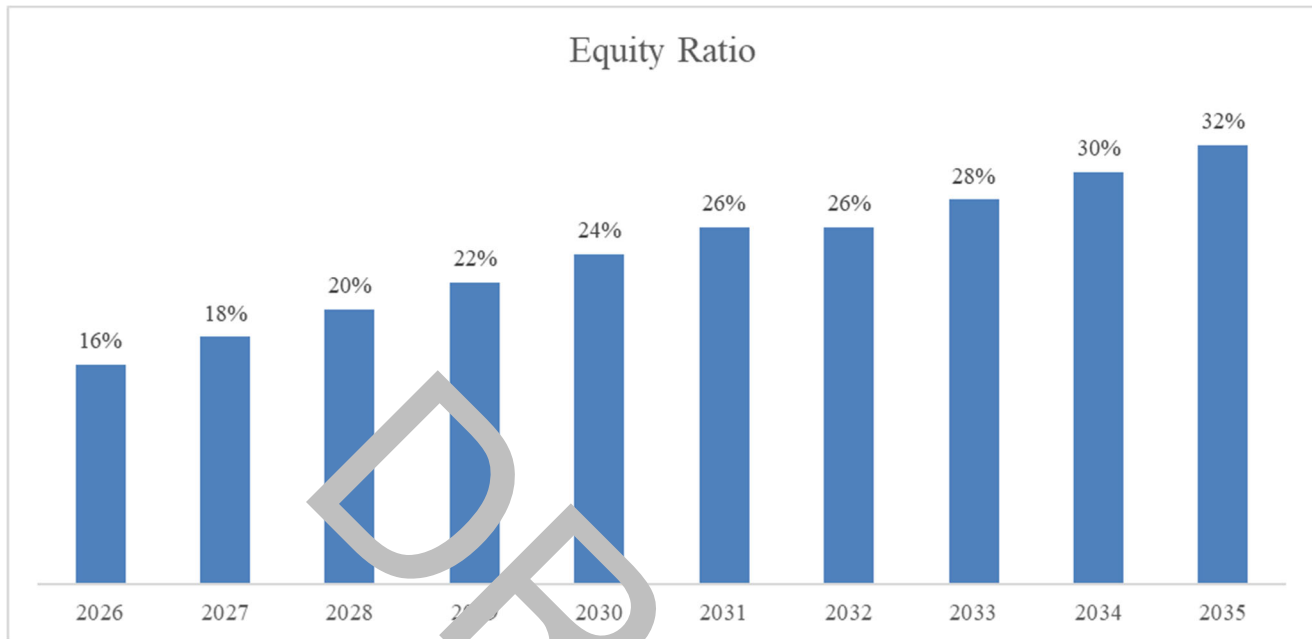
Although Chugach's Indenture and other debt agreements limit distributions of patronage capital to Chugach's members in each year equal to the lesser of 5% of Chugach's equities and margins or 50% of the prior fiscal year's margins if Chugach's Equity Ratio is less than 30%, annual capital credit retirements are limited to the lesser of 2.5% of Chugach's equities and margins or 25% of the prior fiscal year's assignable margins until Chugach's Equity Ratio equals or exceeds 30%. In 2035, capital credit requirements increase to the lesser of 5% of Chugach's equities and margins or 50% of the prior fiscal year's assignable margins as Chugach's Equity Ratio is expected to exceed 30%.



SCHEDULE III – PROJECTED EQUITY RATIO

Chugach's target Equity Ratio is a range between 30 and 40 percent as recommended by Kurt G. Strunk, of CRA, in the Financial Inputs to the Equity Management Plan dated September 2025.

Chugach's Equity Ratio is forecasted to range from a low of 16% to a high of 32% during the planning period.



2026 – 2035 EQUITY MANAGEMENT PLAN ASSUMPTIONS

Sales

Retail Sales Forecast

For each rate class's forecast of kWh sales, the Holt-Winters Exponential Triple Smoothing (ETS) methodology was selected as a benchmark using approximately ten years of historic monthly data, from January 2015 to April 2025.

Chugach analyzed ten years of retail sales levels, along with its wholesale customer, the City of Seward. The analysis incorporated variables such as weather, hours of darkness, tourism, distributed generation, and beneficial electrification.

On average, Chugach has experienced a nearly one percent annual decline in energy sales, with usage most closely correlated to heating degree days (HDDs) and hours of darkness. A closer review of 2024–2025 data identified an accelerated decline in the first quarter of 2025, primarily driven by an abnormally warm winter. This resulted in a more than four percent year-over-year decrease in quarter one sales, despite an approximate two percent annual increase in overall energy sales.

Conservative observations suggest that the historical downward trend in sales is beginning to stabilize due to increased adoption of beneficial electrification, including electric vehicles, heat pumps, and other residential and industrial technologies. Because 2025 data is not representative of long-term conditions, Chugach excluded it from the forecast and instead projected 2026 sales at 1 percent below 2024 levels. Given the current lack of long-term data to model exponential growth from beneficial electrification, Chugach has elected to hold energy sales flat across the forecast horizon. This long-term analysis will continue to be updated annually, with future forecasts adjusted as additional data becomes available.

Wholesale

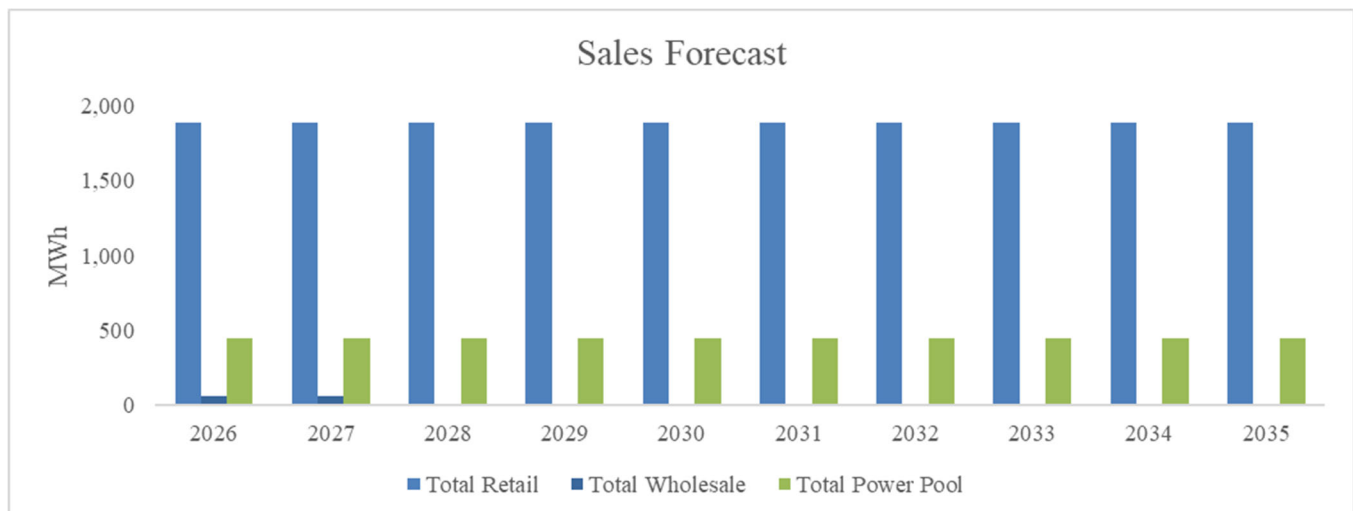
Sales to the City of Seward are expected for the three-year period beginning in 2025, in accordance with the 2025 Wholesale Power Contract between Chugach and the City of Seward dated August 5, 2025.

Economy Energy

The Memorandum of Understanding (MOU) between Chugach and CFEA has expired and was not extended. Chugach does not have any current plans to make economy sales in order to preserve fuel for our native load customers.

Power Pool

Power Pool transactions are expected over the planning period in accordance with the approved Second Amended and Restated Contract between Chugach and MEA.



Revenue

Retail and Wholesale Revenue

Chugach’s rates are established on a cost-of-service basis, subject to review and approval by the Regulatory Commission of Alaska (RCA). Base demand and energy rates are adjusted through Simplified Rate Filings (SRF) and the filing of general rate cases. Beluga River Unit (BRU) fuel and related costs and other fuel and purchased power costs are recovered through the quarterly fuel and purchase power adjustment process.

The base year revenue forecast for 2026 was formulated using both the sales forecast and proposed permanent rates based on Chugach’s most recent general rate case filing. These rates were submitted to the RCA on August 18, 2025, and are forecasted to take effect on October 2, 2025. This filing is pending approval by the RCA. These rates are assumed for all of 2026, with base revenue adjusted thereafter through SRF or general rate cases, incorporating SRF limits and applicable regulatory lag.

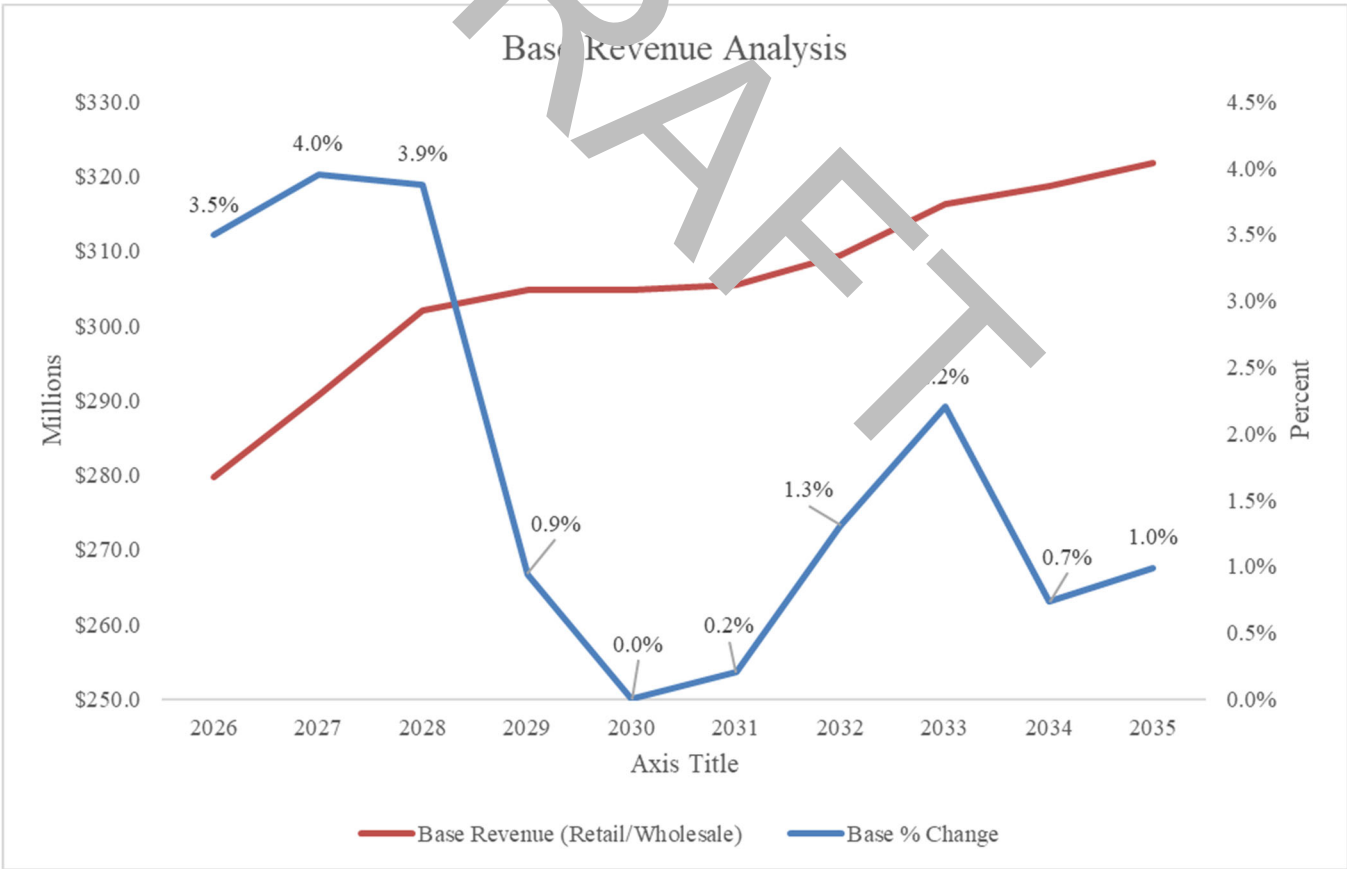
Power Pool Revenue

Power Pool revenue is forecasted to remain relatively level over the planning period.

Other Operating Revenue

Other operating revenue includes late fees, pole rental, wheeling, microwave, gas exchange fees, miscellaneous services, and other electric revenue. Other operating revenue is forecasted to decline as Chugach’s gas exchange agreement expires.

Base revenue is forecasted to increase over the planning period, as a result of expected rate changes as illustrated in the following graph.



Fuel and Purchased Power Expense

Fuel expense includes fuel, storage, transportation and BRU operating costs. Fuel prices are blended to incorporate BRU production, BRU/Hilcorp underlift, Marathon gas exchange, and Liquefied Natural Gas (LNG) import costs. New gas storage requirements are assumed to support imported LNG and BRU end of life.

Fuel Costs – Beluga River Unit

The primary objective is to produce natural gas in order to mitigate both price and volume risk for members. Year-over-year changes reflect the addition of new wells, consistent with the latest reserve study and development plan.

Capital expenditure (CAPEX) forecasts have been updated to align with Chugach’s latest BRU reserve study, reflecting costs associated with 18 production wells and supporting infrastructure such as pads.

Operating expenses (OPEX) are correlated with units of production and are based on current cost projections. Underlift volumes and pricing considerations have also been incorporated. The expiration of the State of Alaska small producer tax credit is included in 2026, which is estimated to have a cost impact of approximately \$2 million annually.

Fuel Costs – Hilcorp Alaska, Inc. Contract

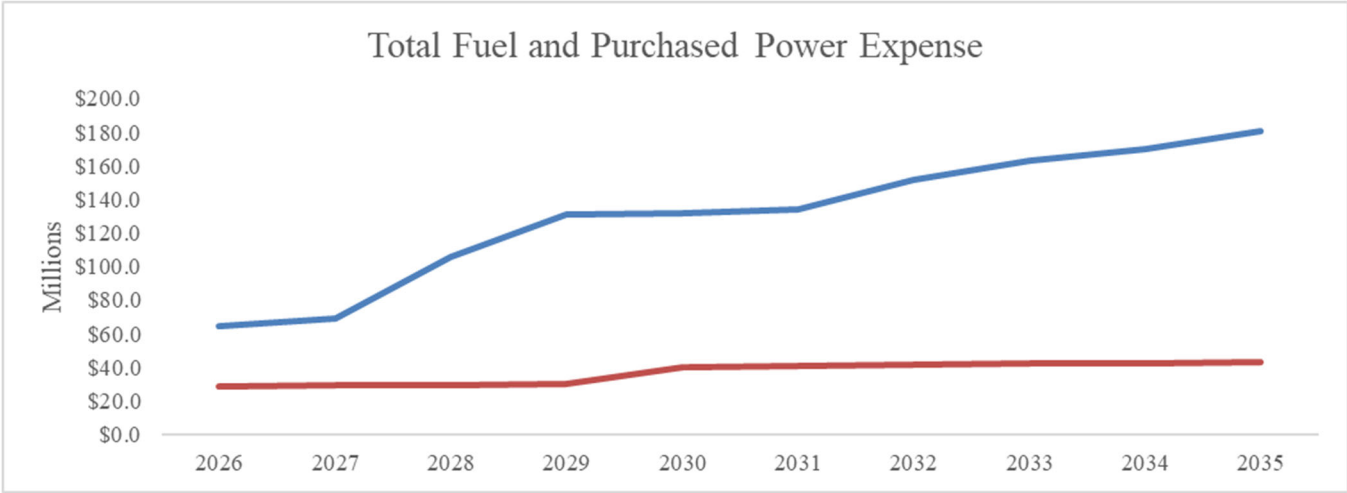
Chugach’s gas contract with Hilcorp Alaska Inc. is set to expire on March 31, 2028. Projected underlift volumes from Hilcorp have been incorporated into future year gas usage and cost projections. Payment pricing is determined using actual billed costs and volumes from the second quarter of 2025. The purchase price assumption during the repayment period is also based on second quarter 2025 actual billed costs and volumes, with the addition of Asset Retirement Obligations (ARO).

Fuel Costs – Other

Marathon exchange volumes are assumed at 1 bcf per year at \$9/Mcf. Projected costs account for the required expansion of storage capacity beginning in 2027 to support LNG imports following the expiration of the Hilcorp gas contract. Efforts are underway to pursue self-development of west side gas storage facilities to support LNG imports and address Chugach’s storage and deliverability requirements. LNG supply will commence upon expiration of the Hilcorp gas contract in 2028. The cost encompasses the commodity, shipping, regasification, and associated handling expenses. Chugach is required to manage its transportation and has an agreement with ENSTAR Natural Gas Company to provide gas to its generating facilities in Anchorage and with Harvest Alaska to ship gas on the Kenai-Beluga Pipeline (KBPL) system.

Purchased Power Costs

Purchased Power expense represents costs associated with the Bradley Lake Hydroelectric Project and the Municipality of Anchorage’s share of the Eklutna Hydroelectric Project, in addition to energy purchases from Fire Island Wind (FIW), from MEA through power pool transactions and includes 56% of Dixon Diversion, which will provide 76,160 MWh annually starting in 2031.



Total Cost Of Electric Service

Operating and Maintenance (O&M) Expense

O&M expenses include power production, transmission, distribution operations and maintenance and consumer accounts and information expenses. O&M expense represents labor, non-labor and amortized costs. Labor is differentiated between represented and non-represented, with represented labor increases in accordance with current Collective Bargaining Unit Agreements (CBA) and then escalated at the 30-year Breakeven Inflation Rate (T30YIEM) from the Federal Reserve Bank of St. Louis (Rate of Inflation) of 2.28 percent. Non-labor is escalated at the Rate of Inflation over the planning period and amortized costs are amortized in accordance with regulatory asset schedules.

General and Administrative (G&A) Expense

G&A expenses include non-O&M expenses and amortized costs related to accounting, business development, regulatory, insurance, facilities, information technology, corporate communications, environmental, safety, security, leadership, governance, legal, human resources and legislative affairs.

Depreciation and Amortization Expense

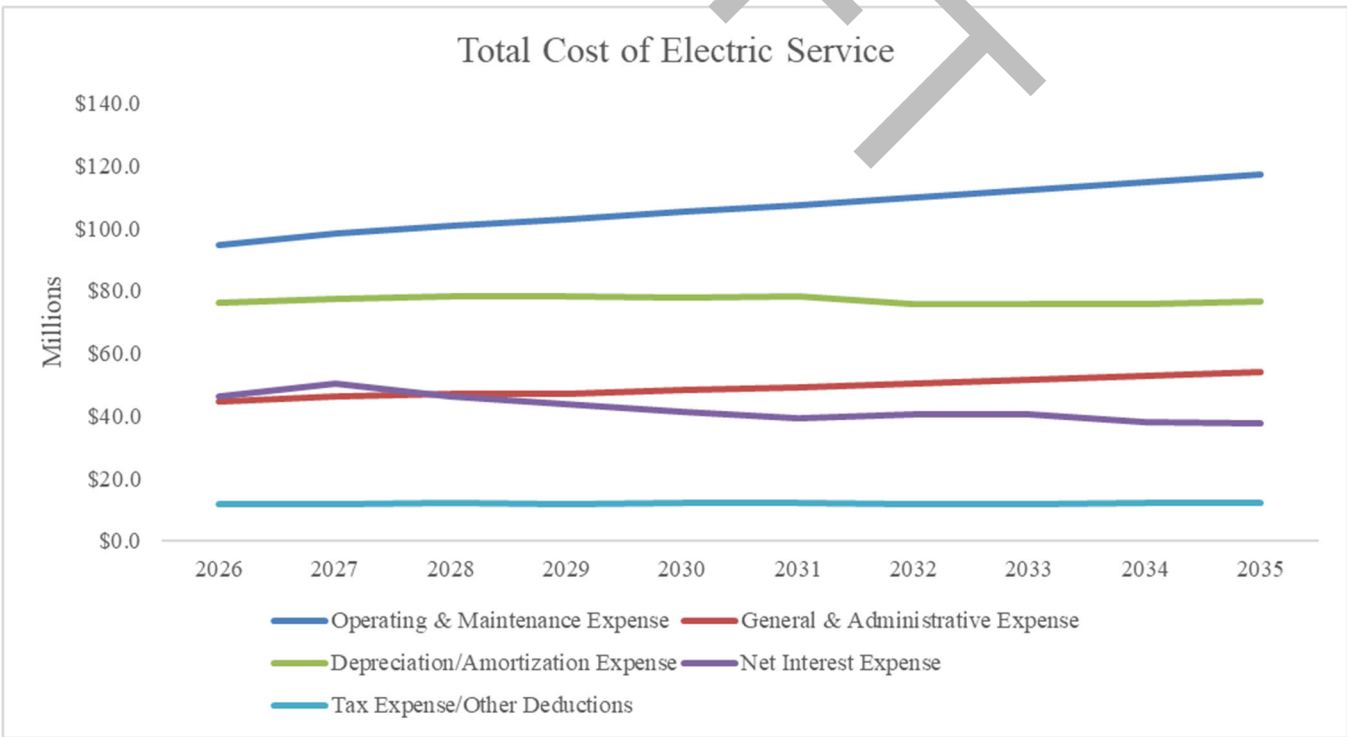
Depreciation expense represents the usage of Chugach's assets, expensed over their useful lives. It increases as a result of capital spending and decreases when utility plant is fully depreciated or has reached its useful life. Chugach's utility plant is depreciated at rates approved in its current depreciation study (2022 Depreciation Study).

Net Interest Expense

Net interest expense includes interest on long and short term debt, net of amounts capitalized.

Tax Expense and Other Deductions

Tax expense represents employer-related payroll taxes and Payment In Lieu of Taxes (PILT), paid to the Municipality of Anchorage, which was negotiated as part of Chugach's acquisition of Municipal Light & Power. Beginning in 2026, tax expense includes BRU production taxes as a result of the expiration of the State of Alaska small producer tax credit. Other deductions represent an estimate of amounts associated with preliminary survey and investigation charges of projects and obsolete write-offs that are not attributable to operating and maintenance costs.



Capital Plans and Expenditures

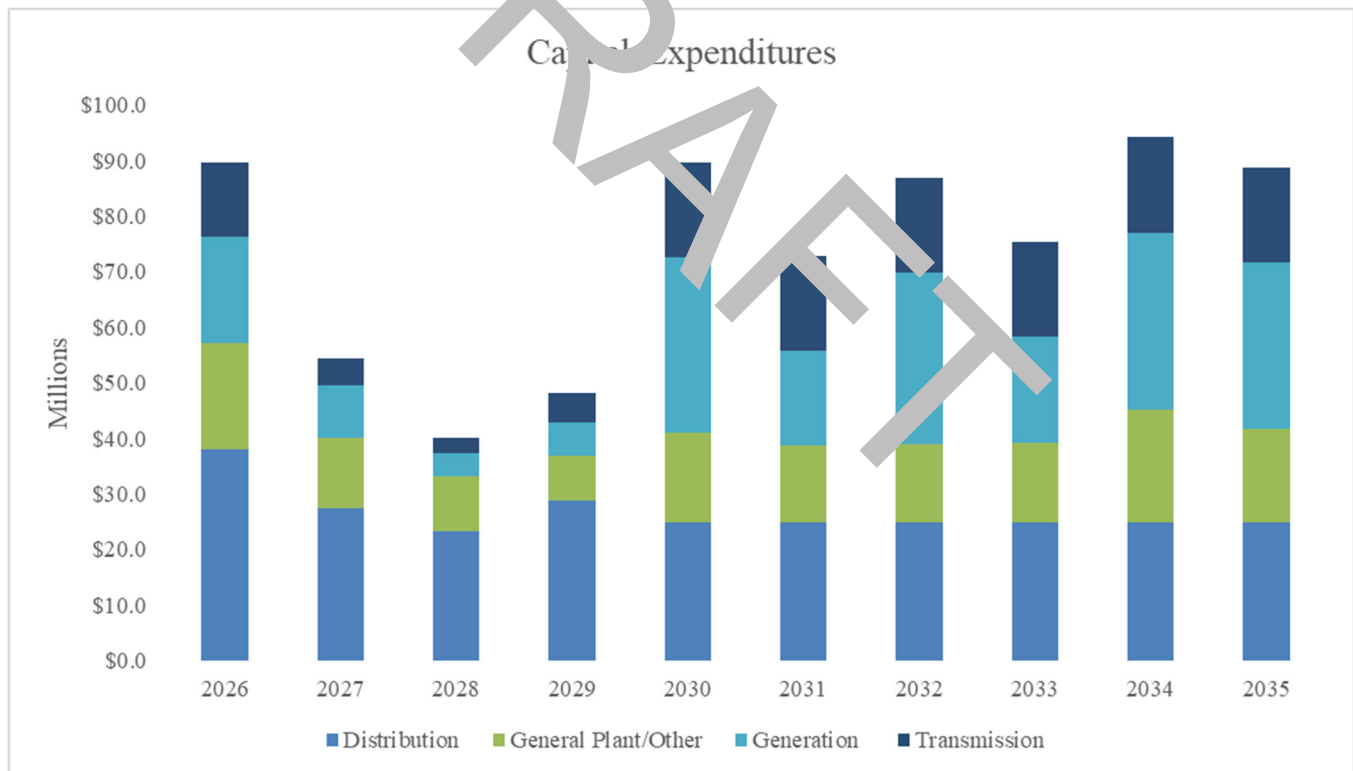
Reliability, capitalized maintenance, upgrades, and facility, security and technology improvements drive the capital spending projected over the next ten years.

The majority of generation capital spending is for capitalized maintenance of Chugach's existing George M. Sullivan (Sullivan) generation plant and Southcentral Power Project (SPP), not covered under a contractual services agreement with General Electric (GE), hydroelectric upgrades at the Cooper Lake and Eklutna Hydroelectric Projects and the tank farm demolition at Sullivan. Additionally, Beluga Solar, a 5 MW project, is added in 2026.

The majority of transmission and sub-transmission capital spending is related to maintaining system reliability, responding to system reliability concerns and improving system stability. This includes the continued upgrade of ninety miles of the southern transmission line to 230 kV standards and starting the conversion of the substations to 230 kV and routine capitalized maintenance.

The majority of distribution and distribution substation capital spending is related to service connects, line extensions, substation upgrades and the continued underground cable rehabilitation and capital replacement projects. It also includes upgrading the distribution line to Whittier to support cruise ship electrification.

The remaining capital projects are for general plant, telecommunications, Supervisory Control and Data Acquisition (SCADA) and deferred debit projects. The majority of general plant projects include facility improvements, including the remodel and addition to field operations and engineering building, covered equipment storage, purchase of warehouse space, additional parking and improvements to laydown yards and costs associated with our Enterprise Resource Planning (ERP) project. Also includes security, information technology, other facility upgrades and the cost to improve reliability in Chugach's service territory on the Kenai Peninsula.



Current Debt and Future Financing

From 1948 to September of 1991, the majority of Chugach's debt was federally financed through the Rural Electrification Administration (REA). In September of 1991, Chugach became one of the first cooperatives in the nation to buy out of the REA and issue debt in the public markets.

Since that time, Chugach has refinanced its public debt in the private placement market, in addition to maintaining a term loan facility with CoBank, ACB (CoBank).

Expenditures not funded by internally generated funds are funded through borrowings made under a \$50 million line of credit with National Rural Utilities Cooperative Finance Corporation (NRUCFC) and our commercial paper program, a \$300 million program, backed by a \$300 million Amended and Restated Credit Agreement. Periodically, Chugach refinances its outstanding commercial paper and issues additional long-term debt in accordance with its Second Amended and Restated Indenture of Trust (Indenture).

Chugach has approximately \$1.2 billion in total debt as of June 30, 2025. The interest rates of all Chugach's long-term debt are fixed and are set forth in the following table.

	Maturing	Interest Rate	Carrying Value
2011 Series A, Tranche A	2031	4.20 %	\$ 27,000
2011 Series A, Tranche B	2041	4.75 %	98,667
2012 Series A, Tranche A	2032	4.01 %	26,250
2012 Series A, Tranche B	2042	4.41 %	67,000
2012 Series A, Tranche C	2052	4.78 %	42,500
2017 Series A, Tranche A	2037	3.43 %	24,000
2019 Series A, Tranche A	2039	3.86 %	55,500
2020 Series A, Tranche A	2039	2.38 %	267,000
2020 Series A, Tranche B	2050	2.91 %	442,000
2024 Series A, Tranche A	2044	5.48 %	150,000
2016 CoBank Note	2031	2.58 %	12,768
Total			\$ 1,212,685

Over the ten-year planning period, additional long-term debt is issued in years 2026 and 2032, based on a 30-year amortization schedule at projected interest rate of 5.5% and 5.0%, respectively.

2026 – 2035 EQUITY MANAGEMENT PLAN SUMMARIZED RESULTS

The following includes the summarized results of the 2026-2035 Equity Management Plan

PROJECTED STATEMENT OF OPERATIONS										
(In Millions)	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Total Revenue	\$382.9	\$397.5	\$442.4	\$470.5	\$480.5	\$483.6	\$502.6	\$520.1	\$529.5	\$541.3
Fuel Expense	64.7	69.0	105.5	131.1	132.0	134.1	151.7	162.8	170.1	180.5
Purchased Power Expense	28.2	28.9	29.6	30.3	39.9	40.6	41.3	42.0	42.7	42.9
Operating & Maintenance Expense	94.9	98.2	100.9	103.0	105.2	107.5	109.8	112.2	114.6	117.1
General & Administrative Expense	44.6	46.1	46.9	47.1	48.2	49.3	50.4	51.5	52.7	53.9
Total Operations & Maintenance Expense	232.4	242.2	282.9	311.5	325.3	331.4	353.2	368.5	380.2	394.4
Depreciation/Amortization Expense	76.4	77.4	78.4	78.3	77.8	78.2	76.0	76.0	75.8	76.6
Net Interest Expense	46.4	50.5	46.1	43.9	41.9	40.2	43.0	43.3	40.1	39.8
Tax Expense/Other Deductions	11.9	11.9	12.0	11.9	12.0	12.3	11.9	11.9	12.0	12.0
Total Cost of Electric Service	366.6	382.0	419.4	445.6	456.9	462.1	484.1	499.6	508.0	522.9
Non-Operating Margins	0.4	0.3	0.2	0.2	0.4	0.5	0.5	0.5	0.6	0.7
Margins	\$16.2	\$15.9	\$23.2	\$25.1	\$24.0	\$22.0	\$19.0	\$21.0	\$22.1	\$19.1

PROJECTED BALANCE SHEET										
Assets										
Net Utility Plant	1,545.4	1,550.5	1,476.6	1,445.3	1,455.5	1,449.0	1,461.9	1,464.8	1,487.5	1,505.3
Total Other Property & Investments	45.4	50.5	52.3	61.0	80.3	103.0	110.2	117.0	123.7	130.0
Total Current & Accrued Assets	225.1	206.2	209.3	219.0	207.0	193.5	189.4	185.7	183.3	186.5
Deferred Debits	92.9	88.0	83.6	80.1	76.6	73.2	69.7	66.3	62.9	59.5
Total Assets	\$1,908.7	\$1,864.1	\$1,829.6	\$1,805.5	\$1,819.5	\$1,818.7	\$1,831.3	\$1,833.9	\$1,857.4	\$1,881.2
Liabilities & Patronage Capital										
Total Margins & Equities	247.3	260.8	281.7	303.6	324.0	342.5	357.9	376.2	395.3	408.1
Total Long Term Debt	1,265.7	1,203.3	1,146.2	1,093.7	1,088.8	962.9	1,045.1	980.1	915.1	871.1
Total Current & Accrued Liabilities	132.6	133.9	131.8	133.9	187.5	228.9	136.8	178.0	238.8	284.2
Total Other Non-current Liabilities	263.1	266.2	269.9	274.2	279.1	284.4	291.5	299.6	308.2	317.8
Total Liabilities & Patronage Capital	\$1,908.7	\$1,864.1	\$1,829.6	\$1,805.5	\$1,819.5	\$1,818.7	\$1,831.3	\$1,833.9	\$1,857.4	\$1,881.2

PROJECTED STATEMENT OF CASH FLOWS										
Assignable Margins	\$16.2	\$15.9	\$23.2	\$25.1	\$24.0	\$22.0	\$19.0	\$21.0	\$22.1	\$19.1
Total Adjustments to Assignable Margins	77.4	75.4	73.3	73.8	77.4	77.7	80.1	77.9	76.3	74.0
Net Cash Provided by Operating Activities	\$93.6	\$91.3	\$96.5	\$98.9	\$101.4	\$99.6	\$99.1	\$98.9	\$98.4	\$93.1
Net Cash Used in Investing Activities	(88.5)	(52.4)	(37.7)	(45.7)	(87.9)	(71.2)	(85.2)	(73.7)	(92.6)	(87.1)
Net Cash Provided by/(Used In) Financing Activities	21.7	(63.3)	(61.1)	(53.4)	(14.5)	(27.8)	(12.5)	(26.4)	(7.1)	(4.8)
Net Changes in Cash and Cash Equivalents	\$26.8	(\$24.5)	(\$2.3)	(\$0.1)	(\$0.7)	\$0.6	\$1.4	(\$1.2)	(\$1.2)	\$1.2
Cash and Cash Equivalents at Beginning of Period	10.6	37.3	12.9	10.6	10.4	9.7	10.4	11.8	10.6	9.3
Cash and Cash Equivalents at End of Period	\$37.3	\$12.9	\$10.6	\$10.4	\$9.7	\$10.4	\$11.8	\$10.6	\$9.3	\$10.6

SUMMARY FINANCIAL INFORMATION & RATIOS										
Margins	\$16.2	\$15.9	\$23.2	\$25.1	\$24.0	\$22.0	\$19.0	\$21.0	\$22.1	\$19.1
Margins for Interest/Interest (MFI/I)	1.34	1.31	1.49	1.56	1.56	1.53	1.43	1.47	1.53	1.46
Times Interest Earned Ratio (TIER)	1.38	1.32	1.49	1.56	1.57	1.55	1.46	1.50	1.56	1.52
Equity Ratio	16%	18%	20%	22%	24%	26%	26%	28%	30%	32%
Debt Service Coverage Ratio (DSC)	1.34	1.29	1.35	1.45	1.52	1.33	1.27	1.27	1.31	1.29

2026 – 2035 EQUITY MANAGEMENT PLAN SUMMARIZED RESULTS – 1.75 TIER VERSION

For informational purposes, the following includes the summarized results of the 2026-2035 Equity Management Plan utilizing a 1.75 TIER as recommended by CRA.

PROJECTED STATEMENT OF OPERATIONS										
(In Millions)	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Total Revenue	\$382.9	\$397.5	\$447.0	\$479.9	\$489.9	\$492.4	\$509.3	\$524.2	\$533.3	\$544.9
Fuel Expense	64.7	69.0	105.5	131.1	132.0	134.1	151.7	162.8	170.1	180.5
Purchased Power Expense	28.2	28.9	29.6	30.3	39.9	40.6	41.3	42.0	42.7	42.9
Operating & Maintenance Expense	94.9	98.2	100.9	103.0	105.2	107.5	109.8	112.2	114.6	117.1
General & Administrative Expense	44.6	46.1	46.9	47.1	48.2	49.3	50.4	51.5	52.7	53.9
Total Operations & Maintenance Expense	232.4	242.2	282.9	311.5	325.3	331.4	353.2	368.5	380.2	394.4
Depreciation/Amortization Expense	76.4	77.4	78.4	78.3	77.8	78.2	76.0	76.0	75.8	76.6
Net Interest Expense	46.4	50.5	46.0	43.7	41.4	39.4	40.5	40.4	38.0	37.5
Tax Expense/Other Deductions	11.9	11.9	12.0	11.9	12.0	12.3	11.9	11.9	12.0	12.0
Total Cost of Electric Service	367.1	382.0	419.3	445.4	456.4	461.3	481.6	496.7	505.9	520.6
Non-Operating Margins	0.0	0.0	0.2	0.2	0.4	0.5	0.5	0.6	0.7	0.7
Margins	\$16.2	\$15.9	\$27.9	\$34.7	\$33.9	\$31.6	\$28.3	\$28.1	\$28.1	\$25.0

PROJECTED BALANCE SHEET										
Assets										
Net Utility Plant	1,545.4	1,519.5	1,478.0	1,445.3	1,455.5	1,449.0	1,462.0	1,464.8	1,487.4	1,505.2
Total Other Property & Investments	45.4	50.3	52.5	61.0	80.3	103.0	110.2	117.0	123.7	130.0
Total Current & Accrued Assets	225.1	266.2	222.0	222.0	208.0	193.9	188.8	186.0	183.9	186.8
Deferred Debits	92.9	88.0	83.6	80.1	76.6	73.2	69.7	66.3	62.9	59.5
Total Assets	\$1,908.7	\$1,864.1	\$1,830.6	\$1,808.4	\$1,820.5	\$1,819.1	\$1,830.7	\$1,834.2	\$1,857.9	\$1,881.4
Liabilities & Patronage Capital										
Total Margins & Equities	247.3	260.8	288.5	311.7	346.6	373.4	396.7	420.7	444.8	461.9
Total Long Term Debt	1,265.7	1,203.3	1,146.2	1,136.7	1,108.9	962.9	996.7	933.4	870.1	827.7
Total Current & Accrued Liabilities	132.6	133.9	128.1	132.2	166.0	198.4	145.8	180.5	234.8	274.0
Total Other Non-current Liabilities	263.1	266.2	269.9	274.3	279.1	284.4	291.5	299.6	308.2	317.8
Total Liabilities & Patronage Capital	\$1,908.7	\$1,864.1	\$1,830.6	\$1,808.7	\$1,820.5	\$1,819.1	\$1,830.7	\$1,834.2	\$1,857.9	\$1,881.4

PROJECTED STATEMENT OF CASH FLOWS										
Assignable Margins	\$16.2	\$15.9	\$27.9	\$34.7	\$33.9	\$31.6	\$28.3	\$28.1	\$28.1	\$25.0
Total Adjustments to Assignable Margins	77.4	75.4	73.0	73.4	77.4	77.6	80.3	78.1	76.3	73.9
Net Cash Provided by Operating Activities	\$93.6	\$91.3	\$100.9	\$108.1	\$111.3	\$109.2	\$108.6	\$106.1	\$104.4	\$99.0
Net Cash Used in Investing Activities	(88.5)	(52.4)	(37.7)	(45.7)	(87.6)	(71.2)	(85.2)	(73.6)	(92.5)	(87.0)
Net Cash Provided by/(Used In) Financing Activities	21.7	(63.3)	(64.8)	(61.1)	(26.4)	(38.1)	(22.8)	(32.5)	(12.9)	(11.0)
Net Changes in Cash and Cash Equivalents	\$26.8	(\$24.5)	(\$1.7)	\$1.4	(\$2.7)	(\$0.0)	\$0.6	\$0.0	(\$0.9)	\$0.9
Cash and Cash Equivalents at Beginning of Period	10.6	37.3	12.9	11.2	12.6	9.9	9.9	10.6	10.6	9.6
Cash and Cash Equivalents at End of Period	\$37.3	\$12.9	\$11.2	\$12.6	\$9.9	\$9.9	\$10.6	\$10.6	\$9.6	\$10.6

SUMMARY FINANCIAL INFORMATION & RATIOS										
Margins	\$16.2	\$15.9	\$27.9	\$34.7	\$33.9	\$31.6	\$28.3	\$28.1	\$28.1	\$25.0
Margins for Interest/Interest (MFI/I)	1.34	1.31	1.59	1.78	1.79	1.77	1.67	1.67	1.71	1.64
Times Interest Earned Ratio (TIER)	1.38	1.32	1.59	1.78	1.81	1.80	1.71	1.71	1.76	1.72
Equity Ratio	16%	18%	20%	22%	25%	28%	28%	31%	34%	36%
Debt Service Coverage Ratio (DSC)	1.34	1.29	1.40	1.55	1.62	1.42	1.36	1.36	1.40	1.38

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

September 17, 2025

ACTION REQUIRED

AGENDA ITEM NO. VII. C. i.

<u> </u>	Information Only
<u> X </u>	Motion
<u> </u>	Resolution
<u> </u>	Executive Session
<u> </u>	Other

TOPIC

Chugach Electric Association Charitable Foundation (Foundation) Financial Services.

DISCUSSION

On May 19, 2023, Chugach Electric Association, Inc. (Chugach) membership passed bylaw amendment Article XII, Miscellaneous, Section 4. Utility Bill Round Up Program.

On November 20, 2024, the Chugach Board of Directors approved the Articles of Incorporation and Bylaws and for the Chief Executive Officer to form the Chugach Electric Association Charitable Foundation (Foundation).

On December 11, 2024, The Chugach Board of Directors appointed Susanne Fleek-Green, Jim Nordlund, and Dan Rogers to serve as the initial directors (Trustees) of the Foundation.

On August 27, 2025, the Chugach Board of Directors selected Jean Sauget and Irene Tresser to one-year terms; Bill Popp and Selma Khan to two-year terms; Katie Conway and Marnie Isaacs to three-year terms; and Rebecca Garrett to a four-year term on the Chugach Foundation Board of Trustees, effective October 1, 2025.

As the Foundation becomes fully operational and prepares to manage incoming donations, grant disbursements, and other financial transactions, it is necessary to establish relationships with professional financial service providers. Doing so will ensure the Foundation has the appropriate infrastructure in place to support transparent, accurate, and compliant financial operations in accordance with nonprofit best practices.

To support this objective, staff recommend formalizing agreements with the following service providers across three key financial areas:

- **Accounting Services:** Espelin & Associates, LLC – to manage day-to-day bookkeeping, monthly financial reporting, budget tracking, and account reconciliations in accordance with Generally Accepted Accounting Principles (GAAP) and the Foundation’s internal financial procedures.
- **Banking Services:** KeyBank – to establish dedicated banking accounts to support receipt of donations, processing of grant payments, and financial oversight with appropriate internal controls and dual authorization.
- **Tax Services:** KPMG – to provide annual tax filing support (Form 990) as required to maintain transparency and compliance with nonprofit reporting obligations.

Staff have identified and recommends the following providers for each financial service area along with their associated fees:

- Espelin & Associates, LLC - Accounting Services,
- KeyBank - Banking Services
- KPMG – Tax Services

Formalizing these financial service relationships will allow the Foundation to operate independently and responsibly and will position it to meet financial governance standards and reporting requirements from inception.

MOTION

Move that the Chugach Electric Association, Inc. Board of Directors recommend the Chugach Electric Association Charitable Foundation Board of Trustees approve the engagement of Espelin & Associates, LLC for accounting services, KeyBank for banking services, and KPMG for tax services.

Chugach Electric Association Charitable Foundation

Financial Services Proposals

Accounting Services

- *Proposed Vendor:* Espelin & Associates, LLC
- *Scope of work:* Assist the Foundation on an ongoing basis in the capacity of Bookkeeper/Accountant, as directed by the Board of Trustees. Such assistance may include, but is not limited to:
 - Entering all transactions for the bank account
 - Reconciling the monthly bank account
 - Preparing checks for awardees, as directed by the Trustees
 - Providing monthly, quarterly and/or annual financial statements including a Profit and Loss, Balance Sheet and Statement of Cash Flow
 - Providing all requested information to the CPA firm who will prepare the annual 990 tax return
- *Estimated Annual Cost:* \$25,000
 - CPA – \$200/hour
 - Accounting Staff – \$110/ hour
 - Espelin & Associates estimates that it will take ten (10) hours of the CPAs time to setup QuickBooks for the Foundation. Thereafter, they anticipate 10 – 15 hours of the accounting staff's time to handle day-to-day accounting services for an approximate annual cost of \$25,000. The proposed agreement from Espelin & Associates is included in this packet.

Banking Services

- *Proposed Vendor:* KeyBank
- *Scope of work:* Banking Services for Small Business Interest Checking Account
- *Estimated Annual Cost:* \$350 (usage and other service charges)
 - Chugach Electric Association currently uses KeyBank for banking services and using the same bank will streamline the process for transferring member donations to the Foundation.
 - Monthly maintenance fee is waived when the daily minimum balance in checking account is \$5,000.
 - Included in this proposal package is Small Business Checking Account Fees and Disclosures, Agreement for Small Business Debit Card and Electronic Funds Transfer Services, and the Deposit Account Agreement and Funds Availability Policy from KeyBank.

Tax/Audit Related

- *Proposed vendor:* KPMG
- *Scope of Work:* File annual IRS Form 990-EZ
- *Estimated Annual Fees:* \$3,000
 - Form 990 - \$2,000
 - Audit Consolidation - \$1,000



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E-mail: cpa@espelinllc.com

September 12, 2025

Chugach Electric Association Charitable Foundation
Board of Trustees
5601 Electron Drive
Anchorage, AK 99518

Dear Trustees:

Espelin & Associates, LLC is pleased to provide Chugach Association Charitable Foundation (the Foundation) with the professional services described below. This letter, and any other attachments incorporated herein (collectively, "Agreement"), confirms our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide. The engagement between you and our firm will be governed by the terms of this Agreement.

Scope of Engagement

The objectives of this engagement are to assist you on an ongoing basis in the capacity of Bookkeeper/Accountant, as directed by the Board. Such assistance may include, but is not limited to:

- Entering all transactions for the bank account
- Reconciling the monthly bank account
- Preparing checks for awardees, as directed by the Trustees
- Providing monthly, quarterly and/or annual financial statements including a Profit and Loss, Balance Sheet and Statement of Cash Flow
- Providing all requested information to the CPA firm who will prepare the annual 990 tax return

Our recommendations regarding procedures to be performed and the results of the procedures performed are dependent upon the accuracy and completeness of the representations and information that we receive from you. Accordingly, inaccurate or incomplete representations could result in inaccurate findings or inappropriate recommendations, and critical recommendations may not be identified.

Client Responsibilities

We will require the support of your personnel to achieve timely completion of the project. Support includes, but is not limited to, the collection of all relevant documents (paper or electronic) and the scheduling of interviews and coordination of meetings. Failure to receive such support in a timely manner may negatively affect our ability to fulfill the scope requirements described above within the agreed-upon timeframe.

Management Functions

As a condition to our performing the services described above, you agree to:

- make all management decisions and perform all management functions, including determining account coding and approving all proposed journal entries;
- evaluate the adequacy and results of the services performed;
- accept responsibility for the results of the services, including decisions regarding the implementation of any recommendations provided by us; and
- establish and maintain internal controls as well as monitor ongoing activities.

You agree that your management and employees are responsible for the accuracy and reliability of information provided to us, the proper recording of transactions in the records, the safekeeping of assets, and the accuracy of the financial statements.

CPA Firm Responsibilities

We will perform our services in accordance with the Statement on Standards for Consulting Services and applicable professional standards promulgated by the American Institute of Certified Public Accountants. Such services do not constitute an audit, review, or any other attestation service as those services are defined in AICPA literature applicable to such engagements. Accordingly, these services will not result in the issuance of a written communication to third parties by Espelin & Associates, LLC regarding financial data or internal controls, expressing an opinion or conclusion or obtaining or providing any form of assurance.

This engagement is limited to the professional services outlined above. Espelin & Associates, LLC in its sole professional judgment, reserves the right to refuse to take any action that could be construed as making management decisions or performing management functions. However, we may provide advice and recommendations to assist management in performing its functions and making decisions.

Our engagement does not include any procedures designed to detect errors, fraud, or theft. Therefore, our engagement cannot be relied upon to disclose such matters.

Timing of Engagement

We will begin the above engagement upon approval by the Board of Trustees and will continue until December 31, 2026, or until such time as either party provides notice of termination.

Professional Fees

Our fees for the services outlined above will be billed on the 15th and the last day of the month at the following billing rates:

- CPA: \$200/hour

- Accounting Staff: \$110/hour
- Invoices are due upon receipt.

Our fees are not contingent on an action or event resulting from the analyses or conclusions in, or the use of, a report or other deliverable.

Electronic Communication

In the interest of facilitating our services to your company, we may communicate by facsimile transmission or send electronic mail over the Internet. Such communications may include information that is confidential to your company. Our firm employs measures in the use of facsimile machines and computer technology designed to maintain data security. While we will use reasonable efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept that we have no control over the unauthorized interception of these communications once they have been sent and consent to our use of these electronic devices during this engagement.

Termination and Other Terms

We reserve the right to withdraw from this engagement without completing the work if you fail to comply with the terms of this engagement letter. If any portion of this agreement is deemed invalid or unenforceable, the finding shall not invalidate the remainder of the terms set forth in this engagement letter. The Foundation may terminate this agreement at any time with a minimum of 30-day notice; all amounts due must be paid upon termination.

We appreciate the opportunity to be of service to Chugach Electric Association Charitable Foundation. Please date and sign the attached copy of this engagement letter and either scan the signed copy back to us via email or return it to us via USPS mail to acknowledge your agreement with its terms. It is our policy to initiate services after we receive the signed copy of this engagement letter from you.

Very truly yours,

Espelin & Associates, LLC

Espelin & Associates LLC

APPROVED:

Trustee
Chugach Electric Association Charitable Foundation

Date

Executive Session Motion
(Financial)
September 17, 2025

Chugach Electric Association, Inc.
Regular Board of Directors' Meeting

Agenda Item X.

Move that pursuant to Alaska Statute 10.25.175(c)(1) and (3) the Board of Directors go into executive session to: 1) discuss and receive reports regarding matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; and 2) discuss with its attorneys matters the immediate knowledge of which could have an adverse effect on the legal position of the cooperative.

Chugach Electric Association, Inc.
Anchorage, Alaska

Summary of Executive Session Topics for
Regular Board of Directors' Meeting on September 17, 2025
Agenda Item X.

- A. Discussion of confidential and sensitive information regarding an update of gas supply and storage, public disclosure of which could have an adverse effect on the finances and legal position of the Association. (AS 10.25.175(c)(1) and (3))