

SUSTAINABILITY REPORT

2025

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OUR PLANET

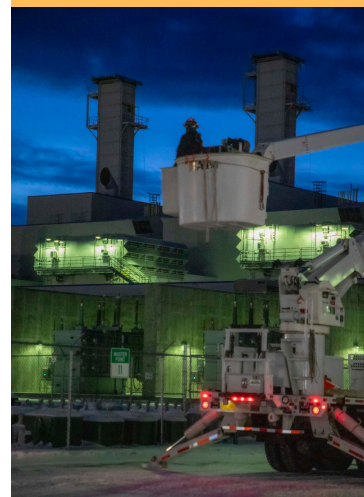
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MESSAGE FROM LEADERSHIP

Southcentral Power Project against the backdrop of the Chugach mountains

Our commitment to sustainability goes beyond reducing our carbon footprint. It's about embracing innovation, building resilient systems, and creating lasting economic and reliability benefits for our members. Sustainability is a core component of our strategic direction, guiding our decisions and serving as a benchmark for our progress. Integrating sustainable practices into our operations allows us to address environmental challenges, while enhancing resiliency, and creating new opportunities for long-term growth and success.

2025 KEY SUSTAINABILITY ACCOMPLISHMENTS

Planet

Protecting Alaska's environment for generations to come

- Installed small-scale solar on Chugach facilities and advanced large-scale solar
- Expanded vegetation management and wildfire risk mitigation efforts
- Removed legacy diesel storage tanks
- Reduced emissions intensity by nearly 35% from the 2012 baseline, advancing decarbonization goals

People

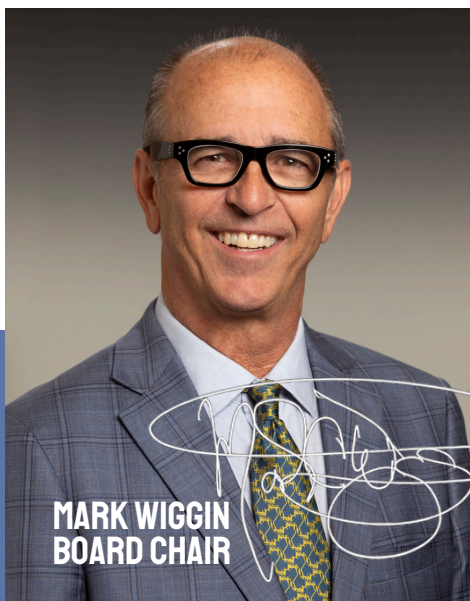
Empowering our people, enriching our communities

- Offered Alaska's first Community Solar opportunity to our membership
- Completed the One Campus Plan
- Implemented enhanced security and cybersecurity measures
- Finalized Collective Bargaining Unit agreements

Performance

Driving performance through reliability and efficiency

- Renovated the primary and backup dispatch control centers
- Transitioned to remote operation at Beluga Power Plant
- Completed over half of the rebuild of the Southern Transmission Line
- Identified long-term natural gas supply solutions



MARK WIGGIN
BOARD CHAIR



ARTHUR MILLER
CHIEF EXECUTIVE OFFICER



Chugach lineworkers maintaining critical infrastructure along the Turnagain Arm coastline

Founded in 1948, Chugach Electric Association, Inc. (Chugach) is a member-owned electric cooperative created to provide safe, reliable, and affordable electricity to Alaskans. Today, Chugach is the largest electric utility in Alaska and a leading utility within the Railbelt grid, serving about 88,400 members and 113,800 service locations across Anchorage and the upper Kenai Peninsula. Guided by cooperative principles and democratic governance, Chugach focuses on safety, affordable rates, and reliability. In 2025, Chugach reported \$375.7 million in revenue and managed approximately \$1.9 billion in assets. As a not-for-profit electric cooperative, Chugach returns value to members through capital credits, while reinvesting operating margins in the infrastructure needed to provide safe, reliable electric service. By returning margins to members instead of shareholders, Chugach keeps money in the local economy.

Chugach operates an integrated power system that generates, transmits, and distributes electricity throughout its service area. In addition, as a two-thirds working-interest owner in Cook Inlet's most productive natural gas field, the Beluga River Unit, Chugach sources local natural gas that fuels its high-efficiency generation facilities. The utility has 764.5 megawatts of net installed generation capacity and delivers approximately 2.3 billion kilowatt-hours of electricity annually. Power is transmitted across 472 miles of Chugach-owned, or jointly owned, transmission lines before reaching 61 substations, where voltage is reduced for delivery through 3,365 miles of distribution lines to homes and businesses. With a 2025 peak demand of 338.2 megawatts and a 100% Alaska-based workforce, Chugach continues its long-standing mission of powering communities across Southcentral Alaska with safe, reliable and affordable energy.

MISSION

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

VISION

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

VALUES

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



SUSTAINABLE CHUGACH

Sustainability is central to Chugach's approach to managing the cooperative and guiding its long-term operations. Anchored by Chugach's vision to responsibly develop energy to build a clean, sustainable future, the cooperative fulfills its mission to provide safe, reliable, and affordable electricity through superior service and responsible business practices.

Chugach takes a practical and balanced approach to sustainability by applying the triple bottom line framework, which considers impacts on the environment (planet), the community and workforce (people), and organizational performance and accountability (performance). This framework has been widely used to guide thoughtful and pragmatic sustainable business practices. Operating in a sustainable manner supports Chugach's long-term success while also benefiting its employees, members, communities, and the environment.

This document is Chugach's voluntary 2025 Sustainability Report. In addition, Chugach has completed the Edison Electric Institute's Environmental, Social, and Governance (ESG) reporting template, which is included in Appendix A.

DISCLOSURE STATEMENTS

The objective of this report is to provide a description of Chugach's 2025 sustainability efforts and achievements. It is not intended to be a roadmap or plan. Refer to Chugach's Strategic Plan, on the Chugach website, for future-looking planning activities and cooperative goals.

Chugach sells the Renewable Energy Certificates (RECs) associated with its hydroelectric generation and purchased wind energy to third parties. In 2025, this included all RECs from Eklutna Hydro, Cooper Lake Hydro, and Fire Island Wind.

Because a REC conveys the environmental attributes of renewable generation separately from the electricity itself, selling a REC transfers the associated "clean energy" claim to the purchaser, consistent with the Greenhouse Gas (GHG) Protocol's market-based Scope 2 accounting methodology. Accordingly, the energy mix presented in this report reflects the physical sources of electricity supplied to Chugach's retail members, including both owned generation and purchased power, while in some cases the associated environmental attributes for these renewable resources have been transferred to REC purchasers. This does not affect the emissions intensity or decarbonization metrics reported elsewhere in this report, which are based on net generation serving retail load and are independent of REC ownership.



Near Chugach's Cooper Lake Hydroelectric Plant, a key local energy resource

At Chugach, environmental stewardship is central to our vision for a clean and sustainable energy future in Alaska. Guided by our mission to provide safe, reliable, and affordable electricity, we are working to diversify our generation portfolio while maintaining system reliability and stable rates.

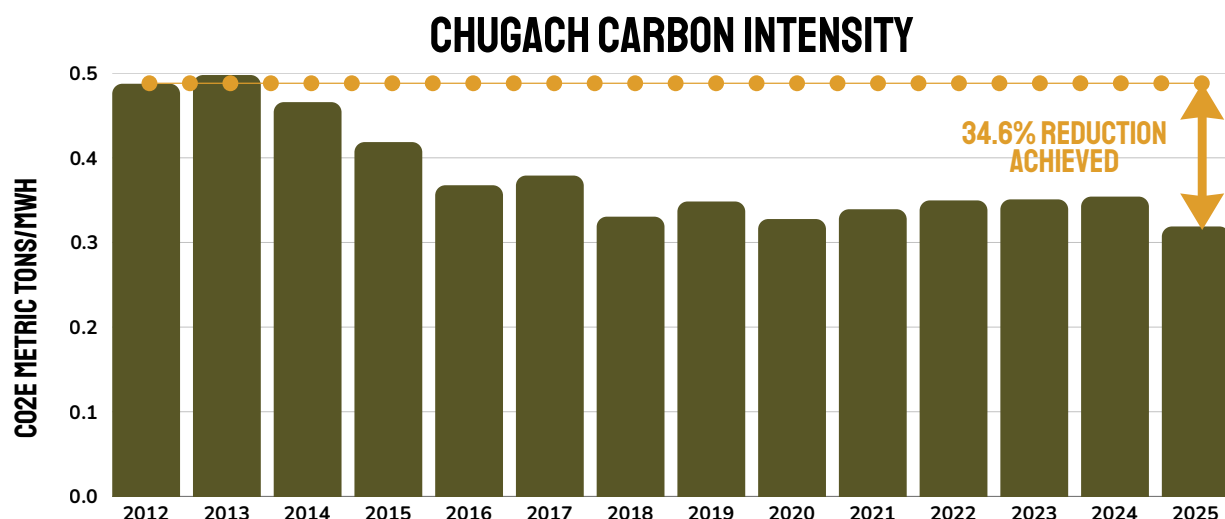
In 2025, Chugach achieved several milestones in protecting Alaska's environment for generations to come. We launched Alaska's first Community Solar Program, strengthened wildlife protection planning and wildfire resilience efforts, and removed legacy diesel tanks installed in the 1980s. At the same time, we continued planning for a more diverse energy mix while safeguarding natural gas supply and maintaining the reliable power generation our members depend on.

DECARBONIZATION

Chugach established carbon intensity reduction goals of at least 35% by 2030 and 50% by 2040 relative to a 2012 baseline, while maintaining system reliability and avoiding material impacts to electric rates. Chugach is trending toward its decarbonization target, with 2025 results indicating a 34.6% reduction in emissions intensity relative to a 2012 baseline. This reduction was driven by a combination of favorable operating conditions and ongoing system improvements. Strong hydro availability and one of the highest production years from Fire Island Wind increased the share of hydro and wind in the physical electricity supplied to Chugach's retail members, while small-scale solar installations and the launch of the Community Solar program further reduced reliance on thermal generation. At the same time, continued improvements in thermal fleet efficiency, particularly at the Southcentral Power Project, enabled higher generation output with lower associated emissions, reflecting a meaningful decline in overall emissions intensity. This emissions-intensity reduction is based on net generation serving retail load and is unaffected by the sale of RECs associated with this hydro and wind generation (see REC Disclosure under Sustainable Chugach).

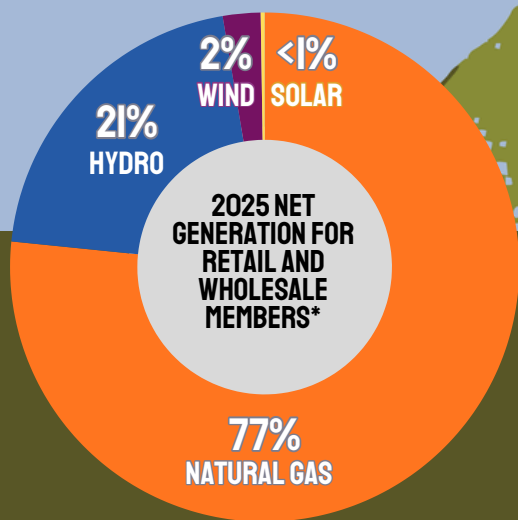
System trends also supported this outcome. Retail load has declined by approximately 15% from early-decade levels, allowing a greater share of renewable energy to serve member demand. At the same time, reduced use of legacy thermal generating assets and a shift toward more efficient gas-fired generation lowered emissions, even as total generation increased due to power pool transfers and economy sales.

While this milestone reflects meaningful progress, it was influenced by conditions that may not persist. Year to year variability in hydro resources, increased thermal reliance during extreme conditions, or changing demand could impact future emissions intensity, making continued efficiency, renewable resource additions, and resource optimization as important as ever to reach decarbonization objectives.



OUR ENERGY MIX

As of December 2025, Chugach maintained 764.5 MW of winter-rated net capacity. Chugach's energy portfolio includes owned generation, jointly owned generation, and purchased power from Bradley Lake Hydro, Fire Island Wind, and other Railbelt utilities. In 2025, the net generation mix for retail and wholesale members was 77% natural gas, 21% hydro, and 2% wind. The system peak load reached 338.2 MW on December 22, 2025.



*This figure reflects the physical sources of electricity supplied to Chugach's retail members, including both owned generation and purchased power. As previously disclosed, Chugach sells the RECs associated with most of its hydro and wind resources to third parties; therefore, this generation mix does not represent the environmental attributes retained on behalf of members.

OWNED GENERATION RESOURCES, NET

Resource	Fuel Type	% Ownership	Owned Capacity
Sullivan	Natural Gas	100% Own	293.6 MW
Southcentral Power Plant	Natural Gas	100% Own	200.3 MW
Nikkels	Natural Gas	100% Own	66.5 MW
Beluga	Natural Gas	100% Own	172.7 MW
Cooper Lake	Hydro	100% Own	19.2 MW
Eklutna	Hydro	30% Own	11.7 MW
Community Solar	Solar	100% Own	0.5 MW

TOTAL OWNED CAPACITY 764.5 MW

PURCHASED POWER

Resource	Fuel Type	% Purchased	Total Capacity
Fire Island Wind	Wind	100% Purchased	17.6 MW
Bradley Lake	Hydro	56.3% Purchase Share	120 MW
Eklutna	Hydro	34.3% Purchased	47.0 MW
Railbelt Utilities	Varies	Varies/Power Pool	N/A

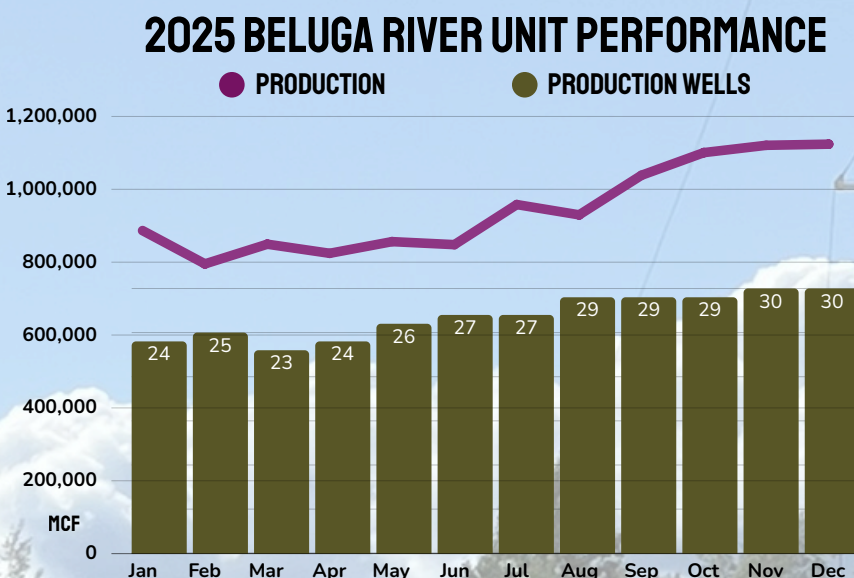
NATURAL GAS

Chugach continues to manage its investment in the Beluga River Unit (BRU) natural gas field to help ensure a reliable gas supply and maintain dependable power generation for our members. The 2025 drilling season marked another strong year, with the BRU ranking as the top-producing unit in the Cook Inlet Basin for the second consecutive year. Through our 67% ownership and close collaboration with operator Hilcorp Alaska, Chugach has successfully sustained production in a mature and declining basin while delivering significant value—generating more than \$140 million in cumulative savings for members between 2016 and 2025.

As regional gas supplies tighten, Chugach remains focused on maximizing the value of the BRU safely and strategically. This includes securing additional gas storage at Hilcorp facilities and exploring further storage opportunities on the west side of Cook Inlet to enhance deliverability, flexibility, and system reliability.

At the same time, Chugach is actively planning for the future of energy supply in Southcentral Alaska. With regional production declining and existing contracts set to expire in 2028, the cooperative is working to ensure long-term reliability. Chugach is discussing with Harvest Alaska and Marathon Petroleum Company on plans to redevelop the Kenai LNG Terminal to enable liquefied natural gas imports to the region. While evaluating alternative gas supplies, including North Slope gas delivered via pipeline and other import solutions.

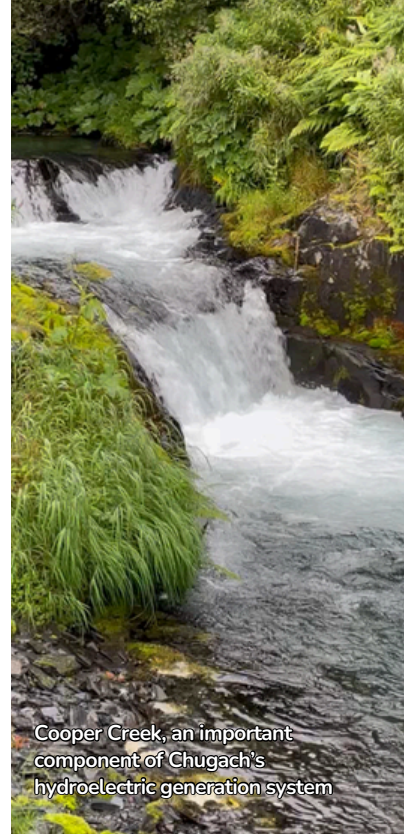
By advancing LNG import options alongside additional storage and supply solutions, Chugach is positioning the cooperative to navigate a changing energy landscape while continuing to provide safe, reliable, and cost-effective power for the communities we serve.



HYDRO

COOPER CREEK HABITAT RESTORATION

The Cooper Lake Hydroelectric Project has provided reliable energy to Southcentral Alaska for decades. As part of its federal relicensing, Chugach implemented the Stetson Creek Diversion to restore fish habitat in Cooper Creek, where historic water diversions had reduced flow and limited habitat. By routing cold water into Cooper Lake and releasing warmer lake water into Cooper Creek, the project improved conditions for fish. The results are promising—sockeye salmon counts have grown from about 1,100 in 2004 to 2,700 in 2025. Because Cooper Creek is an important tributary of the Kenai River, these improvements support the health of one of Alaska's most important fisheries while continuing to provide renewable power for the region. The RECs associated with Cooper Lake generation were sold to third parties in 2025. Accordingly, while this generation is reflected in the physical sources of electricity supplied to Chugach's retail members, the associated environmental attributes are not retained on behalf of members for that year.



Cooper Creek, an important component of Chugach's hydroelectric generation system

EVALUATING HYDROPOWER OPPORTUNITIES

In 2025, Chugach advanced early planning efforts to evaluate hydropower as part of its strategy to diversify energy resources and reduce reliance on natural gas. The cooperative reviewed more than 150 potential sites across Southcentral Alaska and developed screening level site selection criteria emphasizing environmental stewardship, including avoiding projects on anadromous fish streams. Chugach also began engaging regulatory agencies, Tribes, landowners, and other stakeholders to gather input and refine potential project locations. This work positioned Chugach to file four preliminary permit and water rights applications in early 2026 and begin feasibility studies and public engagement.



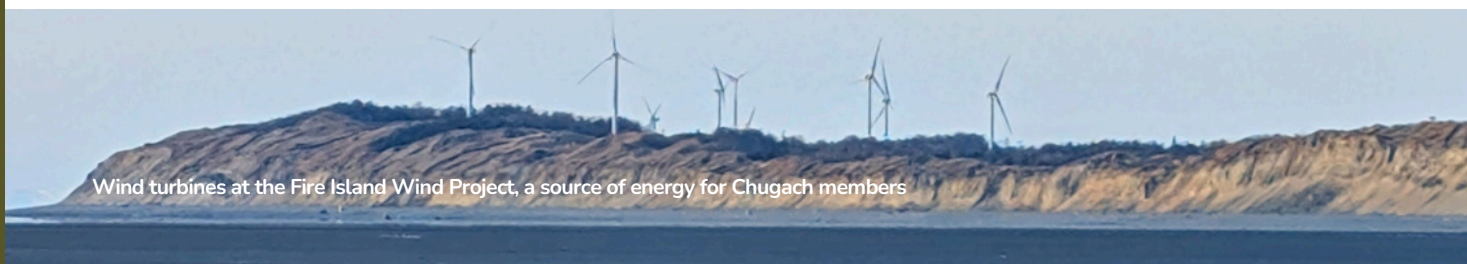
Eklutna Lake, which supplies water to the Eklutna Hydroelectric Project

WIND

FIRE ISLAND WIND PROJECT

The Fire Island Wind project began producing power in September 2012 and supplies electricity to Chugach members under a 25-year power purchase agreement with Cook Inlet Region Incorporated and its subsidiary, Fire Island Wind LLC, which owns and operates the facility. Anchorage's first commercial-scale wind farm, it provides about 2–3% of Chugach's retail load. The facility includes 11 turbines with 17.6 MW of capacity, generating roughly 49,000 MWh of electricity each year.

The RECs associated with Fire Island Wind were sold to third parties in 2025. Accordingly, while this generation is reflected in the physical sources of electricity supplied to Chugach's retail members, the associated environmental attributes are not retained on behalf of members for that year.



Wind turbines at the Fire Island Wind Project, a source of energy for Chugach members



Alaska's largest rooftop solar installation, located on Chugach's Field Operations and Engineering Building

OWNED SMALL SCALE SOLAR

SOLAR

SOUTHCENTRAL POWER PROJECT SOLAR INSTALLATION

The 75 kW AC solar installation at the Southcentral Power Project (SPP) is mounted at a 90-degree angle on the facility's cooling tower, capturing solar energy while using existing infrastructure. In 2025, it generated 60.7 MWh of electricity for onsite use, reducing natural gas consumption by about 461 Mcf and avoiding roughly 25 metric tons of carbon dioxide emissions—the equivalent of taking five cars off the road for a year.

SULLIVAN SOLAR INSTALLATION

The 70 kW AC ground-mounted solar installation at the Sullivan Power Plant generated 70.7 MWh of electricity in 2025, helping offset energy used for station service at the facility. By supplying onsite power, the system reduced natural gas consumption by approximately 533 Mcf, avoiding nearly 30 metric tons of carbon dioxide emissions.

FIELD OPERATIONS AND ENGINEERING BUILDING SOLAR

Solar panels installed on Chugach's new Field Operations and Engineering Building will help power the facility with clean energy and will form Alaska's largest rooftop solar installation. At an installed capacity of about 165 kW AC, the system supports the building's energy needs while reducing reliance on grid-supplied electricity and lowering emissions. By incorporating solar into new infrastructure, Chugach is improving operational efficiency while demonstrating practical ways to expand renewable energy across its facilities.

LARGE SCALE SOLAR

BELUGA SOLAR PROJECT

In October 2025, the Chugach Board of Directors approved development of the Beluga Solar Project, a utility-scale solar installation planned near the Beluga Power Plant across Cook Inlet. At up to 10 MW AC of capacity, the project could become the largest solar facility in Alaska and represents an important step in diversifying Chugach's energy portfolio. The board authorized up to \$26.4 million for the project. All necessary steps are being taken to maintain eligibility for federal investment tax credits, which could reduce project costs by approximately 40%. Expected to come online in late 2027, the Beluga Solar Project will help reduce reliance on natural gas while maintaining reliable, affordable power for Chugach members.



Ground-mounted community solar installation similar to the proposed Beluga Solar project

ENVIRONMENTAL OPTIONS FOR MEMBERS

ENERGY EFFICIENCY AND CONSERVATION

Chugach is dedicated to helping members lower their energy use through ongoing outreach, energy education, and tools such as the My Account portal and Kill-A-Watt Meter Program. These initiatives give members valuable insights and greater control over their energy consumption. In 2025, residential members averaged 6,089 kWh annually—43% below the national average—demonstrating the success of these efforts and a strong commitment to energy efficiency.

PAPERLESS BILLING

Chugach continued to reduce paper use, lower costs, and improve convenience for members through paperless billing and electronic election materials. In 2025, more than 50,000 accounts were enrolled in paperless billing, and 81,010 of 89,310 eligible voters received electronic ballots. Together, these programs reduced printing and mailing needs, benefited the environment, and supported Chugach's sustainability goals.

ELECTRIC VEHICLES

Chugach offers electric vehicle (EV) charging incentive programs to promote the use of EVs in Alaska. The programs help individuals and businesses establish charging at home, at workplaces, for fleet vehicles, and for public use within the Chugach service area by providing a bill credit after installation. Residential members can receive up to \$200, whereas commercial members installing a DC fast charger are eligible to receive up to \$5,000. As of 2025, 451 residential members have received credits through the EV incentive programs.

EV adoption within the Chugach service area continued to increase in 2025. Total registrations of battery electric and plug-in hybrid vehicles rose 23% year-over-year. Approximately 2,400 EVs were registered in the Municipality of Anchorage, with an estimated 87% located within Chugach's service area. This equates to roughly 83 EVs per 10,000 Anchorage residents, a level comparable to many urban areas in the Lower 48. EVs powered by Chugach produce approximately 33% of the carbon emissions of comparable gasoline vehicles. EVs provided approximately \$750,000 of base rate revenue in 2025.

In 2025, Chugach approved development of four DC fast charging stations (scheduled for completion in 2026) along the highway system within its service area. Expanding charging access marks an important step toward closing infrastructure gaps and supporting broader EV adoption among members.



CHUGACH COMMUNITY SOLAR

In 2025, Chugach launched Alaska's first community solar program, giving members the opportunity to voluntarily subscribe to a shared renewable energy resource. The 500-kilowatt (kW) AC project, located adjacent to the Retherford Substation in South Anchorage, includes 1,560 bifacial solar panels and began delivering clean energy to the grid in August. Members can subscribe to between one and 20 panels, with their share of solar generation credited directly to their electric bills.

The project provides an accessible option for members who may not be able to install solar on their own property, expanding access to renewable energy across the community. The program was met with strong member interest—subscriptions quickly exceeded available capacity, and a lottery was used to allocate participation. Due to its popularity, a waitlist has been established and additional community solar opportunities are being explored.

Chugach does not sell the RECs associated with subscribed Community Solar panels. Instead, the renewable energy attributes are retained on behalf of participating members. Subscribers retain the right to claim that the portion of their electricity associated with their Community Solar subscription is powered by local, renewable solar energy. Renewable attributes associated with any unsubscribed portion of the Community Solar project are retained by Chugach.



NET METERING

Net metering allows members with renewable energy systems, primarily solar, to offset their electricity use and provide surplus energy back to Chugach. By the end of 2025, approximately 1,300 members were participating in net metering programs, representing a combined installed capacity of 6.7 MW AC. Participation increased significantly with the launch of the community solar project. Subscribers to the Chugach Community Solar project are billed similarly to net-metered members, though their systems are not physically located at individual member sites. In total, 1,779 MWh of energy was fed into the grid, reflecting the combined generation from both net-metered systems and the community solar facility.

HEAT PUMPS

In 2025, Chugach continued to offer the Heat Pump Incentive Program, providing rebates of up to \$900 for installing qualifying residential heat pump systems and up to \$1,500 for commercial systems. The member incentive program supports cleaner, more efficient heating and cooling, especially for those without natural gas access, and advances Chugach's sustainability goals.

DOING OUR PART



Cleared utility easements can serve as fire breaks and potential evacuation routes

WILDFIRE PREVENTION

Chugach worked closely with the Anchorage Fire Department and other agencies over the past year on updating the Community Wildfire Protection Plan. The utility actively manages easement vegetation across its service area to support safe, reliable power, provide access for crews during outages and maintenance, and reduce wildfire risk. Chugach's standards include ground-to-sky and edge-to-edge clearing practices within its utility easements. This is particularly important with the increased wildfire danger across Anchorage due to the large number of spruce bark beetle killed trees. Maintaining clear easements enables safe access for maintenance and outage response while reducing tree-related outages—one of the leading causes of service interruptions. These efforts also limit the buildup of combustible vegetation, helping to reduce wildfire intensity and spread, support healthier ecosystems, and contribute to broader climate adaptation goals.

Cleared easements can also serve as fire breaks and potential evacuation routes. During periods of elevated fire risk, Chugach implements additional precautions, including disabling automatic reclosing and, in extreme conditions, can proactively de-energize lines to protect communities, property, and the environment. Chugach also invests each year to replace overhead distribution lines with new underground lines, helping reduce the risk of wildfire ignitions and tree related outages.



Legacy diesel tanks prior to removal

LEGACY DIESEL TANKS REMOVED

As part of its commitment to environmental stewardship, Chugach removed two one-million-gallon diesel storage tanks from the Sullivan Power Plant site in late 2025 and early 2026. Originally installed in the 1980s and retired in 2015, the tanks had remained idle after being emptied and cleaned.

The project included removal of the tanks, associated piping, and supporting infrastructure. Ground remediation is underway and expected to be completed by mid-2026. This effort fulfills a key remediation commitment and reflects Chugach's continued focus on responsible site management and environmental protection.



Mountain peaks surrounding the Cooper Lake Hydroelectric Project



Heat pump system supporting sustainable operations at Chugach's Annex Building

HEAT PUMPS AT CHUGACH

Chugach installed a 10-ton hybrid heat pump system at its Annex Building in October 2025, replacing two heating units and one air conditioning unit. The system primarily uses electricity, with natural gas as a backup during extreme cold.

The heat pump is expected to reduce operating costs compared to the previous natural gas system and was also more cost-effective to install than a traditional gas and AC replacement. In addition to improving efficiency, the project will provide real-world performance data to help inform and educate members.

Chugach is also incorporating air-source heat pumps into the design of its new Cooper Landing Operations Center, where electricity is expected to be the most economical heating option due to the lack of natural gas access.



Chugach's new Field Operations and Engineering Building unites operations in a sustainable designed facility

CENTRALIZED OPERATIONS AND SUSTAINABLE DESIGN

As part of the final phase of integrating Municipal Light & Power, Chugach completed its One Campus Plan in October 2025 with the opening of the 77,000-square-foot Field Operations and Engineering Building. The facility centralizes key operations to improve coordination, efficiency, safety, and emergency response, and includes Alaska's largest rooftop solar installation with 165 kW of capacity.

Beyond rooftop solar, the building includes additional features to improve energy and site performance. A high-efficiency HVAC system optimizes energy use and comfort, while LED lighting with occupancy sensors and low-flow fixtures reduce electricity and water consumption. Bioswales manage stormwater on-site, and the landscape design preserves existing vegetation and incorporates resilient plantings to support long-term sustainability.

Our People



Chugach employees welcome members at the Annual Meeting

At Chugach, our mission extends beyond delivering electricity. We are committed to strong stewardship and exceptional service for our members. We recognize our employees as our greatest asset and continue to foster a culture grounded in safety, respect, and innovation.

Our priorities remain focused on the well-being of our employees and the communities we serve, while providing safe, reliable, and affordable power across Southcentral Alaska. Beyond powering homes and businesses, Chugach supports programs that strengthen our region through education, community investment, and local engagement. More than a utility, Chugach is a trusted partner working to build a resilient and sustainable energy future for Alaska.

437

Employees

100%

Alaska-based
Employees

30%

Women in total
workforce

23%

Minorities in
total workforce

11%

Military in total
workforce

SAFETY

Safety is foundational to how Chugach operates—shaping decisions in the field, guiding training investments, and reinforcing a culture where employees look out for one another and the communities they serve. At Chugach, safety is a core value, supported by a proactive approach built on risk assessment, early hazard identification, pre-work planning, and coaching. While extreme weather in early 2025 contributed to a challenging year for worker injuries, we remain focused on continuous improvement through increased frontline engagement, strengthened safe work practices, and enhanced incident and near-miss investigations.

Throughout the year, employees participated in hands-on, scenario-based training such as Pole-Top Rescue Training and Tower Climbing & Rescue Training, ensuring crews are prepared to respond quickly and effectively in high-risk situations.

Chugach also demonstrated its commitment to readiness during the Mt. Spurr Incident Management Team activation, where employees supported cross-functional coordination and applied their training to prepare for and respond to the potential volcanic eruption.

This safety culture extends beyond formal training and into everyday actions and employee well-being. The annual Employee Health Fair promoted workplace safety and wellness, reinforcing that a safe workforce starts with healthy employees. This culture of care is further reflected through Chugach's safety recognition program, which honored employees who assisted at the scene of a vehicle and railroad incident—demonstrating a willingness to step in, support the community, and prioritize the safety of others.



Against a backdrop of mountains and ice, four Chugach lineworkers replace insulators



EMPLOYEES

DIVERSITY, EQUITY, AND INCLUSION

Chugach's strength comes from hiring talented individuals and empowering them to pioneer solutions. We foster a safe, healthy, and inclusive workplace grounded in trust, respect, and diversity, providing opportunities for personal and professional growth. Employees' contributions are recognized and supported through recruitment, development, motivation, and retention, while we uphold strict ethical and regulatory compliance.

It is a policy of Chugach to recruit, hire, train, promote, and compensate persons without regard to race, color, religion, national origin, sex, marital status, pregnancy, parenthood, physical or mental disability, veteran's status, age or any other classification protected by applicable federal, state or local law.

LEADERSHIP AND COMMUNICATION

Chugach leadership actively engages employees and leads by example through transparent communication and inclusive planning processes. For example, as part of the Strategic Plan engagement process, leadership identified priority area leads to collaborate with employees, gather input, and advance action plans tied to the organization's seven strategic priorities—ensuring alignment and shared ownership of goals.

Leadership also connects regularly with employees through companywide town halls and a monthly newsletter. These forums provide updates on corporate priorities, highlight organizational progress, and create opportunities for open dialogue. Together, these efforts support an informed, engaged workforce and reinforce a culture of strong, visible, and supportive leadership.



Manager Development Program participants



Chugach Internship Program participants



Employees participating in the Chili Cook-off

GROWING LEADERS NOW AND FOR THE FUTURE

Chugach is committed to developing future leaders by investing in both emerging talent and current employees. Since the program's inception, the Manager Development Program has served 45 participants through the end of 2025. The eight-month learning experience strengthens leadership and management skills through focused sessions, collaboration, and practical application. The program also builds strong connections across departments, fostering a network of leaders who can share knowledge and support one another across the organization. In addition, Chugach supports early career development through its internship program, offering hands-on experience within the organization. Interns gain insight into how Chugach generates and delivers power while also engaging in community outreach and member interactions. Together, these efforts help cultivate the next generation of leaders and reinforce Chugach's commitment to a skilled and resilient workforce.

CHUGACH SPIRIT

Chugach fosters a vibrant workplace culture by encouraging employees to connect beyond their daily responsibilities. Events such as trivia nights, employee picnics, chili cook-off, family movie nights, and spirit week provide opportunities for team members to build relationships, collaborate, and celebrate together. These activities not only strengthen camaraderie but also contribute to a positive and inclusive work environment, supporting Chugach's commitment to employee well-being and organizational resilience. By investing in these moments of connection, Chugach helps cultivate a workforce that is engaged, supportive, and aligned with the company's mission to deliver sustainable, reliable energy for Alaska.

GIVING BACK TO THE COMMUNITY

Chugach encourages employees to give back through programs like the Employee Volunteer Program, offering 16 paid hours annually to volunteer with local nonprofits. In 2025, staff contributed over 85 hours to organizations such as Bean's Cafe and the Food Bank of Alaska. The Employee Match Program boosts charitable giving by matching eligible employee donations up to \$100 each year, with \$1,700 matched in 2025 to support 20 nonprofits. These efforts reflect Chugach's commitment to building stronger communities and promoting a culture of giving in Alaska.



Donating time to the Food Bank of Alaska



Ringling the bell for The Salvation Army



A strong turnout at Member Appreciation Day reflects the cooperative spirit that powers Chugach

MEMBERS

Connection to community is at the heart of a member-owned cooperative. At Chugach, we prioritize engaging with our members where they are—building relationships, listening, and creating opportunities for meaningful dialogue about the issues that matter most. Beyond providing reliable power, we are committed to being an active partner in the communities we serve, supporting local initiatives, and fostering connections that strengthen trust, collaboration, and shared understanding.



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Members sign up for a bucket truck ride



Inspiring the next generation of lineworkers



Bird's eye view on the bucket truck ride



Powering light bulbs with pedal power on the Energy Bike



Music in the Park powered by Chugach Electric's EV

COMMUNITY EVENTS AND ENGAGEMENT

Chugach actively engages with members and the broader community through a variety of events, partnerships, and public forums throughout the year. These efforts include participation in local traditions such as Fur Rondy and Trunk or Treat, as well as wellness and community-focused events like the Heart Run and Yoga in the Park. Chugach also meets members where they are in the community, from chatting with homeowners at the Anchorage Home Show, EV drivers during National Drive Electric Week, or providing Chugach updates to the Bartlett Community Forum and Cooper Landing engagement events.

In addition, Chugach participates in industry and stakeholder conversations through organizations such as the Anchorage Home Builders Association (AHBA) and the Building Owners and Managers Association of Anchorage (BOMA). Together, these efforts create opportunities to share information, gather feedback, and support informed discussions about energy use and Alaska's energy future—helping to strengthen relationships, increase transparency, and keep members engaged.

COMMUNITY SUPPORT

Chugach supports the communities we serve through charitable giving, local partnerships, and employee volunteerism. Throughout the year, employees and teams participate in initiatives such as community trash cleanups and food drives.



Chugach partners with Carlos Tree Service to plant a tree with students

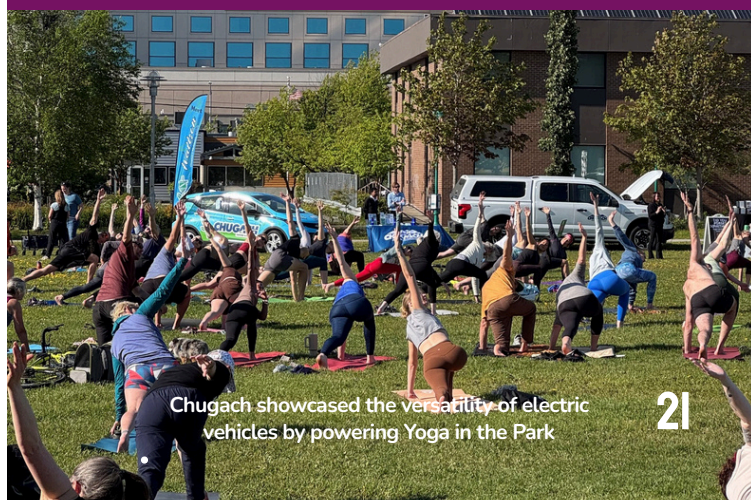
Chugach also contributes to causes that promote health and well-being, including breast cancer awareness campaigns, and provides direct support to local organizations through efforts such as donating turkeys to support holiday meals. In addition, employees engage in community-focused projects like tree planting at local schools, helping to enhance and sustain the places where our members live and work.



Watch out for "Vampire Loads" at Trunk or Treat



Panel discusses EVs at the National Drive Electric Event



Chugach showcased the versatility of electric vehicles by powering Yoga in the Park

MEMBER BILLING AND ASSISTANCE

Chugach offers our members various affordability, assistance, and budgeting options to best fit their needs.

Paperless Billing	Members receive a \$5 credit for enrolling in paperless billing
Budget Billing	Billing program where annual electric usage is estimated and divided by 12 to determine monthly payment amount. First bill in May with settlement in April of the next year, smooths out large swings in electric bills by paying a set amount every month
Automatic Payments	Members can enroll in automatic, recurring payments for a convenient way to ensure bills are paid on time each month, offering added peace of mind
Schedule a Payment	Members can choose their payment date and pay either in full or a fixed amount
Pay by Text	Allows members to make payments via text message
Annual Prepay	Members who prepay for a 12-month period receive a \$25 bill credit
Usage Alerts	Sends email or text notifications when customized usage thresholds are reached
Outage Alerts	Sends email or text notifications when an outage occurs in the member's area
Med-Alert Program	Ensures members who rely on medically necessary electric equipment receive at least 30 days' written notice prior to disconnection for nonpayment
Energy Assistance Program	Members who qualify may apply for emergency bill assistance, funded by Chugach and administered by the Anchorage Health Department

MEMBER COMMITTEES

The Chugach Board of Directors appoints several committees to support governance and member engagement, each with distinct responsibilities.

- The Bylaws Committee, composed of five to seven members, reviews the Association's bylaws, evaluates proposed revisions, and provides recommendations to the Board for consideration during the annual election.
- The Election Committee, consisting of five to thirteen members, oversees election procedures, appoints a master election judge, recommends a record date, and monitors the election process, including resolving issues related to challenged ballots.
- The Nominating Committee, consisting of five to seven members, identifies and evaluates qualified candidates to run for the board of directors and is responsible for approving, preparing, and publishing the final slate of nominees.
- The Member Advisory Council (MAC), an ad hoc committee of up to 15 members, meets quarterly to advise the board on utility-related matters, with members serving two-year terms to ensure ongoing engagement and fresh perspectives.



Committee member reports to members at Chugach Electric's Annual Meeting



Chugach CEO Arthur Miller meets with the Member Advisory Council

MEMBER ENERGY EDUCATION

Educating our members on the issues that matter most to them remains an important part of our work. From students and homeowners to business owners, legislators, and professional peers, we provide meaningful opportunities to learn about our industry, safety, energy efficiency, and the future of energy in our communities.

Students: Chugach hosts or co-hosts two K–12 programs—Safety City and the Power Pledge Challenge—both of which introduce energy fundamentals and empower students to be energy aware. We also partner with Alaska Resource Education to support energy curriculum, and employees participate as judges in the Clean Energy Olympics.

Homeowners: Throughout the year, we provide residential members with opportunities to better understand and manage their energy use. In addition to community events, we host home energy webinars and “Efficient Fridays” each October, offering in-person support and guidance in our lobby every Friday.

Business Owners: This year marked our fifth Key Member Summit, where business members heard from Chugach leadership on major projects, projected rate changes, and our future direction. We also offer training on demand and load management to help businesses operate more efficiently.

Government: Each fall, we host a Legislative Luncheon to share updates with government and elected officials and discuss priorities for the coming year. We also engage year-round through Community Council meetings, power plant tours, and legislative town halls.

Professional Peers: Chugach supports regional conferences and training sessions through employee participation, leadership presentations, and facility tours. These engagements allow us to both share knowledge and learn from others across the industry.



Students explore the Sullivan Power Plant and learn how electricity is produced



Chugach employees prepare to answer questions and discuss energy solutions at the Home Show



Chugach's fifth Key Member Summit brings leaders together



Chugach provides policymakers with a behind-the-scenes look at power generation and grid operations



Chugach joined a panel at the Association of Edison Illuminating Companies' Annual Meeting



Chugach is a member-owned cooperative dedicated to delivering safe, reliable, and affordable electricity, supported by a member-elected board of directors. This seven-member board provides oversight and strategic guidance as well as direction to Chugach's Chief Executive Officer. Directors are elected to staggered four-year terms in conjunction with the annual meeting each spring.

The board of directors is committed to the principles of fiduciary duty, strategic oversight, and advocacy for our members' best interests. As a cooperative, the board values openness, accountability, and transparency. Members can contact the board by phone and email as well as participate virtually and in-person during regularly scheduled monthly meetings.

To support continuous improvement and effective governance, directors are encouraged to pursue professional development, including certification through the National Rural Electric Cooperative Association (NRECA). These programs strengthen expertise in areas such as governance, policy, power supply, and enterprise risk management, reinforcing the board's ability to guide Chugach responsibly and sustainably.

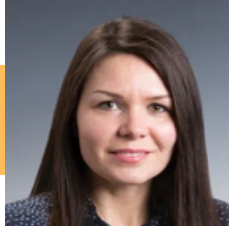
2025

BOARD OF DIRECTORS

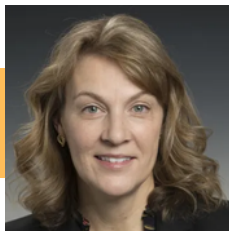
Mark Wiggin
Chair



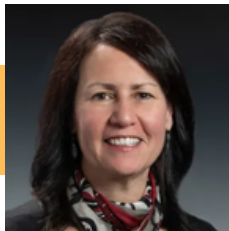
Sisi Cooper
Vice Chair



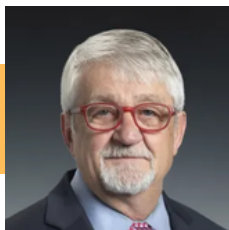
Rachel Morse
Treasurer



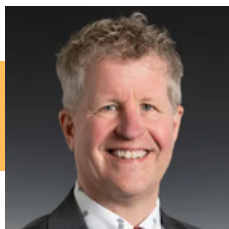
Susanne Fleek-Green
Secretary



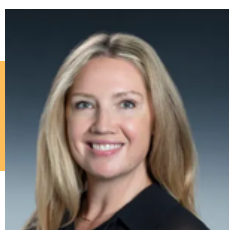
Jim Nordlund
Director



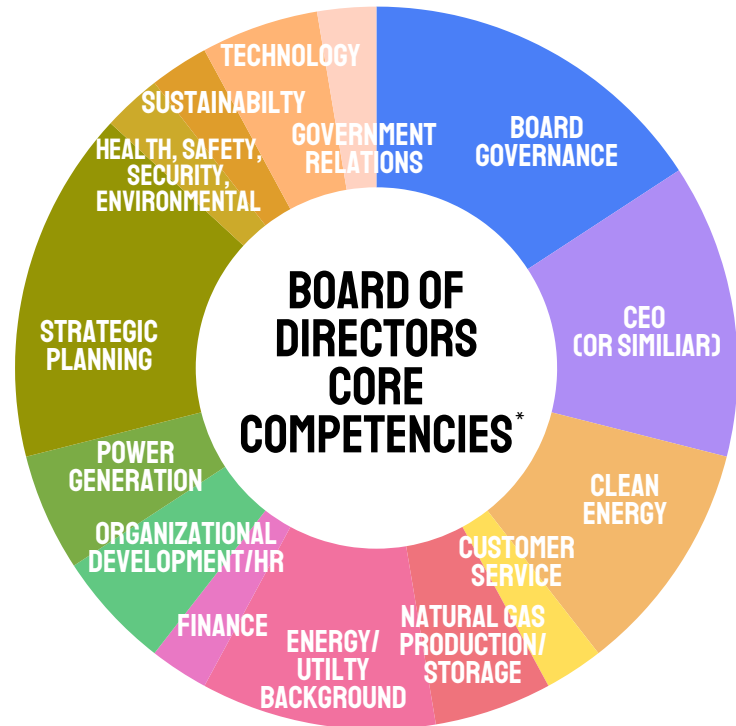
Dan Rogers
Director



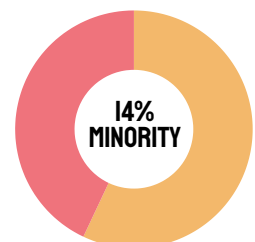
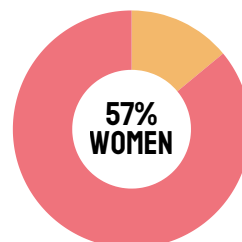
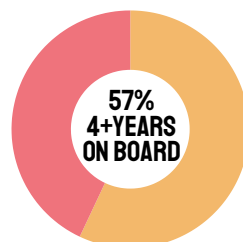
Katherine Jernstrom
Director



Effective governance depends on the diverse skills, experience, and expertise of a cooperative's board of directors. These competencies enable directors to provide strong strategic oversight, make informed decisions, and guide the organization in alignment with its mission, values, and long-term goals. This section highlights the key areas of knowledge and experience that support the board in fulfilling its responsibilities and advancing sustainable organizational performance.



* Details a focus area or expertise a director has identified as core competency. This summary is not an exhaustive list of directors' skills or contributions to the board and does not mean additional directors do not have that qualification or skill





BOARD COMMITTEES

Chugach encourages open and transparent governance by promoting active participation from its members. Board meetings are open to the public, providing opportunities to engage with the board and stay informed about cooperative initiatives and decision-making processes. In addition to regular monthly board meetings, Chugach also holds board committee meetings that are open to the public, offering further opportunities for members to connect with the cooperative and its board of directors.

Audit and Finance Committee

The purpose of the Audit and Finance Committee is to assist the board of directors in fulfilling its oversight responsibilities by reviewing the Association's systems of internal controls regarding finance, accounting, and legal compliance, and the Association's auditing, accounting, and financial reporting processes, results and reports.

Operations Committee

The purpose of the Operations Committee is to study, examine, and report on matters assigned to it by the board of directors.

Governance Committee

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 to examine the annual election process to determine if improvements can be made that would be beneficial to the Association. The Governance Committee is also responsible for conducting the annual performance evaluation for the Chief Executive Officer and providing a written report to the board of directors.

PUBLIC POLICY

Chugach actively engaged in public policy discussions and stakeholder outreach in 2025 to support a reliable, affordable, and sustainable energy future for its members. The cooperative established and advanced its legislative priorities through ongoing coordination with local, state, and federal policymakers, including Washington, D.C. visits. These efforts provided opportunities to advocate for policies impacting energy infrastructure, regulatory stability, and long-term system resilience.

Chugach strengthened relationships through direct engagement and education of elected officials and their staff members. The cooperative hosted a legislative luncheon and facility tours, including visits to the Bradley Lake Hydroelectric Project and the Beluga Power Plant, offering policymakers firsthand insight into system operations and investment needs.

Chugach also participated in key forums such as the Alaska Power Association Legislative Conference, where leadership contributed to industry dialogue, and delivered presentations to community groups including the Anchorage Chamber of Commerce. Together, these efforts supported informed decision-making and reinforced Chugach's role as a transparent and engaged community partner.

STRATEGIC PRIORITIES

Chugach's Strategic Plan is shaped by evolving member expectations, diverse community needs, and rapid technological change. Approved by the board of directors, it establishes strategic priorities, guides leadership, and aligns decision-making with long-term member value. Sustainability is embedded throughout the strategic planning process, with priorities and objectives evaluated through the triple bottom line (people, planet, performance) lens. This ensures that initiatives not only strengthen system performance and affordability, but also contribute to community well-being and environmental stewardship.

The United Nations Sustainable Development Goals (SDGs) are 17 global objectives to protect the planet and ensure prosperity for all. Chugach plays a role in furthering some of the SDGs. The following highlights how the cooperative's strategic priorities and initiatives contribute to advancing specific SDGs.

Chugach Strategic Priority Area	Sustainable Development Goal			
 Safety	3			
 Legislative & Public Policy	16			
 Communication, Member Engagement & Community Involvement	11	4	7	17
 Business Planning & Economic Development	9	8		
 Employee-Centric Development	4	8		
 Decarbonization	7	9	13	
 Natural Gas Supply	7	12		





RELIABILITY



Chugach linemen work to restore power following a storm

Alaska’s electric grid operates independently, requiring a strong focus on reliability. In 2025, Chugach continued targeted improvements across its system, including enhanced vegetation management, expanded right-of-way clearing, and improved weather forecasting and storm preparation.

The U.S. Energy Information Administration collects data from electric distribution utilities and power marketers nationwide. Key reliability measures include the System Average Interruption Duration Index (SAIDI) and System Average Interruption Frequency Index (SAIFI), which reflect the total duration and frequency of outages in a given year, and the Customer Average Interruption Duration Index (CAIDI), which measures the average length of time, in minutes, customers experience a power outage. Chugach consistently maintains SAIDI and CAIDI performance levels below both national and Alaska averages, demonstrating above-average reliability.

2025 YEAR END OUTAGE STATICS

	All events (With Major Event Days)			Without Major Event Days		
	SAIDI	SAIFI	CAIDI	SAIDI	SAIFI	CAIDI
2024 Chugach System	209	1.99	105	125	1.42	88
2025 Chugach System	293	1.95	150	137	1.53	90
2024 EIA Alaska	327	2.59	126	192	1.86	103
2025 EIA US Average	662	1.53	433	132	1.07	124

LINEMEN RECOGNIZED

In April, the Anchorage Assembly passed a resolution recognizing Lineman Appreciation Day (April 18), highlighting the critical role line workers play in maintaining safe and reliable electric service. The recognition underscores the essential nature of this work, particularly in challenging operating environments, and the dedication required to respond to outages and maintain system resilience.

Lineworkers are fundamental to delivering reliable energy, supporting emergency response, and ensuring the continued operation of critical infrastructure. Their contributions are recognized as a key component of a safe, resilient, and sustainable energy system.



Anchorage Assembly honors linemen

UNDERGROUNDING LINES

Undergrounding electrical infrastructure is a key element of Chugach's reliability and sustainability strategy. By replacing overhead lines with underground systems, Chugach reduces exposure to wildlife, vegetation, and severe weather which lowers outage risks and strengthens the grid's resilience.

In 2025, Chugach completed three large undergrounding projects in Anchorage's commercial and residential corridors, removing overhead poles and wires and installing underground distribution systems along Bragaw Street, Huffman Road, and Dimond Boulevard. These upgrades reduce tree-related outages and increase feeder transfer capacity, enabling faster restoration and more flexible system operations.

Undergrounding also enhances community sustainability by improving streetscapes, reducing visual impact, and supporting safer, more accessible neighborhoods. This work is part of an ongoing commitment under a 2005 Municipality of Anchorage ordinance requiring a rolling five-year program. Chugach invests approximately \$6.6 million annually—about 2% of local retail electric revenues—to transition overhead infrastructure underground and support a more resilient, reliable, and sustainable energy system.

STORM RESPONSE

A January 2025 windstorm brought record warmth and hurricane-force winds exceeding 100 mph to Southcentral Alaska, causing widespread damage to homes, businesses, and electric infrastructure. At peak, approximately 20,000 members experienced outages, and 60% of the year's total outage minutes were attributable to this single storm. Crews worked around the clock for four days to repair damage and fully restore service. The response involved coordinated efforts across field crews, dispatch, member services, and support teams, demonstrating a strong, system-wide commitment to reliability and community resilience during extreme events.



FINANCIAL STANDINGS

Chugach maintains an Issuer Credit Rating (“ICR”) from Standard & Poor’s Rating Services (“S&P”) of “A” (Stable) and an Issuer Default Rating (“IDR”) from Fitch Ratings (“Fitch”) of “A-” (Stable). S&P and Moody’s Ratings (“Moody’s”) currently rate our commercial paper at “A-1” and “P-2”, respectively.

BASE RATE CHANGES

Chugach submitted a general rate case to the Regulatory Commission of Alaska (RCA) on August 18, requesting an approximate 3% increase to base retail rates. The filing was driven by ongoing cost increases and declining electricity sales, which were down more than 3% through mid-2025, largely due to an unusually warm winter. These factors contributed to an estimated revenue shortfall of \$11.2 million and a significant reduction in operating margins at the time of filing. The requested adjustment is intended to support the utility’s ability to meet operational requirements, maintain system reliability, and achieve minimum financial thresholds. The RCA’s final determination on the request will be decided in 2026.



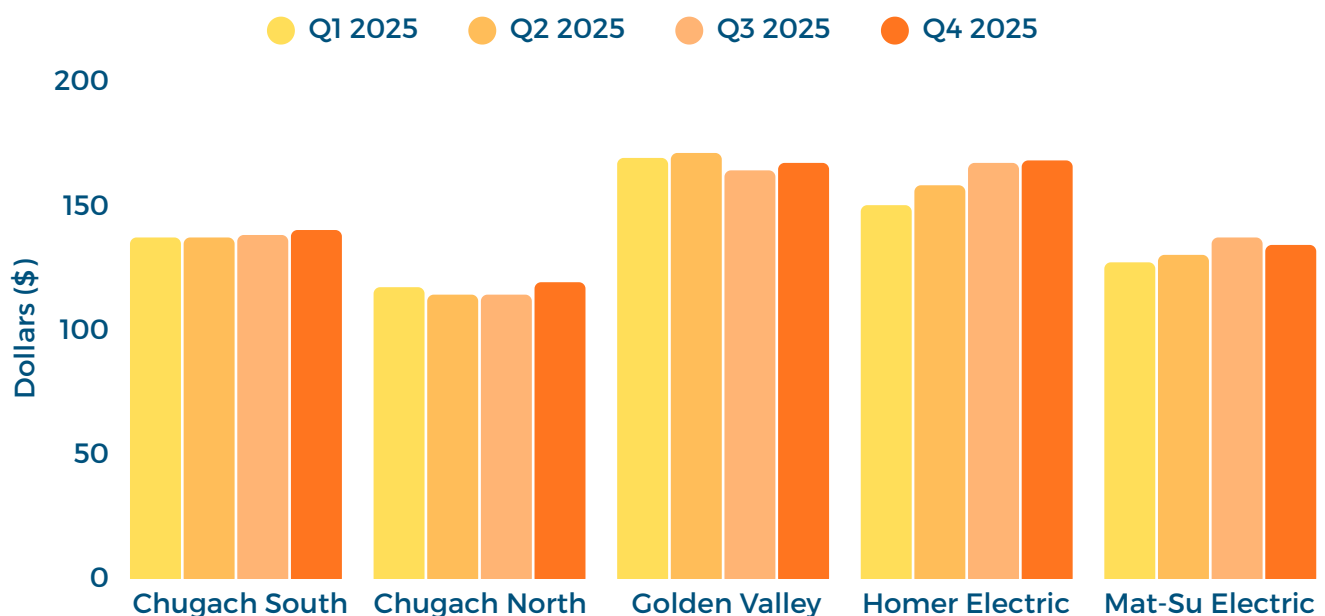
Chugach Electric provides reliable power to Anchorage and surrounding communities year-round

ELECTRIC COSTS

Averaging the north and south districts in 2025, Chugach had the lowest bill rates for residential, small commercial, and large commercial members throughout the Railbelt. This reflects Chugach's continued focus on affordability while balancing the need to maintain safe, reliable service, and invest in the infrastructure required to support long-term system performance.

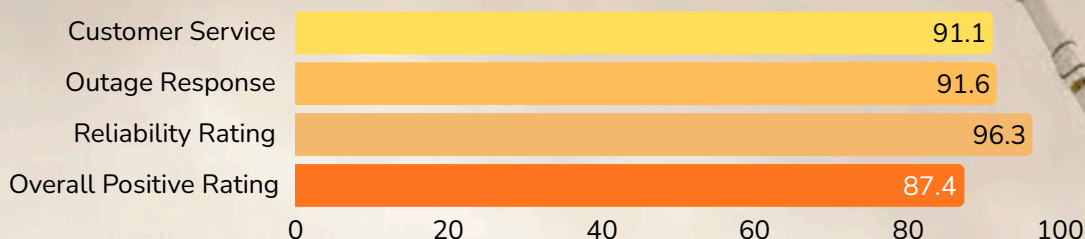
The graph below displays the average monthly residential bills for each cooperative utility in the Railbelt, broken down by quarter. Presenting the data quarterly helps show how bills can vary with seasonal energy use, fuel costs, and other rate components, while also providing a clearer comparison across utilities over time. Chugach's relative position in this comparison demonstrates the cooperative's efforts to manage expenses, leverage efficient generation resources, and provide competitive rates for members across its service area.

RAILBELT AVERAGE RESIDENTIAL TOTAL BILL



MEMBER SATISFACTION

Chugach conducts an annual member satisfaction survey of over 1,000 members. Results remain consistent, showing high satisfaction with reliability, customer service, and outage response. Reliability continues to be members' top priority, as it has been since tracking began in 1995.



”

“I had the pleasure of being served by a representative from Member Services at your front desk just now. She is friendly, courteous, and professional. In other words, she possesses all the traits of an outstanding customer service agent. While work skill competency can be taught, a heart full of empathy is a rare attribute, and she has it. CEA is lucky to have her as the first line staff representing your agency.”

”

“A representative from your Member Services department was incredibly helpful this morning and honestly, just a delight to talk to. She’s excellent over the phone and an amazing problem solver. I don’t normally write things like this, but she was such a blessing in the way she communicated and eased stress that I wanted to say thank you. Give that young lady a raise.”

”

“Your customer service personnel are always prompt, courteous, and friendly. “

CHUGACH EXCELS



CEO RECOGNIZED AS INDUSTRY LEADER

Engagement with industry peers is an important part of advancing sustainable and reliable energy systems. In 2025, leadership participated in the Alaska Power Association's Annual Meeting, collaborating with utilities across the state to share best practices and explore innovations in utility operations. During the meeting, Chugach's CEO, Arthur Miller, received the Mason LaZelle Achievement Award, recognizing outstanding contributions to Alaska's electric utility industry. This peer recognition reinforces the organization's role as a leader in reliability, innovation, and the advancement of sustainable energy systems across the region.



AWARDED BEST IN REGION

In 2025, two Chugach right-of-way professionals earned top honors from the International Right-of-Way Association. Cynthia Coughlin, Land Services Manager, was named Professional of the Year at the regional level, the highest recognition across a five-state area, while Deanna Kilburn, Right of Way Agent III, received the Alaska chapter's Professional of the Year Award. These recognitions highlight the strength of our workforce and reflect a continued commitment to excellence, responsible land stewardship, and the long-term reliability of the electric system.



RANKED AMONG TOP BUSINESSES IN ALASKA

Chugach has once again been acknowledged as one of Alaska's Top 49ers in the business sector. Each year, Alaska Business magazine compiles a list of the top 49 companies in Alaska that are founded in Alaska and headquartered in the state, ranked by gross revenue. In 2025, Chugach proudly ranked at #20.

FOCUS ON EFFICIENCY



A dispatcher helps ensure reliable electric service from Chugach's primary dispatch center

DISPATCH CENTER IMPROVEMENTS

Chugach completed a remodel and upgrade of its primary dispatch center and relocated and enhanced its secondary backup dispatch center in a secure location. As the central control point for the electric system, these improvements strengthen reliability, resiliency, and operational readiness. Chugach's dispatchers routinely operate at both centers to ensure each location remains fully functional and ready at all times.

BELUGA OPERATIONS GO REMOTE

At nearly 60 years old, the Beluga Power Plant is the oldest plant in Chugach's portfolio. But, while older, it remains an important part of providing backup generation. With six natural gas fired simple cycle gas turbines, the Beluga plant provides peaking and reserve capacity important for reliable power. In 2025, Chugach was able to transition the plant to remote operations, recognizing it didn't need to be staffed 24/7 and could be effectively maintained and utilized from across the Inlet in Anchorage. The move is part of Chugach's overall goal of creating efficiencies and saves the utility about \$500,000 annually.

SATELLITE FACILITY WILL SPEED RESPONSE

Chugach identified a need to improve outage response and operational efficiency on the Kenai Peninsula by establishing a satellite operations presence in Cooper Landing. Land has been secured and construction has begun with plans to stage materials and equipment locally.

Positioning resources closer to critical infrastructure will reduce response times, enhance emergency preparedness, and improve safety—supporting a more resilient and reliable system in a geographically challenging area.

LOOKING FORWARD

CHUGACH RATIFIES FOUR LABOR AGREEMENTS

The successful ratification of new labor agreements in 2025, the first comprehensive contract updates since 2006, establishes a strong foundation for long-term workforce stability and collaboration. This milestone reflects a shared commitment to fair, competitive terms, and a strong, engaged workforce.

These agreements provide fair, equitable, and competitive terms that position both employees and the cooperative for long-term success. Achieved through a collaborative and respectful process, the outcome reinforces a strong workplace culture and supports the continued delivery of safe, reliable, and affordable electricity. Our employee-centric approach recognizes that our team is instrumental in powering the lives of our members.



The transmission line along Turnagain Arm enables reliable electric service across Southcentral Alaska

REGIONAL COLLABORATION AND GRID PLANNING

Chugach continues to play an active role in shaping the future of Alaska's electric system through participation on the board of the Railbelt Reliability Council (RRC). As the state's Electric Reliability Organization for the Railbelt, the RRC brings utilities and stakeholders together to develop a coordinated, region-wide approach to generation resources, transmission, and system interconnections. Through this collaboration, Chugach helps advance long-term planning, strengthen grid reliability, and support efficient, sustainable investments that benefit nearly three-quarters of Alaska's population.

RISK MANAGEMENT AND CYBERSECURITY

Cybersecurity capabilities were strengthened through expanded monitoring and analytics, providing greater visibility into threats across enterprise and operational systems. Chugach expanded the current cybersecurity practices of our critical infrastructure environments, improving asset visibility within plant and SCADA systems while maintaining safe and reliable operations. A comprehensive cybersecurity strategy built on proactive risk mitigation, employee training, and secure technologies continues to protect critical infrastructure and data. Ongoing engagement with employees, including direct collaboration with operational staff, has strengthened awareness and embedded cybersecurity into daily operations.

GLOSSARY

Alternating Current (AC)

An electric current that periodically reverses direction. AC is the standard form of electricity used in homes, businesses, and the electric grid.

Beluga Power Plant

The largest natural gas-fired power generation facility in Alaska wholly owned and operated by Chugach in Beluga, Alaska. The plant supplies backup generation to Southcentral Alaska and serves as a key source of generation for Chugach's power system.

Beluga River Unit (BRU)

A natural gas field in Cook Inlet. Chugach owns a two-thirds working interest, supplying about 60% of its gas needs.

Bradley Lake Hydroelectric Project

The largest hydroelectric facility on the Railbelt, providing renewable energy to Chugach and other utilities.

Cooper Lake Hydroelectric Project

A hydroelectric generation facility owned and operated by Chugach near Cooper Landing, Alaska. The project generates electricity using water from Cooper Lake and contributes clean energy to Southcentral Alaska's power supply.

Carbon Intensity (CO₂e MT/MWh)

A measure of greenhouse gas emissions associated with electricity generation, expressed as metric tons of carbon dioxide equivalent (CO₂e) emitted per megawatt-hour (MWh) of electricity produced or delivered.

Customer Average Interruption Duration Index (CAIDI)

The average time required to restore power to customers affected by an outage.

Direct Current (DC)

An electric current that flows in a single direction. DC power is commonly supplied by batteries and used in electronic devices and electric vehicles.

DC Fast Charging

A high-speed electric vehicle (EV) charging method that uses direct current (DC) to rapidly recharge a vehicle's battery.

EEl (Edison Electric Institute)

A national association representing U.S. investor-owned electric companies. Chugach participates in EEl sustainability reporting frameworks to benchmark and disclose environmental, social, and governance (ESG) performance.

Eklutna Hydroelectric Project

A hydroelectric generation facility located near Eklutna Lake in Southcentral Alaska. Operated through a partnership of local utilities, the project generates electricity from water resources and supplies power to the Railbelt electric system.

Electric Vehicle (EV)

A vehicle powered wholly or partially by electricity stored in rechargeable batteries.

Fire Island Wind Project

A wind-powered generation facility located on Fire Island near Anchorage, Alaska. The project generates renewable electricity from wind energy and supplies power to Chugach members through a Power Purchase Agreement.

Heat Pump

An efficient electric device for heating and cooling buildings, promoted for beneficial electrification and emissions reduction.

LNG (Liquefied Natural Gas)

Natural gas that has been cooled, transforming it into a liquid for easier storage and transportation. LNG can be converted back into natural gas for use in power generation, heating, and other applications.

Mcf (One thousand cubic feet)

Mcf is a standard volumetric unit of measurement that stands for one thousand cubic feet. The "M" is the Roman numeral for 1,000. It is primarily used in the U.S. to track production, wholesale consumption, and company reserves.

MW (Megawatt)

A unit of power equal to one million watts. Used to express the capacity of power plants or the amount of electricity demand.

MWh, kWh (Megawatt-hour, Kilowatt-hour)

Units of energy. 1 MWh = 1,000 kWh. Used to measure electricity produced or consumed over time.

Power Pool

A system where multiple utilities share generation resources and coordinate dispatch to improve reliability and efficiency. Chugach and Matanuska Electric Association (MEA) operate as a power pool, jointly managing generation resources to serve their members.

Power Purchase Agreement (PPA)

A contract between Chugach and a power producer (e.g., Independent Power Purchase or renewable project) to buy electricity at agreed terms.

Railbelt Reliability Council (RRC)

An independent organization responsible for developing and enforcing reliability standards and coordinating transmission planning for Alaska's Railbelt electric system. The RRC works to ensure the safe, reliable, and efficient operation of the interconnected power grid serving Southcentral and Interior Alaska.

Regulatory Commission of Alaska (RCA)

The state agency responsible for regulating Alaska's public utilities and pipelines. The RCA oversees utility rates, services, and operations to ensure they are fair, reasonable, and in the public interest.

System Average Interruption Duration Index (SAIDI)

The average total outage duration experienced by customers during a given period.

System Average Interruption Frequency Index (SAIFI)

The average number of power outages experienced by customers during a given period.

Southcentral Power Project

A natural gas-fired power generation facility owned and operated by Chugach in Anchorage, Alaska. The plant uses efficient combined-cycle technology to provide reliable electricity to Chugach members and the Railbelt electric system.

Sullivan Power Plant

A natural gas-fired power generation facility owned and operated by Chugach in Anchorage, Alaska. The plant provides reliable electricity to Chugach members and supports the Southcentral Alaska power grid.



Safety first! Chugach's mascot prepares for a bucket truck ride

APPENDIX A

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) REPORT EDISON ELECTRIC INSTITUTES' TEMPLATE

Portfolio	2023	2024	2025
Owned Nameplate Generation Capacity at end of year (MW)¹			
Coal	0	0	0
Natural Gas	745.8	793.4	733.1
Nuclear	0	0	0
Petroleum	0	0	0
Other			
Biomass/Biogas	0	0	0
Geothermal	0	0	0
Hydroelectric ¹	30.9	30.9	30.9
Solar	0	0	0.5
Wind	0	0	0
Owned Net Generation for the data year (MWh)			
Coal	0	0	0
Natural Gas	1,810,745	1,945,703	1,964,525
Nuclear	0	0	0
Petroleum	0	0	0
Other			
Biomass/Biogas	0	0	0
Geothermal	0	0	0
Hydroelectric	115,425	75,203	130,960
Solar	0	0	0
Wind	0	0	0
Retail Electric Accounts (at end of year)			
Large Commercial	2,514	2,543	2,436
Small Commercial	13,690	13,622	13,757
Residential	96,984	97,048	97,742
Streetlights	167	165	228

¹Total System Winter Capacity Rating (MW @ 30° F) net of mothballed units. The Eklutna Hydroelectric Project is jointly owned by the Municipality of Anchorage, Chugach, and MEA. The capacity shown is Chugach's ownership share.

Emissions	2023	2024	2025
GHG Emissions: Carbon Dioxide (CO2) and Carbon Dioxide Equivalent (CO2e)			
Owned Generation			
Carbon Dioxide (CO2)			
Total Owned Generation CO2 Emissions (MT)	814,356	872,044	807,526
Total Owned Generation CO2 Emissions Intensity (MT/Net MWh)	0.4228	0.4315	0.3854
Carbon Dioxide Equivalent (CO2e)			
Total Owned Generation CO2e Emissions (MT)	815,197	872,941	808,366
Total Owned Generation CO2e Emissions Intensity (MT/Net MWh) ^{2,3}	0.4232	0.4320	0.3858
Non-Generation CO2e Emissions of Sulfur Hexafluoride (SF6)			
Total CO2e emissions of SF6 (MT)	9,427	1,699	99.1
Leak rate of CO2e emissions of SF6 (MT/Net MWh)	0.0049	0.0008	0.0000
Nitrogen Oxide (NOx)			
Total NOx Emissions (MT)	0	0	0
Total NOx Emissions Intensity (MT/Net MWh)	0.00	0.00	0.00
Sulfur Dioxide (SO2)			
Total SO2 Emissions (MT)	0	0	0
Total SO2 Emissions Intensity (MT/Net MWh)	0.00	0.00	0.00
Resources	2023	2024	2025
Human Resources			
Total Number of Employees	443	445	437
Percentage of Women in Total Workforce	32%	30%	30%
Percentage of Minorities in Total Workforce	23%	23%	23%
Total Number on Board of Directors	7	7	7
Percentage of Women on Board of Directors	57%	57%	57%
Employee Safety Metrics			
Recordable Incident Rate	2.20	2.42	4.12
Lost-time Rate	0.98	1.45	1.45
Days Away, Restricted, and Transfer (DART) Rate	1.95	1.70	3.15
Work-related Fatalities	0	0	0
Fresh Water Resources used in Thermal Power Generation Activities			
Water Withdrawals - Consumptive (Millions of Gallons)	100.5	134.1	122.2
Water Withdrawals - Non-Consumptive (Millions of Gallons)	0	0	0.0
Water Withdrawals - Consumptive Rate (Millions of Gallons/Net MWh)	0.0000518	0.0000712	0.0000625
Water Withdrawals - Non-Consumptive Rate (Millions of Gallons/Net MWh)	0	29.1	0
Waste Products			
Amount of Hazardous Waste Manifested for Disposal	1 MT	1 MT	1 MT
Percent of Coal Combustion Products Beneficially Used	0%	0%	0%

²This EEI metric includes all Chugach-owned generation and the associated emissions, even when that generation is sold to other utilities. As a result, it differs from the carbon intensity metric Chugach uses to track its decarbonization goals. For 2025, Chugach's carbon intensity —measured as net generation delivered to retail members—is estimated at 0.3189 metric tons CO2e per MWh. This metric includes purchased power and excludes generation sold to other Railbelt utilities.

³The 2025 delivered emission factor for Chugach members, delivered to their meters, was 0.3386 CO2e MT/MWh or 746 CO2e lbs/MWh.

