



Legislative Update

Member Advisory Committee Meeting
January 20, 2026



State Bills Being Tracked

HB 153 - Establishes a Renewable Portfolio Standard (Rep. Holland)

- Referred to Energy, Resources, Finance

HB 164 - Net metering, reimbursement fund (Governor Dunleavy)

- Referred to Energy, Finance

HB 196 - Carbon offset and renewable energy grant fund (Rep. Burke)

- Referred to Energy, Finance

HB 208 - LNG Import Facilities (Rep. Mears)

- Referred to Resources, Labor & Commerce

HB 252 - Wildfire Mitigation (Rep. Holland)

- Prefiled. No referrals yet.

HB 257 - Portable solar energy devices (Rep. Eischeid)

- Prefiled. No referrals yet.

HB 259 - Large load energy users (Rep. Mears)

- Prefiled. No referrals yet.

HJR 27 - State energy development (Rep. Holland)

- Referred to Energy

SB 32 - Small renewable energy projects (Sen. Giessel)

- Referred to Resources, Finance

SB 91 - Clean energy licenses and leases for State lands (Senate Resources)

- Referred to Resources, Finance

SB 149 - Establishes a Renewable Portfolio Standard (Sen. Wielechowski)

- Referred to Labor & Commerce, Resources

SB 150- Net metering, reimbursement fund (Governor Dunleavy)

- Referred to Labor & Commerce, Finance

SB 180- LNG Import Facilities (Senate Resources)

- Referred to Resources, Labor & Commerce

Questions?





Milestones and Priority Areas

Chugach Electric Association, Inc.

Member Advisory Committee (MAC) Meeting

JANUARY 20, 2026

AGENDA

- Recent Accomplishments and Milestones
- Initiatives / Projects Underway
- Current Focus Areas



RECENT ACCOMPLISHMENTS & MILESTONES



CHUGACH PROJECTS

Small Scale Solar

Sullivan Power Plant Solar



Southcentral Power Project Solar



New Operations Building Solar



DISPATCH CENTERS

Geographically Separate Locations

Renovated Primary Control Center



Facilitates improved emergency response & power restoration

Backup Control Center



Ensures fully redundant dispatch capabilities



COMMUNITY SOLAR PROJECT

Fully Subscribed

- First community solar project in Alaska
- 500 kW capacity; 1,560 solar panels
- ~ 622 MWh annual production
- 25-year project life
- Evaluating second project



Located adjacent to Chugach's Retherford Substation



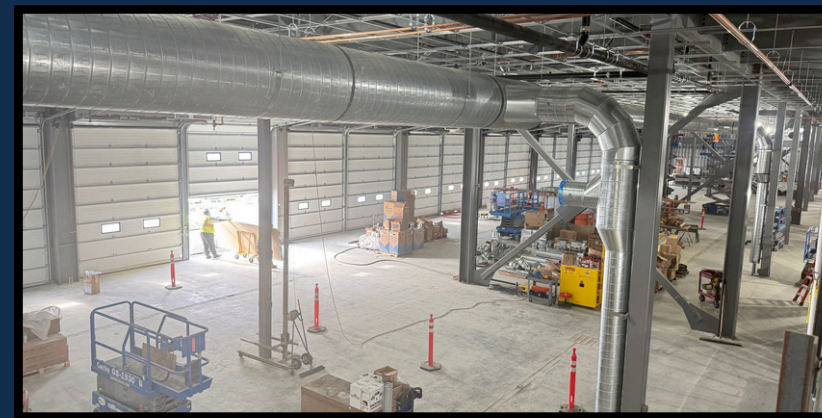
ONE CAMPUS PLAN

- **Project approved by Chugach Board in December 2022;
project completed in Q4, 2025**

- New field operations and engineering facility
- Remodeled existing operations building
- Added covered storage for equipment
- Purchase of Annex building (South Campus)
- Additional parking and improvements to laydown yards

- **Majority of employees now centrally located on South Campus**

- Operational efficiencies
- Increased safety and security



BATTERY ENERGY STORAGE SYSTEM

Improves system reliability

- Tesla Megapack battery cells
- Capacity 40 MW / 2 hours
- Supports Bradley Lake; provides grid stability; enhances frequency response
- Reduces fuel usage by ~5%
- Jointly owned (Chugach 75%; MEA 25%)



REMOTE OPERATION OF BELUGA POWER PLANT

Efficiency

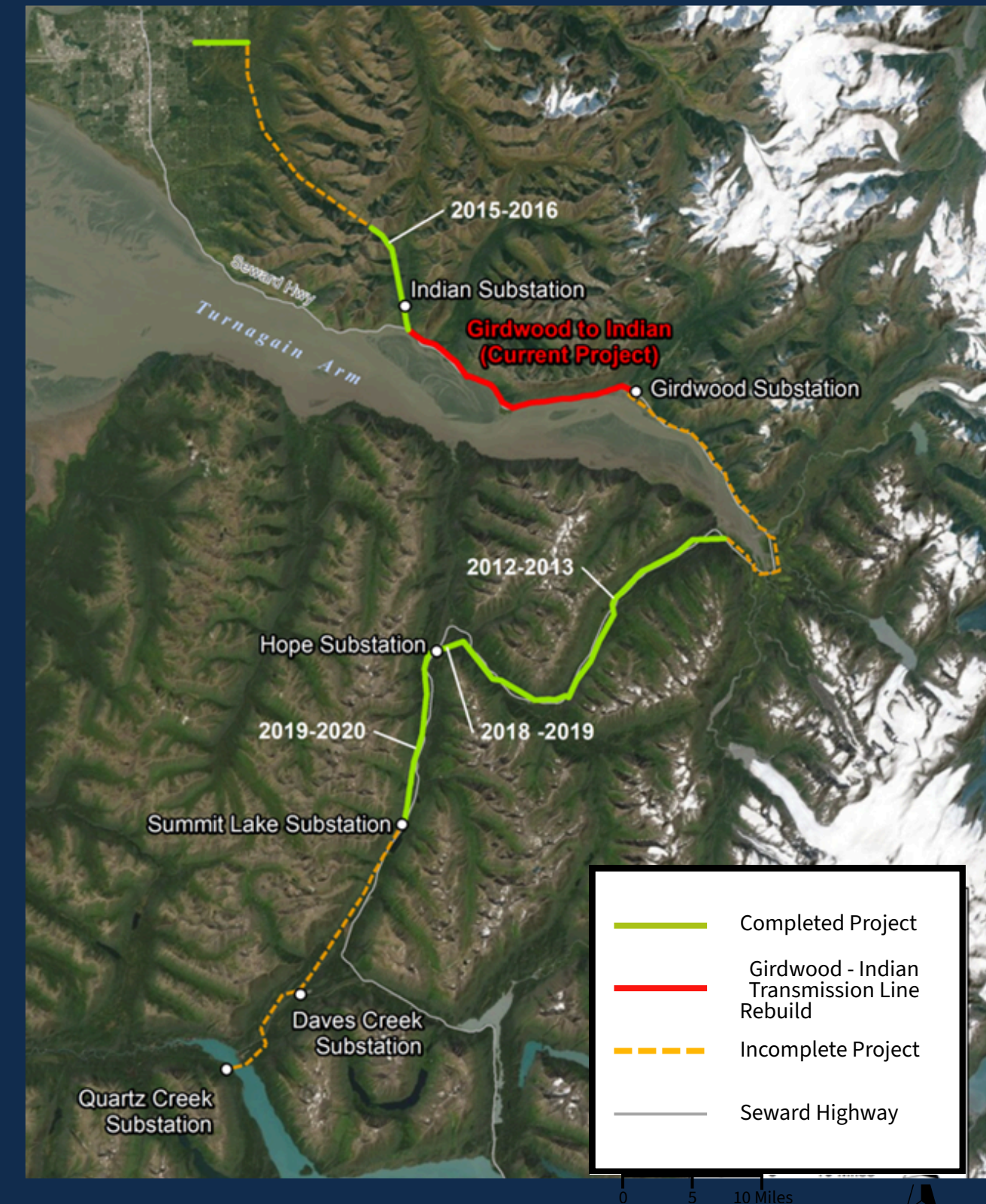
- The Beluga Power Plant is an essential asset providing peaking capacity / reserves, and emergency backup generation.
- Remote operation of power plant increases efficiencies and reduces cost
- Annual savings in excess of \$0.5 million



SOUTHERN TRANSMISSION LINE

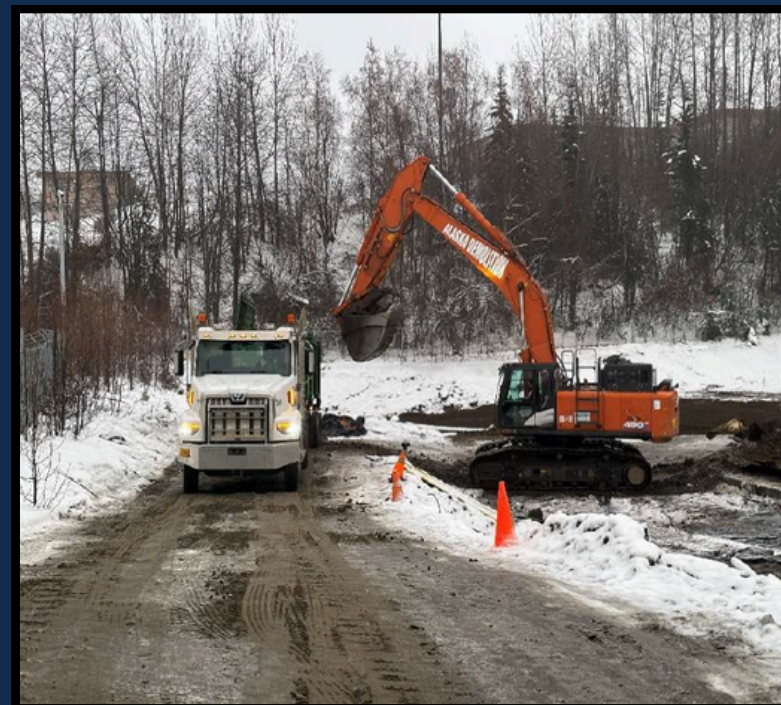
Rebuild

- Anchorage to Quartz Creek on the Kenai Peninsula
- 90-mile line energized in 1962 to bring power from Cooper Lake Hydroelectric Project to Anchorage
- Serves Chugach's customers on the Kenai Peninsula
- Connects Bradley Lake Hydroelectric Project to the Railbelt
- New line being constructed to 230 kV standards



DIESEL TANK REMOVAL - SULLIVAN POWER PLANT

- Two one-million-gallon diesel storage tanks and associated piping were physically removed from the site
- The diesel tanks were installed in the 1980s and retired from service in 2015, as they could not be refurbished for continued use



NATURAL GAS SUPPLY

Key progress areas

- **BRU named the most successful gas producing field in the Cook Inlet in 2024, and 2025 production levels exceeded forecast; Chugach able to store gas for future use**
 - Gas underlift agreement with Hilcorp Alaska
 - Gas exchange agreement with Marathon Petroleum Company
 - Gas storage agreement executed with Hilcorp Alaska Gas Storage LLC



WILDFIRE RISK MITIGATION & VEGETATION MANAGEMENT

- **Wildfire Risk Mitigation Plan**
- **Clearing performed on an ongoing cyclical basis**
 - Transmission - all lines on a 7 to 10-year cycle
 - Distribution - each feeder on a 3-year cycle
- **Line clearing expenditures increased by 37% since 2021/2022; \$4.6 million included in 2026 budget**
- **Out-of-easement danger trees cleared as needed, with land owner permission**
 - 7,400 danger trees were cleared in Cooper Landing in 2023/2024



SECURITY ACTIONS

- Improved security posture, including updated technology related to perimeter and intrusion devices
- New protocols for employees, board members and visitors
- New security contractor and supervisor with extensive experience
- Completed annual physical security vulnerability assessment



OTHER ACCOMPLISHMENTS

- **Mid-shift established, reducing outage response times and improving service to members.**
- **General rate cases (2)**
- **Collective Bargaining Unit Agreements (4)**
- **Eklutna Fish & Wildlife Program approved by Governor**
- **Power pool under single load balancing area (Chugach and MEA)**
- **Seward contract renewal (extended through mid-2028)**



INITIATIVES / PROJECTS UNDERWAY



BELUGA SOLAR

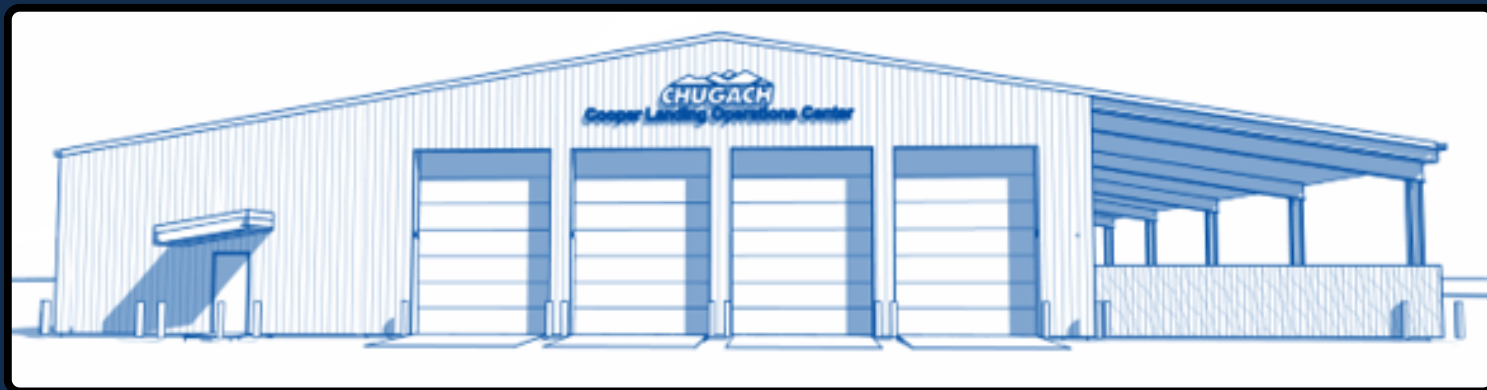
Diversifying Energy Mix

- **10 MW project approved by Chugach Board of Directors**
- **Located on Chugach-owned land adjacent to the Beluga Power Plant, and on additional land owned by CIRI**
- **Avoids 2.8 Bcf of natural gas over 30 year project life**
- **Commercial operation: Mid-2027**



COOPER LANDING OPERATIONS FACILITY

- Key staging area for line crews supporting Moose Pass, Cooper Landing, and the upper Kenai Peninsula.
- Secure location for equipment and materials
- Enhances Chugach readiness for storm and critical system events; reduces outage response & restoration time; improves reliability and customer services
- Supports generation, transmission and distribution functions of utility operations
- Provides temporary housing for employees



Chugach held a garage sale on the site.
Proceeds benefited Cooper Landing Community Club.



WHITTIER SHORE POWER

Improved Air Quality

- **Project will provide shore power to cruise ship terminal in Whittier**
- **Upgrades:**
 - increased circuit capacity
 - 5 miles of new power feed line
 - installation of transformers near dock
 - equipment on dock to allow vessels to utilize shore power in port
- **Will result in improved air quality for the community while ships are at the dock**



PUBLIC CHARGER INSTALLATIONS

Increasing charging infrastructure

- **Level 3 chargers**

- 2026: South Anchorage, Girdwood, Moose Pass, and Cooper Landing (Three Bears store)
- 2027: Seward (EV charging infrastructure mobile)

- **Level 2 chargers**

- **2026:** Hope and Chugach South Campus: Five Level 2 EV chargers for Chugach fleet and member demonstration site



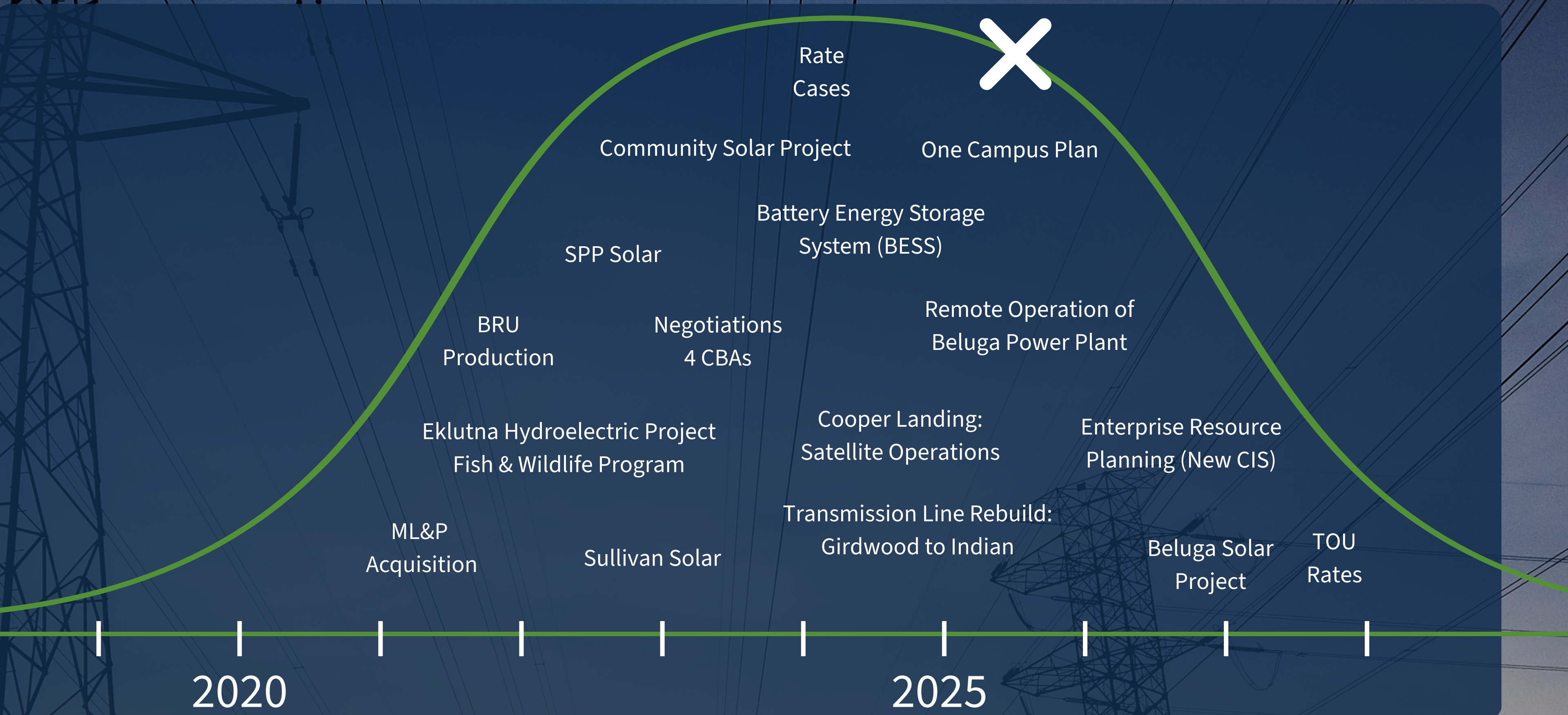
ENTERPRISE RESOURCE PLAN

Project Objectives

- **Replaces current systems implemented between 1998 and 2012**
 - Customer information System (completed Q3, 2025)
 - Human resources (payroll and benefits) and financial management systems (completion expected by Q4, 2027)
- **Improves recruitment, delivers enhanced functionality, improves business process efficiency, streamlines payment processing and reduces cybersecurity risk**



INITIATIVES



CURRENT FOCUS AREAS



CURRENT FOCUS AREAS

- **Natural Gas Supply**

- Ensure long-term natural gas supply requirements are met
- Minimize exposure to gas supply and price risks
- Secure reliable and cost-effective gas storage capabilities

- **Renewable Generation and Beneficial Electrification**

- Reduce reliance on natural gas
 - Development of renewable generation resources, including hydro power
 - Support Dixon Diversion
- Advance beneficial electrification to promote responsible and sustainable load growth



CURRENT FOCUS AREAS (Continued)

- **Streamline Internal Processes and Controls**

- Increase operational efficiency across the organization
- Modernize technology systems and infrastructure
- Technology focus

- **Workplace Safety**

- Drive continuous, high-impact improvements in safety practices and protocols
- Strengthen culture where safety, accountability, and ownership are embedded in everything we do



CURRENT FOCUS AREAS (Continued)

- **Strengthen Financial Performance**
 - Improve balance sheet, margins, and cash flow
 - Reduce long-term financial and organizational risk
 - Maintain credit ratings (S&P, Fitch, Moody's)



QUESTIONS?



CHUGACH