

Chugach Community Solar Guide & Frequently Asked Questions (FAQs)

Contents

General Information	2
Eligibility and Enrollment	3
Cost and Billing	5
Solar Credits and Energy Production	7
Environmental Impact	10
Technical Details	11
Utility-Specific Information	12

General Information

- 1. What is a community solar project?
 - Community solar is a shared solar energy program that allows multiple individuals or organizations to subscribe to a central solar facility. By subscribing, you'll earn energy credits on your electricity bill that represent your portion of the energy produced. This makes it easy for you to enjoy clean, renewable solar energy without the big upfront costs or the need to install solar panels on your home. It's a great option for renters, condominium owners, anyone without a suitable roof for solar panels, or anyone interested in supporting solar energy.
- 2. What are the benefits of joining the community solar project?
 - Access for All: You can subscribe without installing panels on your property, making solar energy an option for anyone, including for renters and those with unsuitable rooftops.
 - **Environmental Impact:** By subscribing, you help reduce reliance on fossil fuels and support clean, renewable energy.
 - **No Maintenance Hassle:** We take care of the installation, operation, and upkeep of the solar facility, so you don't have to.
 - **Flexibility:** It's easier to join or leave compared to owning your own solar system. Subscribed members moving within Chugach's service area can transfer their subscription to their new address.
 - **Community Investment:** Your subscription supports a local renewable energy project in your community.

IT'S EASY TO GO SOLAR



We Build
Dur solar installation
will be strategically
positioned for
optimal energy
production.



We Maintain
We'll maintain the
solar facility so it
provides reliable
solar energy for 25
years.



You Enroll
You choose how
many solar
panels you'd like
to subscribe to.



You Get Credit
You'll receive solar energy
credit on your monthly
electric bill equal to the
amount of energy

Eligibility and Enrollment

- 1. How do I know if I'm eligible to participate?
 - If you're a current Chugach member, you're eligible! The program is open to all retail members, including residential, small general service, and large general service members.
- 2. When can I subscribe?

First Enrollment Period - Community Solar Lottery: Chugach's initial enrollment period will open on April 1 and run through at least May 15, with the possibility of an extension. If more members apply than there are available panels, a random lottery will determine who gets enrolled. Members not selected will be placed on a waiting list in the order their names are drawn. Enrolled members will not see subscription charges until the project begins generating power and the first billing cycle is completed, likely in late summer.

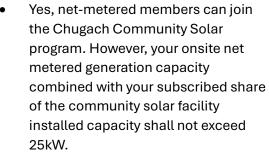
Future Enrollment Opportunities: Once the first community solar billing cycle has been completed, enrollment will reopen for subscriptions, or those who wish to join the waitlist. Availability will depend on the number of subscribed panels.

- 3. How do I sign up for the community solar project?
 - Ways to enroll:
 - 1. Use the Chugach Community Solar Enrollment form found <u>HERE</u>, or scan the QR Code.
 - 2. OR, visit our Community Solar webpage and click on the "Enroll" button.
 - 3. OR, access the enrollment link through the My Account member portal, look for the Community Solar widget (information box at the top).



- Complete the enrollment form based on your subscription preferences. You'll also need to agree to the program's Terms and Conditions.
- 4. Can renters or non-property owners participate?
 - Absolutely! As long as you're a Chugach member and pay an electric bill, you can
 join—even if you rent or don't own property.
- 5. Is there a cost to join the program?
 - Yes, there's a monthly subscription fee for each panel you subscribe to. When you sign up, you'll commit to paying this fee for 12 months, and it will be included on your monthly electric bill. For more information see the Cost and Billing section below.

- 6. How many panels can I subscribe to?
 - Members can subscribe to a maximum limit of 20 panels per meter.
- 7. Can I cancel my subscription if I no longer wish to participate?
 - Yes, you can cancel at any time. However, if you leave the program before completing 12 months, there is a cancellation fee of up to four months' worth of subscription costs per panel subscribed. After 12 months, you're free to cancel at any time with no cost penalty.
- 8. I understand that I cannot reduce the number of panels during my 12-month subscription, but what if I want to subscribe to more?
 - If you would like to subscribe to more panels during your 12-month subscription period, you can do so, subject to availability.
- 9. What happens to my subscription if I move?
 - If you move to another home within Chugach's service area, you can transfer your subscription to your new address.
- 10. Can I transfer my subscription to another person?
 - No, subscriptions are non-transferable to other people. If someone else wants to participate, they'll need to sign up for their own subscription.
 - 11. Can I participate in Chugach Community Solar if I have solar panels at my location and I am already a netmetered member?





YOU ENROLL

Cost and Billing

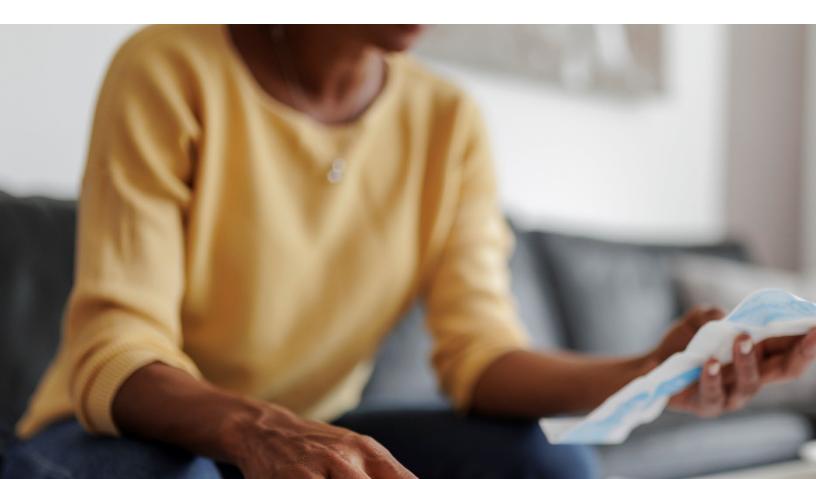
- 1. How much will it cost to participate in the community solar project?
 - The initial 12-month pilot period subscription price, on a per panel basis, will be \$9.21 per month, or \$110.52 per year.
 - Cost to participate will depend on the number of subscribed panels. A member subscribing to a single panel will have a monthly subscription fee of \$9.21, while a member subscribing to 20 panels will pay \$184.20 per month.
- 2. Will my subscription cost change over time?
 - Yes, subscription costs will increase by 1% each year to help cover the long-term costs of building and running the project while keeping pricing fair over its lifespan. Additionally, Chugach will conduct an annual filing to review and adjust subscription costs based on factors like capital and operating expenses. While future adjustments can't be predicted with certainty, our goal is to keep costs as stable and affordable as possible. Subscription adjustments will be applied automatically.

Participants pay a monthly subscription fee, which appears on their electric bill alongside solar energy credits earned from their portion of the community solar facility.

YEAR ONE MONTHLY SUBSCRIPTION COST: \$9.21 PER PANEL

- 3. How will my bill change if I join?
 - Your bill will show the energy produced by your portion of the solar facility and the energy delivered to your home. These two amounts are netted against each other:
 - If your home uses more energy than your solar portion produces, you'll pay for the remaining energy used.
 - If your solar portion produces more energy than your home uses, you'll receive a credit on your bill.
- 4. Will I still have to pay my regular electricity bill?
 - Yes, you'll continue to receive a monthly electricity bill. However, if your solar portion produces more energy than your home uses, you'll see a credit applied to your bill, which reduces your total amount due.

- 5. Will my subscription be eligible for a federal tax credit?
 - No, the tax credit would go to Chugach who will be applying for the federal
 Investment Tax Credit (ITC) payments following commercial operation of the project.
 Based on current understanding of the ITC program and its eligibility criteria,
 Chugach expects to receive a tax credit payment of 40% which directly offsets
 construction costs, which is already factored in the subscription fee and benefits
 the participating members.
 - In the unlikely event that Chugach does not receive the 40% ITC, subscription costs will be adjusted to account for the additional expenses, potentially increasing by up to 40%. If this happens, subscribers who do not wish to continue at the higher rate will have the option to cancel their subscription without any penalty.
- 6. Will I save money by joining the program?
 - Subscribed members are not expected to save money in year one. In year one, the
 cost per kWh for solar energy is estimated at around \$0.28, slightly higher than
 current costs of retail electricity. For instance, the current residential rate of
 \$0.24/kWh in the South District, and \$0.20/kWh in the North District, making the
 Community Solar Program a premium service, initially. In general, your savings
 depend on factors like energy usage, subscription size, and panel output.
 - As energy rates rise, due to inflation and natural gas pricing, the cost difference is expected to shrink or even result in savings over time.
 - Many subscribers will join for long-term benefits like supporting renewable energy and reducing environmental impact.



Solar Credits and Energy Production

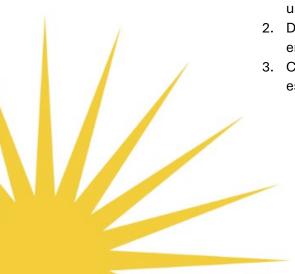
- 1. How much energy will each panel produce?
 - In year one, each panel is projected to generate approximately 399 kWh, with an
 anticipated annual degradation rate of one percent per year thereafter. This results
 in an average of 354 kWh per panel per year over the 25-year project life. Energy
 production fluctuates over time due to changes in season, weather, and other
 variables. The projections listed will vary.
- 2. Will I be able to track how much energy the solar project produces?
 - Yes. You will be able to track the energy produced from your subscribed portion within Chugach's My Account Member Portal.
- 3. How many panels will I need for my home or business?
 - The number of panels you subscribe to will depend on your electricity usage and how much of your energy you want sourced from Community Solar. You can tailor your subscription to match your specific energy needs and sustainability goals.
 - You can **download** our <u>Community Solar Panel Calculator</u> to determine the optimal number of panels for your energy needs. Before you start, you'll need your monthly usage, which you can find in your My Account member portal or using your monthly Chugach Electric billing statements. Navigate to the "Low Usage" or "High Usage" tab, based on your location's energy consumption.
 - Or **calculate** your subscription based on 1) the percentage of your annual usage you'd like to power by solar energy or 2) based on maximum financial benefit.
 - Subscription Based on Annual Usage: Members may choose to cover a
 portion of their annual energy usage with solar power. As an example, the
 average Chugach residential member uses around 6,300 kWh/year, or about
 525 kWh per month. If the average residential member wanted 30% of their
 annual electricity to come from Community Solar, they would subscribe to 5
 panels.

How to Determine the Right Number of Panels Based on Annual Usage:

- 1. Find Your Energy Usage Locate your annual usage in My Account, or using your electric bills.
- 2. Decide Your Solar Coverage Goal Choose the percentage of your energy usage you'd like to be powered by solar (e.g., 10%, 20%, etc.).
- 3. Calculate Your Panel Subscription Use the following formula to estimate how many panels you need:

Desired Percentage x Average Annual Usage
Estimated Annual Solar Production Per Panel

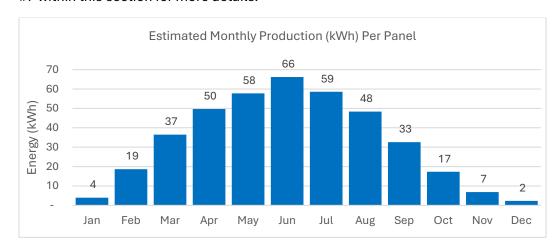
Panels



For example, if your annual usage is 7,000 kWh and you want 40% solar coverage, your calculation will be:

$$\frac{0.40 \times 7,000 \text{ kWh}}{399 \text{ kWh/Panel}} = 7 \text{ Panels}$$

2. **Subscription Based on Maximum Financial Benefit:** To maximize the benefits of your solar subscription, align the anticipated monthly panel output with your typical energy consumption during the sunniest months. You'll gain the most value when the solar energy generated is used within the same billing cycle, as this ensures it holds the same value as the electricity you would otherwise purchase. See Question #7 within this section for more details.



Keep in mind that solar generation and your energy consumption will fluctuate from month to month and year to year. As an example, the average Chugach residential member uses 410 kWh in June, which is considered the sunniest month in Anchorage. If the average residential member wanted to cover 100% of their electricity in June from Community Solar, they would subscribe to 6 panels.

How to Determine the Right Number of Panels Based on Maximum Financial Benefit:

- 1. Find Your Energy Usage Locate your peak usage during the typical sunniest month, in My Account or using your electric bills.
- 2. Decide Your Solar Coverage Goal For maximum financial benefit, choose that 100% of your energy usage is powered by community solar in the sunniest month.
- 3. Calculate Your Panel Subscription Use the following formula to estimate how many panels you need:

$$\frac{\text{Peak Monthy Usage in Sunniest Month (June)}}{\text{Estimated Peak Panel Production in Sunniest Month}} = \# Panels$$

For example, if your peak usage in June is 400 kWh and you want 100% solar coverage, your calculation will be:

$$\frac{400 \text{ kWh}}{66 \text{ kWh/Panel}} = 6 \text{ Panels}$$

- 4. What happens if the solar array produces more or less energy than expected?
 - Subscribers will receive their portion of energy produced, whether it is more or less than expected. Energy production fluctuates over time due to changes in season, weather, and other variables. The projections listed will vary.
 - We base our energy production estimate on historical weather, so we have a general idea of how much energy a typical panel will produce in a year. However, this isn't guaranteed—sunny years will produce more energy, while cloudy or wet years will produce less.
- 5. If I generate more energy in one month than I use in that month at my location, does it carry over as a credit to the following month?
 - Yes, if your subscribed panels generate more energy in a month than you use at your location, you will receive a bill credit to your account for the excess energy at Chugach's buyback rate. These dollar bill credits will roll over to the following month and will remain until they are fully utilized.
- 6. How is my portion of solar energy calculated?
 - Chugach meters the total energy produced by the Community Solar Project and allocates it based on each subscriber's portion. Your portion of the energy is credited to your account as credited energy (CRkWh) and will appear on your bill.
- 7. How much is the energy from my solar subscription worth?
 - As long as you use all the energy generated by your solar panels within the monthly billing cycle, it holds the same value as the electricity you purchase. The value of solar energy depends on which rate class and which district your account is in. For instance, the value of the solar energy produced is about \$0.24/kWh in the South District and \$0.20/kWh in the North District for residential members.
 - If you don't use all the solar energy your panels produce within the monthly billing cycle, Chugach buys the extra energy from you at Chugach's buyback rate, currently at about \$0.06 per kWh. This price is based on how much money Chugach saves on fuel and other costs when using your solar energy instead of making its own. For current rates, including the

South District Rates
North District Rates.

buyback rate, check these links:



Environmental Impact

- 1. Will the community solar project help reduce greenhouse gas emissions?
 - Yes. Every kWh generated by solar energy means one less kWh generated from natural gas. This helps reduce natural gas demand and lowers overall carbon emissions for Chugach, benefiting the entire community with cleaner energy and fewer greenhouse gas emissions.
 - In the first year of operation, the project is expected to prevent the release of 218 metric tons of carbon dioxide equivalent—comparable to the amount of carbon absorbed by approximately 220 acres of forests in a year.
- 2. Will program participants have the right to claim the renewable attributes associated with their subscribed portion of the program?
 - Yes, program participants will retain the rights to claim that a portion of their bill is powered by local solar energy, which is renewable and clean energy.



Technical Details

- 1. Where is the community solar project located?
 - The community solar project will be built on Chugachowned land adjacent to the Retherford Substation located at 800 East 94th Avenue.



- 2. How big is the solar array?
 - The project is a 500 kW AC and will have 1,560 solar panels.
- 3. Who maintains the solar panels and ensures they are operating efficiently?
 - Chugach will take care of maintaining the solar panels and ensuring they operate efficiently, so you don't have to worry.
- 4. Will the utility clear the snow from the panels?
 - The cost of snow clearing is higher than the value of additional solar that could be gained. Therefore, maintenance does not include snow clearing from the panels. The modeled energy generation accounts for snow coverage. That said, it is possible that a small amount of solar energy will be produced during the winter months, even if the panel has snow on it. Snow covered ground reflects a high percentage of sunlight, which bifacial panels can capture, partially compensating for any loss of direct sunlight due to snow accumulation. In addition, the panels will be installed at an angle, allowing snow to slide off more easily.
- 5. What happens if the solar panels are damaged or need repairs?
 - If the solar panels are damaged or require repairs, Chugach will handle all necessary repairs and ensure the system is back to full operation as quickly as possible.
- 6. How long will the community solar project last?
 - The project is expected to operate for 25 years.

PROJECT DETAILS*

- 500 kW AC Solar
 Installation (665 kW DC)
- 1,560 bifacial panels
- 410 DC Watts per panel
- 622 MWh estimated total annual energy production
- 25-year project life
- Located at 800 East 94th, Anchorage AK., adjacent to Chugach's Retherford Substation.

* Energy production and capacity factors fluctuate over time due to changes in season, weather, and other variables. The projections listed will vary.



Utility-Specific Information

- 1. How is this program different from installing solar panels on my own property?
 - Subscribing to Chugach Community Solar is a simpler and more accessible option compared to installing solar panels on your property.
 - No large upfront costs: You avoid the significant initial investment required to install solar panels.
 - No maintenance worries: Chugach takes care of the installation, upkeep, and repairs.
 - No site limitations: You can benefit from solar energy even if your property lacks adequate sunlight or roof space.

In short, Chugach Community Solar offers you an easy way to enjoy the benefits of solar energy without the complexities of owning and maintaining your own system.



- 2. How does this project align with the utility's energy goals?
 - Chugach is committed to reducing carbon emissions by 35% by 2030 and 50% by 2040 (from a 2012 baseline), as long as it doesn't significantly impact rates or reliability. By providing solar energy through this program, we're helping members transition from natural gas to renewable energy, moving us closer to our decarbonization goals.

Do you have a question that has not been answered?

Email us: Chugach_Solar@chugachelectric.com

