



Chugach acquisition of ML&P conditionally approved by regulators

The Regulatory Commission of Alaska (RCA) has conditionally approved the acquisition of Municipal Light & Power (ML&P) by Chugach Electric Association. The order was issued late Thursday night, May 28.

"We are still reviewing the order and the conditions imposed by the RCA to determine whether they are acceptable to Chugach," said CEO Lee Thibert. "Assuming they are, we look forward to moving toward closing and a smooth transition for existing Chugach members and the new members from the ML&P system."

In April of 2018, Anchorage voters approved the sale of ML&P to Chugach by more than 65 percent. Following the vote, Chugach filed for approval of the transaction on April 1, 2019. After several weeks of hearings that started in August, the parties reached a settlement that included a purchase price

of \$972.8 million. Assuming the RCA's conditions are acceptable to all parties, Chugach will move forward on financing the transaction, with a closing date later this year.

"The COVID-19 pandemic is a good reminder of the need to combine the utilities and gain the efficiencies brought by the acquisition. As Alaska businesses, individuals, and the economy as a whole face financial difficulties from both the pandemic and a low oil price environment, there has never been a better time to bring these utilities together for long-term savings to the cost of providing electric service to our members," Thibert added.

The combination of the two utilities is expected to lead to lower long-term rates for all utility ratepayers with an estimated ratepayer savings of over \$200 million over the next 15 years.

Annual election underway – Virtual annual meeting set for June 15

Voting in Chugach's annual election is open with both electronic voting and paper ballots available to members. The official notice of the annual meeting was sent to members of record in mid-May. Of the 69,589 members of record, 53,380 had an email on file and received their voting instructions electronically. If you'd like to vote electronically, you can add your email address to your account by contacting Member Services at 563-7366. You can also vote on the Chugach website using the control number mailed on May 20 to members who hadn't voted. {191268807}

This year, members will choose from four candidates running for two seats on the Chugach

Board of Directors. Paper ballots are due by noon on June 12; electronic voting closes at 4 pm on June 15. Chugach's election contractor, BDO, can assist members who have not received your voting email or wish to receive a paper ballot by calling (907) 646-7394 or (888) 729-4679.

Election results will be announced at the 2020 Chugach virtual annual meeting to be held at 5:30 pm on June 15. Members who want to watch the meeting via a livestream can sign up on the Chugach website.



Electric vehicles in Alaska

At the end of April there were more than 1,100 electric vehicles (EV) registered in Alaska, with nearly half of them registered to addresses in the Railbelt. Whether they're all-electric or run a limited distance on battery power before switching to a fossil fueled engine, generally the batteries in EVs are recharged when the vehicle plugs into the grid.

Nationally, studies have consistently shown that more than 80% of charging is done at home. Chugach analysis shows that with gasoline at \$2 per gallon the average driver would save about 26% on fuel per month at current residential electric rates. At \$3 per gallon the savings is about 50%.

While battery technology continues to extend driving range, publicly available charging can help the adoption of EVs. As part of a research program,

in 2019 five Chugach commercial customers were competitively selected for grants to install Level 2 chargers. Chugach may have the ability to provide additional installation assistance in the future. If you are a Chugach commercial customer interested in hosting an EV charging facility, email sean_skaling@chugachelectric.com for more information.



Chugach's EV "Wattson," a 2017 Chevy Bolt

Levelized bills may increase from staying home

One of the impacts of "hunkering down" is using more electricity at home. That extra consumption can affect the truing up of LevelPay plans. Chugach makes an adjustment in June for those customers on the level payment plan. This reconciles the sum of the 12 months of level payments for estimated

usage against the cost of the actual consumption. Extraordinary events like staying home because of COVID-19 and the resulting increase in home energy use might mean a larger than expected settlement amount and an increase in the monthly amount for the coming LevelPay year.

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Chugach employees help cleanup

Chugach was proud to participate in the 2020 Anchorage Chamber of Commerce Citywide Cleanup. Each May, businesses and individuals from across Anchorage fan out to pick up trash. Chugach's crew cleaned up the area around our headquarters.



Chugach is committed to sustainability and reducing waste. Chugach's electronic voting option saves thousands of sheets of paper each year.



The Outlet

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Member number hide-n-seek

Find your member number (in brackets) in the Outlet and get a \$100 credit on your electric bill. Call Chugach's service center at 563-7366 to claim your prize.