

June 27, 2025

ELECTRONICALLY FILED WITH RCA

Regulatory Commission of Alaska 701 W. 8th Avenue, Suite 300 Anchorage, AK 99501

Subject: Tariff Advice No. 573-8; Community Solar Service Pricing Pilot – Commencement and Pilot Period Update

Commissioners:

The tariff filing described below is transmitted to you for filing in compliance with the Alaska Public Utilities Regulatory Act and Sections 3 AAC 48.200 - 3 AAC 48.442 of the Alaska Administrative Code. With this filing, Chugach Electric Association, Inc. (Chugach) is proposing an update to its Community Solar Service Pricing Pilot (Pilot Program). The following tariff sheets are submitted for approval:

TARIFF SHEET NUMBER		CANCELS S	<u>HEET NUMBER</u>	SCHEDULE OR
<u>ORIGINAL</u>	REVISED	<u>ORIGINAL</u>	<u>REVISED</u>	<u>RULE NUMBER</u>
104	3rd Revision	104	2nd Revision	Community Solar Service
104.1	2nd Revision	104.1	1st Revision	Pricing Pilot Program

Chugach is proposing to update the Pilot Program commencement date and the 36-month timeline to begin August 1, 2025. Chugach had previously proposed a starting date of July 1, 2025, which was filed with the Commission in Tariff Advice 565-8 dated February 10, 2025, and approved with Letter Order No. L2500087 dated March 17, 2025.

This filing is not for a new service, will not result in the termination of an existing service, conflict with any other schedule or rate contained in Chugach's operating tariff, or in any other way adversely impact members or the public. Chugach provides electric service to approximately 90,000 retail members with 113,000 retail metered locations and one wholesale customer, the City of Seward d/b/a Seward Electric System (Seward). Chugach is projecting annual revenues of approximately \$392.2 million for the calendar year 2025. Seward will not be impacted by this filing.

Chugach and its contractors are in the final stages of completing the solar installation that will be utilized for the Pilot Program. All significant infrastructure, including panel installation and inverters, have been installed. After much consideration, Chugach has elected to extend the timeline of completion and the commencement date from July 1, 2025 to August 1, 2025. The program will continue for a 36-month period ending July 31, 2028. This extension will allow

Chugach Electric Association, Inc.

Commissioners	June 27, 2025
Tariff Advice No. 573-8	Page 2 of 2

Chugach additional time to perform the required commissioning process. This process includes verification that all systems and components are designed, installed, tested, and operated according to the project requirements. The commissioning process ensures an effective transition in responsibility of the field, and interconnection of energy onto Chugach's system. Chugach will notify subscribers of the Pilot Program changes as well as update all publications. Subscribers will see generation as well as subscription fees with the August monthly billing period.

Description of Tariff Changes

Tariff Sheet 104: This sheet has been updated to address the changed timeline for the Pilot Program period.

Tariff Sheet 104.1: This sheet has been updated to change the Pilot Program time period.

Please contact David Caye, Manager, Regulatory Affairs, if you have questions or additional information is needed.

Sincerely,

CHUGACH ELECTRIC ASSOCIATION, INC.

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Arthur W. Miller Chief Executive Officer P.O. Box 196300 Anchorage, Alaska 99519-6300 Telephone: 907-762-4758 Arthur Miller@chugachelectric.com

Attachments

cc: Kat Sorenson, Seward City Manager, City of Seward (electronically)

RCA No. 8	3 rd Revision	Sheet No.	104	
CHUGACH POWERING ALASKA'S FUTURE	Canceling 2 nd Revision	Sheet No.	104	
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COMMUNITY SOLAR SERVICE PRICING PILOT

Chugach retail members may begin taking service under the Community Solar Service Pricing Pilot beginning with the August, 2025 monthly billing period. The pilot period extends for a 36-month period ending July 31, T 2028. Community Solar Service Pricing Pilot is available to retail members for all member service classes.

This service offering is available, on a voluntary basis, through a 12-month subscription. The 12-month subscription price offering is designed to distribute the project costs equitably across the life of the Community Solar facility, and to reduce project administration costs.

There are a total of 1,560 solar panels available for member subscriptions under the Community Solar Service pricing pilot. Members electing to enroll in the service will submit a subscription application form and may request up to 20 panels per meter. In year one of the pilot period, applications for initial subscriptions will be accepted from approximately April 1, 2025 through May 15, 2025. The exact application dates are subject to change due to operational constraints. If Chugach receives subscriptions totaling more than 1,560 panels, a lottery will be used to determine which members are enrolled in the Community Solar Service Pricing Pilot. Any remaining applicants will be placed on a wait list in the order they are drawn from the random lottery selection. As panels become available for new subscriptions, the applicants on the wait list will be offered enrollment in the order of the wait list. After the initial 12-month subscription period, Chugach will submit annual filings by May 15 of each year updating the 12-month subscription rates to reflect actual Community Solar Service Pricing Pilot project costs incurred during the prior 12-month calendar year test period with any changes to take effect August 1 of each year.

On a monthly basis, the actual energy produced by the Community Solar facility will be applied equally across the total number of panels to determine the kilowatt hour (kWh) production share to be allocated to each panel. The energy produced by unsubscribed panels will be used by Chugach in the provision of electricity to its retail members.

Based on the number of panels in each member's subscription, the production share will be applied as a credit on program participant's monthly bills. Energy generated and applied to member bills will be treated in the same manner as net metering customers are treated (Sheets 89.3 to 89.3.3).

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RCA No. 8	2 nd Revision	Sheet No.	104.1	
CHUCACH POWERING ALASKA'S FUTURE	Canceling 1 st Revision	Sheet No.	104.1	
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COMMUNITY SOLAR SERVICE PRICING PILOT (Continued)

Purpose:

Chugach is proposing to initiate the Community Solar Service on a pilot basis for a 36-month period to compile information including the final project construction cost, receipt of federal tax credits, operating and maintenance expenses, member interest, renewable energy certificate treatment, and to assess modifications that may improve the subscription and pricing program. The proposed pilot period is expected to provide sufficient time to capture cost information and compile feedback to improve the service offering.

Pilot Period:

The Community Solar Service Pricing Pilot shall run from August 1, 2025 – July 31, 2028 (Pilot Period).

Pilot Reporting:

Within 60 days following expiration of the Pilot Period, Chugach will submit a report to the Regulatory Commission of Alaska detailing the results of the Community Solar Service Pricing Pilot and requesting any necessary modifications. The report will analyze:

- 1. Member enrollment information throughout the Pilot Period;
- 2. Subscription benefits compared to costs (subscription amount paid net of energy buyback vs. energy received);
- 3. Project performance statistics;
- 4. Program costs;
- 5. Unsubscribed energy used to meet retail system energy requirements.

The report will provide recommendations for continuation, abandonment, or modification of the Community Solar Service Pricing Pilot and may include a recommendation for a permanent Community Solar Service tariff offering. Additionally, the report will also include recommendations for the treatment of renewable energy credits associated with the Community Solar facility. Chugach may use questionnaires to gather program feedback. All customer specific data obtained by Chugach through the Community Solar Pricing Pilot shall be held confidentially, to the extent allowed by law and regulation, and any public reporting should not reveal names or locations, unless ordered to provide such data by an appropriate authority.

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