



September 25, 2025

***ELECTRONICALLY FILED WITH RCA***

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

***Subject: Tariff Advice No. 580-8; Time of Use Pilot Program – 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 48.430 of the Alaska Administrative Code. With this filing, Chugach Electric Association, Inc. (Chugach) is proposing an update to its Time of Use Pilot Program (Pilot Program). The following tariff sheets are submitted for approval:

<u>TARIFF SHEET NUMBER</u>		<u>CANCELS SHEET NUMBER</u>		<u>SCHEDULE OR</u>
<u>ORIGINAL</u>	<u>REVISED</u>	<u>ORIGINAL</u>	<u>REVISED</u>	<u>RULE NUMBER</u>
84.1	1st Revision	84.1	Original	Residential TOU
86.1	1st Revision	86.1	Original	Small General Service TOU

Chugach is proposing to update the Pilot Program commencement date and the 54-month timeline to begin January 1, 2027. Chugach had previously proposed a starting date of January 1, 2026, which was filed with the Commission with Tariff Advice No. 544-8, dated June 30, 2023, and approved by the Commission January 30, 2025, with Order No. U-23-047(14) / U-23-048(14).

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 has been working steadily over the past several months to implement its new Customer Information System (CIS), Meter Data Management System (MDMS), and My Account Portal. These complex implementations have required significant labor, change orders, and collaboration both internally, as well as with vendors and consultants. Once stabilized, these modern platforms will provide the flexibility and functionality needed to support future initiatives across Chugach operations, including advanced rate designs such as the Time of Use (TOU), improved program

integration for offerings like community solar, and enhanced self-service options for members through the My Account Portal. Additionally, the MDMS is expected to provide more efficient data management to support reliability and planning.

After careful consideration, Chugach is not currently in a position to implement additional functionality within the CIS or MDMS. Core systems, including CIS, MDMS, and the My Account Portal will require further stabilization, fine tuning and testing prior to implementing the Pilot Program. Until these matters are resolved, pursuing TOU development would present undue operational and member-service risks.

Chugach has elected to propose a 12-month delay in implementing the Pilot Program. The 54-month program will now begin in January 2027, and continue through June 2031. Chugach will begin the process of member enrollment no later than October 1, 2026, and continue enrollment through November 30, 2026, for service starting January 1, 2027.

### **Description of Tariff Changes**

***Tariff Sheet 84.1:*** This sheet has been updated to reflect the one-year delay in the Pilot Program commencement as well as other associated dates.

***Tariff Sheet 86.1:*** This sheet has been updated to reflect the one-year delay in the Pilot Program commencement as well as other associated dates.

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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Attachments

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

RCA No. 8

1st Revision

Sheet No. 84.1



Canceling

Original

Sheet No. 84.1

Chugach Electric Association, Inc.

## RESIDENTIAL TIME OF USE PRICING PILOT

Residential retail customers may begin taking service under the Residential Time of Use Pilot Program beginning with the January 2027 monthly billing period.

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This Residential Time of Use Pilot Program is available to not more than 500 residential retail customers for which (a) Chugach is providing residential service, (b) an approved election form has been completed and approved by Chugach, (c) an advanced metering infrastructure (AMI) meter capable of providing interval usage is installed, and (d) the actual enrollment of residential and small commercial net metered customers shall not exceed a combined total of 100 customers.

Chugach will provide a window for customers to enroll in the Residential Time of Use Pilot Program starting no later than October 1, 2026 and ending November 30, 2026 for service starting with the January 2027 monthly billing period. If more than 500 customers request enrollment in the Residential Time of Use Pilot Program during this window, Chugach will use a non-discriminatory lottery to determine which customers are enrolled in the Residential Time of Use Pilot Program. After November 30, 2026, customers may elect to enroll in the Residential Time of Use Pilot Program and Chugach will enroll those customers if there are fewer than 500 residential retail customers enrolled in the Residential Time of Use Pilot Program. If at any time after November 30, 2026, Chugach receives enrollment requests exceeding 500 customers, Chugach will determine enrollment based on the time and date of the approved election form submitted by customers.

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The Residential Time of Use Pilot Program is effective through June 2031, subject to the RCA approving modifications to the Residential Time of Use Pilot Program, or ordering an extension or cancellation of the Residential Time of Use Pilot Program.

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Customers electing to enroll in the Residential Time of Use Pilot Program shall remain on the service until, at least, the first new billing cycle after enrollment. Customers who elect to unenroll in the Residential Time of Use Pilot Program are prohibited from re-enrolling for 12 calendar months after they return to the otherwise applicable tariff.

This service is available for customary and ordinary residential use and incidental domestic power. Nominal voltage is 120 volts and 120/240 volts, single phase.

RCA No. 81st RevisionSheet No. 86.1CancelingOriginalSheet No. 86.1

Chugach Electric Association, Inc.

### SMALL GENERAL SERVICE TIME OF USE PILOT PROGRAM

Small General Service retail customers may begin taking service under the Small General Service Time of Use Pilot Program beginning with the January 2027 monthly billing period.

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This Small General Service Time of Use Pilot Program is available to not more than 500 Small General Service retail customers for which (a) Chugach is providing Small General Service, (b) an approved election form has been completed and approved by Chugach, (c) an advanced metering infrastructure (AMI) meter capable of providing interval usage is installed, and (d) the actual enrollment of residential and small commercial net metered customers shall not exceed a combined total of 100 customers.

Chugach will provide a window for customers to enroll in the Small General Service Time of Use Pilot Program starting no later than October 1, 2026 and ending November 30, 2026 for service starting with the January 2027 monthly billing period. If more than 500 customers request enrollment in the Small General Service Time of Use Pilot Program during this window, Chugach will use a non-discriminatory lottery to determine which customers are enrolled in the Small General Service Time of Use Pilot Program. After November 30, 2026, customers may elect to enroll in the Small General Service Time of Use Pilot Program and Chugach will enroll those customers if there are fewer than 500 Small General Service retail customers enrolled in the Small General Service Time of Use Pilot Program. If at any time after November 30, 2026, Chugach receives enrollment requests exceeding 500 customers, Chugach will determine enrollment based on the time and date of the approved election form submitted by customers.

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The Small General Service Time of Use Pilot Program is effective through June 2031, subject to the RCA approving modifications to the Small General Service Time of Use Pilot Program, or ordering an extension or cancellation of the Small General Service Time of Use Pilot Program.

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Customers electing to enroll in the Small General Service Time of Use Pilot Program shall remain on the service until, at least, the first new billing cycle after enrollment. Customers who elect to unenroll in the Small General Service Time of Use Pilot Program are prohibited from re-enrolling for 12 calendar months after they return to the otherwise applicable tariff.

This service is available for customary and ordinary Small General Service use and incidental domestic power. Nominal voltage is 120 volts and 120/240 volts, single phase. Customers who exceed the load limit as defined below will be removed from the Pilot Program and charged under the applicable Large General Service rate schedule.

#### Purpose

The purpose of the Small General Service Time of Use Pilot Program is to determine if a time of use rate option (a) encourages changes in electricity usage, including a shift in the pattern of electricity usage from periods of higher prices to periods of lower prices, (b) encourages less electricity use during the periods when the distribution and transmission system have the highest demands, (c) encourages electric vehicle owners to charge their electric vehicles in periods when prices are lower, and (d) increases customers' satisfaction with their electric service.