



**ELECTRONICALLY FILED WITH RCA**

June 1, 2026

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

**Subject: *Tariff Advice Filing 592-8; Establishment of Community Energy Facilities Service Tariff in Compliance with AS 42.05.727 and 3 AAC 50.970***

Dear Commissioners:

On November 10, 2025, the Regulatory Commission of Alaska (Commission) adopted regulations at 3 AAC 50.950 – 3 AAC 50.999 implementing the community energy program requirements of Alaska Statute 42.05.727, enacted as part of the 2024 amendments to AS 42.05 (the SAVE Act). Pursuant to AS 42.05.727 and 3 AAC 50.970(a), each certificated electric utility is required to file a community energy tariff with the Commission for approval not later than May 31, 2026. The tariff filing described below is hereby transmitted to you for filing in compliance with AS 42.05.727, 3 AAC 50.950 – 3 AAC 50.999, the Alaska Public Utilities Commission Act, and Sections 3 AAC 48.200 – 3 AAC 48.470 of the Alaska Administrative Code. The purpose of this filing is to establish Chugach Electric Association, Inc.’s (Chugach) Community Energy Facilities Service (CEFS) tariff. Chugach requests approval of the following tariff sheets:

<u>TARIFF SHEET</u>		<u>CANCELS SHEET</u>		<u>SCHEDULE OR</u>
<u>NUMBER</u>		<u>NUMBER</u>		<u>RULE NUMBER</u>
<u>ORIGINAL</u>	<u>REVISED</u>	<u>ORIGINAL</u>	<u>REVISED</u>	
6.5	5 <sup>th</sup> Revision	6.5	4 <sup>th</sup> Revision	Rules and Regulations Index
100	2 <sup>nd</sup> Revision	100	1 <sup>st</sup> Revision	CEFS — Purpose & Definitions
100.1	Original	---	---	CEFS — Purpose & Definitions
100.2	Original	---	---	CEFS — Eligibility & Capacity
100.3	Original	---	---	CEFS — Subscriber Enrollment
100.4	Original	---	---	CEFS — Interconnection
100.5	Original	---	---	CEFS — Bill Credits
100.6	Original	---	---	CEFS — Charges & Cost Recovery
100.7	Original	---	---	CEFS — Subscriber Org. Requirements
100.8	Original	---	---	CEFS — Subscriber Org. Requirements
100.9	Original	---	---	CEFS — Subscriber Org. Requirements
100.10	Original	---	---	CEFS — Subscriber Org. Requirements
100.11	Original	---	---	CEFS — Reporting & Annual Update

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This filing is for a new service establishing terms, conditions, requirements, and rates under which Chugach will authorize Community Energy Facilities (CEF)s and Subscriber Organizations to interconnect with its electric system and enroll eligible retail members as subscribers, and under which Chugach will administer associated billing credits and implement fees sufficient to ensure that non-subscribing members bear none of the costs attributable to the CEFS. This filing 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 customers or the public. Chugach provides electric service to approximately 89,000 retail members with 113,000 retail metered locations and wholesale customer City of Seward d/b/a Seward Electric System. Chugach is projecting annual revenues of approximately \$394.3 million for calendar-year 2026. Currently, Chugach has no interconnected CEFs operating under the community energy program statute, and there is no immediate revenue impact resulting from the establishment of this tariff. Chugach requests that the tariff sheets submitted herein be approved with an effective date of August 1, 2026, with the availability of service to commence January 1, 2027, to align with the program implementation date stated in the tariff body and to allow time for billing system readiness.

With this filing, Chugach requests the following:

- Approval of Tariff Sheets 100 through 100.11 establishing the Community Energy Facilities Service tariff;
- Approval of a maximum aggregate nameplate capacity for CEFs of 5,000 kilowatts (5 MW) alternating current, in compliance with AS 42.05.727(a)(2) and 3 AAC 50.970(a)(5);
- Approval of a monthly administrative billing fee of \$2.80 per subscriber, subject to annual analysis and update based on actual and forecasted program administration costs;
- Approval of Subscriber Organization administrative application fees of \$1,124 for CEFs of 100 kW or less and \$2,248 for CEFs greater than 100 kW, in addition to the standard Rule 10.2 interconnection application fee of \$230;
- Confirmation that, consistent with 3 AAC 50.970(e), integration fees may be assessed to subscriber organizations only upon a demonstration of cost causation and prior Commission approval, and that there is a rebuttable presumption that a CEF with a nameplate capacity of less than 100 kW does not generate material incremental integration costs; and
- A waiver from providing supporting information in conformance with 3 AAC 48.275(b)(3) and 3 AAC 48.540(d), if needed.

## **Background**

In 2024, Senate Bill 152 (SB 152), titled the "Saving Alaskans Money with Voluntary Community Energy Act," was enacted as Chapter 29, SLA 2024, and codified at AS 42.05.725 to AS 42.05.735. SB 152 establishes the statutory framework for community energy programs in

Alaska. It requires certificated electric utilities to make community energy programs available to subscribers and to submit Commission-approved tariffs governing those programs. SB 152 further directed the Commission to adopt implementing regulations governing interconnection, bill credits, cost recovery, and program administration, while ensuring that community energy programs do not adversely affect retail rates.

In response to SB 152, the Commission opened Docket R-24-004 to develop regulations. Chugach actively participated in that proceeding. Following an expedited rulemaking process, the Commission adopted final regulations on November 10, 2025, in Order R-24-004(6). Those regulations took effect on April 22, 2026. Pursuant to 3 AAC 50.970(a), Chugach is required to submit on or before May 31, 2026, a tariff implementing a community energy program. This filing is submitted to comply with that requirement.

### **Summary**

Chugach has designed the CEFS tariff as an umbrella framework that establishes the program-wide rules governing CEF eligibility, interconnection, subscriber enrollment, bill credits, charges, and cost recovery. Facility-specific terms—including project location, technology configuration, expected commercial operation date, subscription terms, and applicable bill credit methodology—are addressed through individual Project Schedules filed with the Commission prior to or concurrently with interconnection of each CEF. This umbrella-plus-Project Schedule structure preserves Commission oversight of facility-specific terms while enabling Chugach to fulfill its statutory obligation to make the program available on a non-discriminatory basis to any eligible Subscriber Organization.

The CEFS program is voluntary and nondiscriminatory, and eligible retail members retain full discretion to enroll. The program is structured to maintain system reliability and to ensure, to the extent practicable, that costs are borne by the subscribers and Subscriber Organizations that incur them, thereby minimizing cost shifting to non-participants and limiting recovery of program-specific costs accordingly, consistent with applicable community energy regulations. A summary of the key tariff provisions demonstrating compliance with each applicable regulation is provided below.

### **Statutory and Regulatory Framework**

The CEFS tariff is filed pursuant to AS 42.05.727, which establishes the requirement that certificated electric utilities make community energy programs available, and AS 42.05.729, which establishes the bill credit structure for subscriber accounts. Additional statutory authority includes AS 42.05.725 (legislative purpose and findings), AS 42.05.731 (Commission authority and utility obligations), AS 42.05.735 (controlling definitions), and AS 42.05.291 (general tariff filing requirements). Construction of CEFs is subject to the prevailing wage requirements of AS 36.05.010, as referenced in 3 AAC 50.960(a)(5).

The CEFs tariff has been drafted to conform to each operative requirement of 3 AAC 50.950 – 3 AAC 50.999, including: 3 AAC 50.955 (community energy program); 3 AAC 50.960 (eligibility conditions for CEFs); 3 AAC 50.970 (community energy tariff contents and filing deadline); 3 AAC 50.980 (charges and credits); 3 AAC 50.990 (filing and reporting requirements); and 3 AAC 50.999 (definitions). Definitions used in the tariff are consistent with the controlling definitions in AS 42.05.735 and 3 AAC 50.999.

### **3 AAC 50.955 — Community Energy Program**

3 AAC 50.955 requires an electric utility to offer a community energy program through its tariff, to allow eligible CEFs to interconnect under the tariff's interconnection standards, to purchase the total electrical energy generated by an interconnected CEF (subject to the 110 percent production cap of 3 AAC 50.960(d)), and to notify the Commission within 30 days of any refusal to interconnect.

The Availability section of the CEFS tariff makes the program available to eligible retail members within Chugach's certificated service territory commencing January 1, 2027, subject to the interconnection of an eligible CEF and completion of required enrollment. The Interconnection Requirements section authorizes eligible CEFs to interconnect under the tariff's interconnection standards and expressly establishes that those standards may not place a greater burden on a CEF than Chugach's existing tariff places on other non-utility generators of similar capacity and configuration.

Consistent with the eligibility framework of AS 42.05.735 and 3 AAC 50.999, the CEFS tariff is available to eligible retail members of Chugach, defined retail members with an electricity demand of less than 50 kilowatts per month. Subscribers must remain current on amounts owed to Chugach and complete all required enrollment documentation. Each member account or meter may hold a subscription to only one CEF at any time, and the maximum subscribed nameplate capacity per member account is 25 kilowatts. At this time, members enrolled in Chugach's budget billing program, net metering service (Tariff Sheets 89.3 – 89.3.3), or a time-of-use rate program are not eligible to hold a CEFS subscription. These exclusions reflect current customer information system and meter data management system capabilities and are protective in nature. The tariff expressly preserves Chugach's right to modify these exclusions as billing and metering systems are updated to support concurrent enrollment, with any such modification requiring Commission approval.

Consistent with 3 AAC 50.955(b)(2), the Monthly Billing and Credits section expressly provides that Chugach purchases the total electric energy generated by each interconnected CEF, with such energy allocated between subscriber credits and unsubscribed energy compensation to the Subscriber Organization as set forth in that section. Consistent with 3 AAC 50.955(c), the Interconnection Requirements section provides that if Chugach refuses interconnection of a CEF, Chugach will notify the Commission not later than 30 days after issuing the refusal.

### **3 AAC 50.960 — Community Energy Facilities**

3 AAC 50.960 establishes eligibility criteria, construction standards, operational responsibilities, and reporting obligations applicable to CEFs. The CEFS tariff implements these requirements through the Eligible Facilities, Ownership Models, Interconnection Requirements, Subscriber Organization Requirements, and Chugach CEFS Website Information sections.

The Eligible Facilities section provides that each CEF must (1) be owned by a Subscriber Organization or by Chugach, consistent with 3 AAC 50.960(a)(1); (2) be located within Chugach's certificated service territory, consistent with 3 AAC 50.960(a)(2); (3) be managed and monitored by either a Subscriber Organization or an electric utility, consistent with 3 AAC 50.960(a)(3); (4) generate from an eligible renewable resource under 3 AAC 50.920(1), consistent with 3 AAC 50.960(a)(4); (6) include all devices, equipment, and required system upgrades for grid connection, consistent with 3 AAC 50.960(a)(6); and (7) meet applicable NEC, IEEE, and UL safety and performance standards through cross-reference to Rule 10.2 and Appendix C of Chugach's operating tariff, consistent with 3 AAC 50.960(a)(7).

Consistent with 3 AAC 50.960(a)(5), the Interconnection Requirements section requires that each CEF be constructed by contractors and subcontractors whose employees received the current prevailing rate of wages for public construction projects, as specified in the applicable determination issued by the Department of Labor and Workforce Development under AS 36.05.010. As a condition of interconnection, the Subscriber Organization must submit a written certification, executed by an authorized officer, confirming compliance with this requirement. Chugach shall rely on the certification for purposes of eligibility determination and has no independent obligation to audit or verify payroll compliance. A false or inaccurate certification is grounds for termination of the interconnection agreement.

Consistent with 3 AAC 50.960(b), the Subscriber Organization Requirements section requires each Subscriber Organization to furnish and install, at its own expense, a meter base for the installation of a utility-owned revenue meter. Chugach shall furnish, install, own, and read the revenue meter at the facility meter base, consistent with Chugach's standard metering practice. Consistent with 3 AAC 50.960(c), the tariff places responsibility for all costs of installation, administration, operation, and maintenance of the CEF on the facility owner.

Consistent with 3 AAC 50.960(d), the Eligible Facilities section and the 110 Percent Production Cap subsection of the Monthly Billing and Credits section together establish that the annual energy production of a CEF may not exceed 110 percent of the modeled annual production output of the facility's fully subscribed capacity, and that Chugach has no obligation to measure, allocate, credit, or compensate production attributable to a CEF in excess of that threshold. This limitation applies to attributed production for individual subscribers and to unsubscribed energy compensation to the Subscriber Organization.

Consistent with 3 AAC 50.960(e), the Enrollment section requires each Subscriber Organization, as a condition of interconnection, to provide Chugach with a complete subscriber list—including each subscriber’s Chugach account number and the allocated share of energy attributable to the subscriber—and to verify that each listed subscriber is an eligible member of Chugach. The Subscriber Organization must update subscriber list information not later than five business days before the start of each subscriber’s billing period in which a change is effective. Chugach is not responsible for billing errors arising from untimely or inaccurate subscriber list submissions.

Consistent with 3 AAC 50.960(f), the Subscriber Organization Requirements section requires each Subscriber Organization, as a condition of interconnection, to maintain a public Internet website that includes, at minimum: enrollment procedures and eligibility requirements; subscription terms and conditions; the methodology for calculating subscriber credits; subscription fees and exit terms; and contact information for the Subscriber Organization.

Consistent with 3 AAC 50.960(g), the Chugach CEFS Website Information section commits Chugach to maintain CEFS program information on its public Internet website, including a list of CEFs available within Chugach’s service area, program eligibility requirements, the current administrative billing fee, the current aggregate nameplate capacity utilized and remaining capacity under the program cap, and interconnection application instructions, and applicable fees.

### **3 AAC 50.970 — Community Energy Tariff Requirements**

3 AAC 50.970 specifies the content that a community energy tariff must include, including interconnection rules, insurance, system safety and disconnection, program capacity limits, technical standards, required participant information, outage reporting, enrollment, fees, and credits. Chugach addresses each operative subsection below.

#### **3 AAC 50.970(a)(1) — Interconnection Rules**

The proposed CEFS tariff establishes a comprehensive interconnection framework in the Interconnection Requirements section. Interconnection of a CEF is conducted on a cost-effective and non-discriminatory basis: the tariff expressly provides that interconnection requirements applied to CEFs may not place a greater burden on the interconnecting facility than Chugach’s operating tariff places on other non-utility generators of similar capacity and configuration.

Chugach’s interconnection process is structured around two parallel applications: (i) the standard Rule 10.2 non-utility interconnection application, accompanied by the standard interconnection application fee of \$230, which is processed under Rule 10.2 and Appendix C of Chugach’s existing operating tariff; and (ii) the CEF Administrative Application, accompanied by a non-refundable CEF administrative application fee of \$1,124 for CEFs of 100 kW or less and \$2,248 for CEFs greater than 100 kW, which is processed concurrently and addresses the program-specific administrative onboarding tasks distinct from the Rule 10.2 interconnection process.

Chugach will process CEF administrative applications in the order received, concurrent with the Rule 10.2 interconnection application where practicable. Within 30 days of receipt of a complete CEF administrative application, Chugach will notify the Subscriber Organization in writing whether the application is complete and provide the anticipated review timeline. If the application is incomplete, Chugach will identify all deficiencies in the completeness notice, and the 30-day review period does not commence until Chugach receives a complete application.

Consistent with 3 AAC 50.955(c), if Chugach refuses interconnection of a CEF, Chugach will notify the Commission not later than 30 days after issuing the refusal. In the event of conflict between the CEFS tariff and Rule 10.2 or Appendix C on an interconnection matter, Rule 10.2, and Appendix C control.

### **3 AAC 50.970(a)(2) — Liability Insurance Requirements**

Liability insurance requirements applicable to CEFs are governed by Rule 10.2 and Appendix C of Chugach's operating tariff, which apply to CEFs in the same manner as to other non-utility generators of similar capacity and configuration. This treatment satisfies the non-discrimination standard of 3 AAC 50.970(a)(1) and preserves the existing insurance requirements that have been established and accepted for non-utility generation interconnections on Chugach's system.

### **3 AAC 50.970(a)(3) — External Disconnect Switch Requirements**

External disconnect switch requirements applicable to CEFs are likewise governed by Rule 10.2 and Appendix C of Chugach's operating tariff, applied to CEFs in the same manner as to other non-utility generators of similar capacity and configuration. The existing Rule 10.2 / Appendix C framework establishes equipment standards consistent with the visible-break disconnect device definition in 3 AAC 50.949(26) and includes the alternative-disconnect and waiver options contemplated by 3 AAC 50.970(a)(3).

### **3 AAC 50.970(a)(4) — Rules for Disconnection of Service**

The Curtailment; Production Risk; Disclaimer section of the CEFS tariff authorizes Chugach to curtail output from a CEF for reasons of safety, system reliability, emergency operations, or compliance with applicable standards. Curtailment does not entitle a subscriber or Subscriber Organization to compensation or credit adjustments, except as expressly provided in an applicable interconnection agreement. The technical means and operational procedures for disconnection are governed by Rule 10.2 and Appendix C of Chugach's operating tariff.

### **3 AAC 50.970(a)(5) — Maximum Aggregate Nameplate Capacity**

The Maximum Aggregate Nameplate Capacity section establishes a system-wide aggregate nameplate capacity limit of 5,000 kilowatts (5 MW) alternating current for all CEFs interconnected with Chugach's system under the CEFS tariff. This limit is set at the threshold contemplated by the Commission's regulations.

Chugach shall evaluate and update this limit at least every two years beginning March 1, 2027, in accordance with AS 42.05.727(a)(2) and 3 AAC 50.990(b), considering Chugach's load profile and the effects on rates and reliability. Chugach additionally reserves the right to restrict interconnection on specific distribution feeders where interconnection would adversely affect system stability, operational reliability, or service quality, independent of the system-wide aggregate limit. The basis for any feeder-specific restriction will be documented and provided to the requesting Subscriber Organization. No new interconnection agreements will be executed once the 5 MW limit is reached unless and until the limit is revised by Commission-approved tariff amendment.

Chugach notes that at full subscription of the 5 MW program cap, CEFS subscribers will reduce their net energy purchases from Chugach while continuing to rely on Chugach's transmission, distribution, and capacity infrastructure to receive the benefit of their subscriptions. To the extent the fixed costs of that infrastructure are recovered through volumetric rates that are reduced by subscribers' net energy reductions, the program may produce a cost-recovery shortfall that, absent corrective rate design, could be borne by non-participating members. 3 AAC 50.980(e) prohibits the imposition of additional standby, capacity, or interconnection charges on subscribers without Commission approval. Chugach is not proposing any such charges in this filing. However, Chugach reserves the right to evaluate and, if appropriate, propose future rate structures associated with CEFS participation based on actual program participation levels, operational impacts, and cost recovery considerations, subject to Commission approval.

### **3 AAC 50.970(a)(6) — Equipment and Technical Requirements**

Inverter, converter, controller, and interconnection system equipment requirements applicable to CEFs are governed by Rule 10.2 and Appendix C of Chugach's operating tariff, applied to CEFs in the same manner as to other non-utility generators of similar capacity and configuration. These existing standards establish the inverter, paralleling, and protection equipment requirements applicable to non-utility generation in this capacity range and incorporate the applicable IEEE and UL standards contemplated by 3 AAC 50.970(a)(6).

### **3 AAC 50.970(a)(7) — Subscriber Organization Data and Reporting Requirements**

The Subscriber Organization Reporting Obligation subsection of the Monthly Billing and Credits section requires each Subscriber Organization, on or before the fifth business day preceding the start of each billing period, to report to Chugach the electric energy produced by the CEF during the prior billing period and each subscriber's proportional attributed share. The report must be provided in the format specified by Chugach. Chugach is not required to estimate attributed production in the absence of a timely, complete report. These provisions provide Chugach with the data necessary to calculate charges and credits in a timely and accurate manner, consistent with 3 AAC 50.970(a)(7) and 3 AAC 50.980.

### **3 AAC 50.970(a)(8) — Outage Reporting Procedures**

The Outage Reporting subsection of the Interconnection Requirements section establishes comprehensive planned- and unplanned-outage reporting procedures. For planned outages, the Subscriber Organization must notify Chugach not less than five business days before the outage or scheduled period of unavailability begins, identifying the facility, point of interconnection, anticipated start, estimated duration, and reason. For unplanned outages, the Subscriber Organization must notify Chugach as soon as practicable and in no event later than the next business day following the onset of the outage. Return-to-service notification must be provided not later than the next business day following restoration. All outage notices are submitted in writing by email to Chugach’s designated CEF program contact. Chugach is not required to estimate or impute attributed production for any billing period affected by a reported outage.

### **3 AAC 50.970(a)(9) — Enrollment Procedures for Chugach-Owned Facilities**

Enrollment procedures, application windows, subscription limits, and any lottery or waitlist process applicable to Chugach-owned CEFs are established in the applicable Project Schedule filed with the Commission for each Chugach-owned facility. This approach permits enrollment procedures to be tailored to the specific design and subscriber capacity of each Chugach-owned project while preserving Commission oversight through the Project Schedule filing.

### **3 AAC 50.970(a)(10) — Terms, Conditions, Fees, and Credits for Chugach-Owned Facilities**

Pricing, subscription terms, and billing treatment for Chugach-owned CEFs are established in the applicable Project Schedule filed with the Commission. Chugach does not currently operate any CEF and does not have an active Project Schedule on file at the time of this filing. Any future Chugach-owned CEF will be governed by a Project Schedule filed with the Commission prior to or concurrently with interconnection.

### **3 AAC 50.970(b) — Interconnection Charges**

Consistent with 3 AAC 50.970(b), the Charges and Cost Recovery section authorizes Chugach to impose reasonable interconnection charges — including costs for connection, switching, metering, distribution system modifications, safety provisions, and administration directly incurred as a result of the interconnection — only to the extent that such charges are in excess of the costs Chugach would have incurred absent the interconnection. This treatment is consistent with Rule 10.2(b)(5) of Chugach’s operating tariff and applies to CEFs on the same basis as to other non-utility generators of similar capacity and configuration.

### **3 AAC 50.970(c) — CEFS Program Administrative Cost Recovery**

Consistent with 3 AAC 50.970(c), the Charges and Cost Recovery section establishes two complementary mechanisms for recovery of Chugach’s reasonable incremental costs of administering the CEFS program: (i) a monthly administrative billing fee assessed to each subscriber, and (ii) a non-refundable CEF administrative application fee assessed to Subscriber Organizations at the time of application.

The monthly administrative billing fee is set at \$2.80 per subscriber, effective January 1, 2027. This fee is designed to recover Chugach's incremental costs of program administration, including billing system support, subscriber enrollment and changes, bill credit allocation and application, member service support, and CEFS-specific regulatory compliance and reporting activities. Because Chugach has no interconnected CEFs at the time of this filing and no actual operating data exists from which precise per-subscriber cost figures can be developed, the initial fee is established by reference to Chugach's reasonable estimate of incremental program administration costs. Chugach shall analyze the administrative billing fee annually based on actual incremental program administration costs incurred during the prior calendar year together with forecasted incremental costs for the upcoming calendar year, and shall file an annual tariff advice letter by March 1 of each year adjusting the fee as necessary to align cost recovery with actual and projected program administration costs. Consistent with 3 AAC 50.980(e), administrative billing fees are assessed to subscribers only; Chugach may not recover CEFS administration costs from non-subscribing members.

The CEF administrative application fee is set at \$1,124 for CEFs equal to or less than 100 kW and \$2,248 for CEFs greater than 100 kW. This fee is separate from, and in addition to, the standard Rule 10.2 interconnection application fee of \$230. The CEF administrative application fee is designed to recover Chugach's incremental administrative costs of onboarding a new CEF into the program, including verification of Subscriber Organization eligibility and organizational status, review and validation of the initial subscriber list, verification of subscriber eligibility, configuration of billing accounts and CIS system setup for CEF billing codes, regulatory reporting setup and program recordkeeping initialization, and updates to Chugach's CEFS program website information required under 3 AAC 50.960(g). The fee does not include costs of distribution system upgrades, which are the responsibility of the Subscriber Organization under 3 AAC 50.960(c), nor does it include any integration fee, which requires separate Commission approval under 3 AAC 50.970(e) as described below.

### **3 AAC 50.970(d) — Energy Storage Capacity Rate**

3 AAC 50.970(d) authorizes Chugach to establish a separate Commission-approved rate for capacity provided through energy storage. No CEF has been proposed or interconnected as of the effective date of this tariff, and no capacity rate has been established for Chugach's service territory. The Charges and Cost Recovery section acknowledges the regulatory provision and reserves Chugach's right to petition the Commission for approval of a capacity rate at such time as a storage-associated CEF is proposed or operational data supports such a proposal. No charge under 3 AAC 50.970(d) may be assessed unless and until approved by the Commission.

### **3 AAC 50.970(e) — Integration Fees**

Consistent with 3 AAC 50.970(e), the Charges and Cost Recovery section reserves Chugach's right to petition the Commission for approval to assess integration fees to Subscriber Organizations. No integration fee may be charged unless and until approved by the Commission.

Any integration fee assessed to a Subscriber Organization must be demonstrated to arise solely from the interconnection of the CEF with Chugach's electric system. Consistent with the rebuttable presumption established in 3 AAC 50.970(e), the tariff provides that a CEF with a nameplate capacity of less than 100 kW does not generate material incremental integration costs. Chugach is not proposing the assessment of any integration fee in this filing.

### **3 AAC 50.980 — Charges and Credits**

3 AAC 50.980 establishes the billing-mechanic framework for the community energy program. The Monthly Billing and Credits section of the CEFS tariff implements each operative subsection.

Consistent with 3 AAC 50.980(a), the Subscriber Organization Reporting Obligation subsection requires the Subscriber Organization to measure and report production and each subscriber's attributed share on or before the fifth business day preceding the start of each billing period, and provides that Chugach will bill each subscriber based on that report. Consistent with 3 AAC 50.980(b)(1), the Billing Mechanics subsection provides that if Chugach furnished more electric energy to the subscriber's designated service location than the subscriber was allocated by the CEF, Chugach shall bill the subscriber for the net electric energy supplied at the applicable retail rates contained in the operating tariff.

Consistent with 3 AAC 50.980(b)(2), the Billing Mechanics subsection provides that if the subscriber supplied more electric energy to Chugach through their subscription to a CEF during the monthly billing period than Chugach supplied, Chugach shall credit the subscriber's account with the kWh of net electric energy supplied to Chugach multiplied by the Avoided Energy Rate. The Definitions section identifies the Avoided Energy Rate as the rate set forth on Tariff Sheet No. 97 of Chugach's operating tariff, named the Non-Firm Buyback Rate. Consistent with the regulatory definition under 3 AAC 50.999(1) and 3 AAC 50.949(20), the Sheet 97 Non-Firm Buyback Rate serves as the appropriate credit rate for purposes of 3 AAC 50.980(b)(2).

Consistent with AS 42.05.729, credits shall appear on the subscriber's bill within one billing cycle of the generation of the energy by the CEF. Consistent with 3 AAC 50.980(c)(1) and (c)(2), dollar amounts credited to the subscriber's account shall be used to reduce amounts owed by the subscriber in subsequent monthly billing periods, do not expire, and do not revert to Chugach or the Subscriber Organization. Unused credits will be paid to the subscriber in the event electric service is terminated. Consistent with 3 AAC 50.980(d), Chugach may bill subscribers for all other applicable charges authorized by the subscriber's retail rate schedule, including customer charges, demand charges, and any applicable rider or surcharge. Subscribers remain subject to all applicable provisions of Chugach's operating tariff.

Consistent with 3 AAC 50.980(e), no additional standby, capacity, interconnection, or other fees may be assessed to subscribers without Commission approval, and reasonable costs of administering the program are assessed to subscribers only. Chugach may not recover CEFS program costs from non-subscribing members. Consistent with 3 AAC 50.980(f), the Monthly

Billing and Credits section reserves Chugach's right to propose new or modified rate classes applicable to CEFS subscribers through a general rate case or other Commission proceeding, based on a cost-of-service study demonstrating that subscribers constitute a distinct customer class warranting separate rate treatment.

Consistent with 3 AAC 50.980(g), the Unsubscribed Energy subsection provides that Chugach shall accept unsubscribed energy generated by a CEF and shall compensate the Subscriber Organization for that energy at the Non-firm Buyback rate. Consistent with 3 AAC 50.960(d), the 110 percent production cap applies to both attributed production for individual subscribers and to unsubscribed energy compensation to the Subscriber Organization.

### **3 AAC 50.990 — Filing and Reporting Requirements**

Consistent with 3 AAC 50.990(a), the Reporting and Compliance section commits Chugach to file an annual tariff advice letter on or before March 1 of each year, with an accompanying tariff sheet updating the CEFS report. The annual report shall include: the total number of interconnected CEFs; total nameplate capacity per type of renewable generation within Chugach's service area; total energy fed into the grid per type of renewable generation; total number of subscribers per type of renewable generation; the retail bill impact of subscription to the CEFS; and the administrative billing fee analysis, including actual prior-year costs, forecasted upcoming-year costs, and any proposed rate adjustment. Chugach's first annual report will be filed on March 1, 2027.

Consistent with 3 AAC 50.990(b) and AS 42.05.727(a)(2), beginning March 1, 2027, Chugach shall report the updated maximum aggregate nameplate capacity for CEFs biennially, considering Chugach's load profile and the effects on rates and reliability.

### **Nonsubscriber Protection**

Consistent with 3 AAC 50.980(e), the costs of the CEFS must be borne by program participants rather than the general membership, the CEFS tariff incorporates a Nonsubscriber Protection framework within the Charges and Cost Recovery section. To the extent costs directly and reasonably attributable to the CEFS are identifiable through Chugach's cost accounting and program administration records, Chugach shall not recover those costs from members who do not participate in the program. Where program-related costs are embedded in shared administrative functions, overhead allocations, or system-wide operations in a manner that makes precise identification and segregation impracticable, Chugach shall use reasonable efforts to isolate and allocate such costs to the extent practicable and shall document its allocation methodology in the annual administrative billing fee filing. Chugach may petition the Commission under 3 AAC 50.980(f) for approval of an alternative cost recovery mechanism, including but not limited to a new rate class for CEFS participants, if it determines that the program is producing a material adverse rate impact on non-participating members.

### **Relationship to Existing Chugach Programs**

The CEFS tariff does not supersede or modify the Community Solar Service Pricing Pilot on Tariff Sheets 104 – 104.4, which continues in effect under its own terms through July 31, 2028. Members enrolled in the Community Solar Service Pricing Pilot may not concurrently hold a CEFS subscription unless the combined subscribed capacity, including the Community Solar subscription, does not exceed the subscription limits set forth in the CEFS tariff. Chugach may, upon expiration of the pilot period, propose to incorporate the Community Solar facility into the CEFS tariff as a Project Schedule if appropriate at that time.

The CEFS tariff also does not modify Chugach’s Net Metering Service under Tariff Sheets 89.3 – 89.3.3. A member enrolled in net metering service is not eligible to participate in CEFS under this tariff, and a member’s subscribed share under the CEFS tariff does not count against the net metering capacity limitations or system percentage caps applicable under Chugach’s net metering tariff or applicable regulations. Chugach reserves the right to revisit the relationship between net metering capacity limits and CEFS subscriptions at the biennial nameplate capacity review or in a separate tariff or regulatory proceeding, as system conditions warrant.

### **Request for Waiver of 3 AAC 48.275(b)(3) and 3 AAC 48.540(d), if Needed**

Chugach may be required under 3 AAC 48.275(b)(3) and 3 AAC 48.540(d) to submit cost justification for new rates and fees. The administrative billing fee proposed in this filing is initially established by reference to Chugach’s incremental costs of administering the CEFS and will be analyzed and updated annually based on actual prior-year and forecasted upcoming-year program administration costs. Chugach currently has no interconnected CEFs, and no actual operating data exists from which precise per-subscriber cost figures can be developed. To the extent that additional cost information is needed, Chugach respectfully requests a waiver from 3 AAC 48.275(b)(3) and 3 AAC 48.540(d) until operational cost information can be obtained. Chugach will refine the administrative billing fee through its annual analysis as program participation develops and incremental cost data becomes available.

### **Description of Tariff Sheet Changes**

***Tariff Sheet No. 6.5:*** This sheet has been updated to include the proposed CEFS on the Operating Tariff index.

***Tariff Sheet No. 100:*** Establishes the Purpose and Availability of the CEFS tariff, including the regulatory authority under AS 42.05.727 and 3 AAC 50.950 – 3 AAC 50.999, the voluntary nature of program participation, the January 1, 2027 service availability date, and the relationship to the Community Solar Service Pricing Pilot on Tariff Sheets 104 – 104.4.

***Tariff Sheet No. 100.1:*** Establishes the controlling definitions used in the CEFS tariff, including Avoided Energy Rate, Community Energy Facility (CEF), Excess Electric Energy, Project

Schedule, Subscriber, Subscriber Organization, Subscription, and Unsubscribed Energy. Definitions are consistent with AS 42.05.735 and 3 AAC 50.999.

***Tariff Sheet No. 100.2:*** Establishes eligible facility requirements consistent with 3 AAC 50.960, the two ownership models (Chugach-owned and Subscriber Organization-owned), the 5 MW maximum aggregate nameplate capacity consistent with 3 AAC 50.970(a)(5) and Chugach’s authority to apply feeder-level restrictions, and the Project Schedule filing requirement.

***Tariff Sheet No. 100.3:*** Establishes member eligibility criteria, subscription limits (one CEF subscription per member account; maximum 25 kW subscribed nameplate capacity per Subscriber), and enrollment procedures for both Subscriber Organization-owned and Chugach-owned facilities, including the incompatibility provisions with budget billing, net metering, time-of-use, and the Community Solar Service Pricing Pilot during the initial program period.

***Tariff Sheet No. 100.4:*** Establishes interconnection requirements consistent with Rule 10.2, Appendix C, and 3 AAC 50.960, including the non-discrimination standard of 3 AAC 50.970(a)(1), the prevailing wage requirement of AS 36.05.010, the Initial Application and Study Process, and the planned- and unplanned-outage reporting obligations of Subscriber Organizations.

***Tariff Sheet No. 100.5:*** Establishes the Monthly Billing and Credits mechanism consistent with 3 AAC 50.980 and AS 42.05.729, including the Subscriber Organization reporting obligation, billing mechanics for both net-consumption and net-credit billing periods, treatment of unsubscribed energy at the Non-Firm buyback power rate on Tariff Sheet No. 97, the 110 percent production cap, and other applicable charges retained under the Subscriber’s retail rate schedule.

***Tariff Sheet No. 100.6:*** Establishes the Charges and Cost Recovery framework, including the monthly \$2.80 per Subscriber administrative billing fee subject to annual review, the Subscriber Organization application fees (\$1,124 for CEFs  $\leq$  100 kW; \$2,248 for CEFs  $>$  100 kW), Chugach’s reservation of authority to establish a separate cost-of-service-based charge or energy storage capacity rate under 3 AAC 50.970(d), the interconnection charges authorized under 3 AAC 50.970(b), and the nonsubscriber protection framework under 3 AAC 50.980(e) – (f).

***Tariff Sheet No. 100.7:*** Establishes Subscriber Organization Requirements, including the public website disclosure obligations under 3 AAC 50.960(f), environmental attribute treatment, and the metering and production data framework under which Chugach furnishes, installs, and reads the utility-owned revenue meter at each facility.

***Tariff Sheet No. 100.8:*** Establishes Chugach’s curtailment authority for reasons of safety, system reliability, and emergency operations; the production risk and disclaimer provisions; and the framework for Subscription Term and Cancellation, including the conditions under which Chugach may remove a member from participation in a CEF.

***Tariff Sheet No. 100.9:*** Establishes Subscription Portability rules permitting a Subscriber to transfer an active subscription to another meter or account in the Subscriber's name within Chugach's certificated service territory; the Resale Prohibition referencing Rule 7 of Chugach's operating tariff; and the Tax responsibility provision placing tax determination, payment, and reporting obligations on the Subscriber.

***Tariff Sheet No. 100.10:*** Establishes the Transition framework with respect to the Community Solar Service Pricing Pilot, under which Chugach may, upon expiration of the pilot period, incorporate the Community Solar facility into the CEFS tariff as a Project Schedule, and the Net Metering Interaction provisions reserving Chugach's right to revisit the relationship between net metering capacity limits and CEFS subscriptions at the biennial nameplate capacity review.

***Tariff Sheet No. 100.11:*** Establishes the annual Reporting and Compliance obligations under 3 AAC 50.990(a), including the annual March 1 tariff advice letter and the biennial maximum aggregate nameplate capacity update beginning March 1, 2027 under 3 AAC 50.990(b), together with the Chugach CEFS Website Information obligations under 3 AAC 50.960(g).

Questions regarding this filing should be directed to David J. Caye, Manager, Regulatory Affairs at (907) 762-4842 or david\_caye@chugachelectric.com.

Sincerely,

CHUGACH ELECTRIC ASSOCIATION, INC.



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Attachments

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Daniel Heckman, Golden Valley Electric Association, Inc. (electronically)  
Tyler Clark, Matanuska Electric Association, Inc. (electronically)  
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J.C. Croft, Assistant Attorney General of Regulatory Affairs & Public Advocacy (electronically)

RCA No. 8

5<sup>th</sup> Revision

Sheet No. 6.5



Canceling  
4<sup>th</sup> Revision

Sheet No. 6.5

Chugach Electric Association, Inc.

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Chugach Electric Association, Inc.

## COMMUNITY ENERGY FACILITY SERVICE

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### PURPOSE

This tariff establishes the framework under which Chugach Electric Association, Inc. (Chugach) administers its Community Energy Facilities Service (CEFS). It sets forth the eligibility requirements, interconnection terms, and operational conditions applicable to Community Energy Facilities (CEF) and Subscriber Organizations; the methodology by which Chugach calculates and applies billing credits to enrolled Subscribers; and the fees and cost-allocation mechanisms required to ensure that members who do not participate in the program bear none of its associated costs. This tariff is adopted in accordance with AS 42.05.727 and 3 AAC 50.950 – 3 AAC 50.999, which govern community energy programs offered by certificated electric utilities in Alaska.

This tariff is separate from and does not supersede the Community Solar Service Pricing Pilot set forth on Tariff Sheets 104 – 104.4, which continues in effect under its own terms through July 31, 2028.

### AVAILABILITY

CEFS is available to eligible retail members within Chugach's certificated service territory, subject to:

- (a) eligibility requirements set forth in this tariff;
- (b) the interconnection and operational requirements applicable to each CEF;
- (c) the capacity limits established in this tariff; and
- (d) any additional conditions set forth in an applicable Project Schedule approved by or filed with the Regulatory Commission of Alaska (Commission).

Community Energy Facilities Service is voluntary. Participation does not affect a member's obligation to pay for retail electric service under the member's otherwise applicable rate schedule.

CEFS is available to retail members commencing January 1, 2027, subject to the interconnection of an eligible CEF and completion of required enrollment.

### DEFINITIONS

As used in this tariff, the following terms have the meanings set forth below:

#### Avoided Energy Rate

The rate set forth on Tariff Sheet No. 97 of this tariff, named Non-Firm Buyback Rate.

#### Community Energy Facility (CEF)

A renewable energy generating facility operating under this CEFS tariff that is not connected to a Subscriber's electricity meter and that provides all or a portion of the electrical energy requirements of one or more Subscribers. A CEF must be owned by a Subscriber Organization or by Chugach and must meet all eligibility requirements set forth on Tariff Sheet No. 100.1.

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## COMMUNITY ENERGY FACILITY SERVICE (CONTINUED)

N

### Community Energy Program

A program offered by Chugach under this tariff that (a) allows a CEF to primarily generate electric energy to offset the electric energy requirements of the facility's Subscribers and to supply generated electric energy to Chugach, and (b) provides a credit to a Subscriber under this tariff for the Subscriber's portion of the electric energy generated by a CEF during a monthly billing period, consistent with 3 AAC 50.999(4).

### Excess Electric Energy

The electric energy attributed to a Subscriber's subscription in a CEF that exceeds the Subscriber's electric requirements in a Subscriber's single billing period.

### Project Schedule

A facility-specific tariff schedule or supplement filed with or approved by the Commission, identifying the project-specific terms, conditions, and rates applicable to a particular CEF operating under this tariff.

### Subscriber

An eligible retail member of Chugach who holds one or more accounts with subscription to a CEF.

### Subscriber Organization

An entity, other than Chugach, that owns or operates one or more Community Energy Facilities under this tariff.

### Subscription

A subscription agreement, as reported to Chugach by a Subscriber Organization, between a Subscriber and a Subscriber Organization, or between a Subscriber and Chugach for a Chugach-owned facility, establishing the Subscriber's allocated share of a specific CEF's output and the associated terms and conditions.

### Unsubscribed Energy

The proportion of electric energy generated by a CEF during a billing period that is not allocated to Subscribers.

## ELIGIBLE FACILITIES

To be eligible for interconnection and operation under this tariff, a CEF must:

- (a) be located within Chugach's certificated service territory;
- (b) generate electric energy from an eligible renewable resource, which includes solar photovoltaic, wind, hydroelectric, biomass, biogas, landfill gas, geothermal, ocean thermal, hydrokinetic energy, or other resource eligible under 3 AAC 50.920(1), as applicable;
- (c) be a standalone generation facility not connected to, or behind a retail service meter;
- (d) meet all interconnection requirements set forth in Appendix C of this tariff;

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## COMMUNITY ENERGY FACILITY SERVICE (CONTINUED)

N

- (e) be owned by a Subscriber Organization or by Chugach; and
- (f) be the subject of a Project Schedule filed with the commission prior to or concurrently with interconnection.

The annual energy production of a CEF may not exceed 110 percent of the total modeled annual production output of the facility's fully subscribed capacity. Chugach has no obligation to measure, allocate, or credit production attributable to a CEF in excess of that threshold.

### OWNERSHIP MODELS

#### 1. Chugach-Owned Facilities

Chugach may own and operate a CEF. For Chugach-owned facilities, Chugach provides participating members a subscription service under an applicable Project Schedule. Pricing, subscription terms, and billing treatment for Chugach-owned facilities are established in the applicable Project Schedule.

#### 2. Subscriber Organization-Owned Facilities

A Subscriber Organization may own and operate a CEF within Chugach's certificated service territory.

### MAXIMUM AGGREGATE NAMEPLATE CAPACITY

The maximum aggregate nameplate capacity for all CEFs with interconnection agreements with Chugach's system under this tariff is 5,000 kilowatts (5 MW) alternating current. Chugach shall evaluate and update this limit at least every two years beginning March 1, 2027, in accordance with AS 42.05.727(a)(2) and 3 AAC 50.990(b).

Chugach reserves the right to restrict interconnection on specific distribution feeders where interconnection would adversely affect system stability, operational reliability, or service quality, independent of the system-wide aggregate limit. The basis for any feeder-specific restriction will be documented and provided to the requesting Subscriber Organization.

No new interconnection agreements will be executed once the 5 MW limit is reached unless and until the limit is revised by a Commission-approved tariff amendment.

### PROJECT SCHEDULE REQUIREMENT

Each CEF operating under this tariff must be the subject of a Project Schedule as part of the Administrative Application Process. A Project Schedule is facility-specific and must be filed with the Commission, as applicable, prior to commencement of operations.

Each Project Schedule must identify, at minimum:

- (a) facility name, location, and point of interconnection;
- (b) facility owner and operator;

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Chugach Electric Association, Inc.

**COMMUNITY ENERGY FACILITY SERVICE (CONTINUED)**

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- (c) eligible technology type and nameplate capacity;
- (d) expected commercial operation date;
- (e) maximum number of subscriptions and Subscriber eligibility limitations, if any;
- (f) applicable charges and bill credit methodology, consistent with Tariff Sheet No. 100.6;
- (g) applicable administrative charges consistent with Tariff Sheet No. 100.7 and 100.8.

Subscriber Organizations are required to provide Chugach the necessary information for the Project Schedule.

**MEMBER ELIGIBILITY**

To be enrolled as a Subscriber under this tariff, a member's account must:

- (a) be in good standing with an active account;
- (b) be a residential account, small general service account, or any other account with an electricity demand of less than 50 kilowatts per month;
- (c) remain current on all amounts owed to Chugach;
- (d) not be enrolled in Chugach's budget billing program;
- (e) not be enrolled in Chugach's net metering program;
- (f) not be a Subscriber to another CEF;
- (g) not be enrolled in a Time of Use (TOU) rate program;
- (h) not be enrolled in Chugach's Community Solar Service Pricing Pilot set forth on Tariff Sheets 104-104.4; and
- (i) complete all required enrollment documentation.

Chugach reserves the right to modify the budget billing, net metering, CEF subscription, Chugach Community Solar, or TOU enrollment exclusions set forth above as Chugach's billing and metering systems are updated and tested to support concurrent enrollment, with any such modification requiring Commission approval.

CEF subscriptions under this tariff are separate from and do not count against the capacity limits applicable to net metering service under Tariff Sheets 89.3 – 89.3.3. Net metering service under Tariff Sheets 89.3 – 89.3.3 does not count against the maximum aggregate nameplate capacity for CEFs set forth under this tariff.

**SUBSCRIPTION LIMITS**

Each member account or meter may hold a subscription to only one CEF at any time.

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## COMMUNITY ENERGY FACILITY SERVICE (CONTINUED)

N

The maximum subscribed nameplate capacity per Subscriber is 25 kilowatts (kW).

### ENROLLMENT

#### 1. Subscriber Organization-Owned Facilities

For CEFs owned by a Subscriber Organization, the Subscriber Organization administers its own Subscriber enrollment, contract execution, and subscription management. Chugach is not a party to subscription agreements between a Subscriber Organization and its Subscribers. Prior to or concurrently with interconnection, the Subscriber Organization must provide Chugach with:

- (a) a complete list of Subscribers, including each Subscriber's Chugach account number and the allocated share of energy to be attributable to the Subscriber each month; and
- (b) verification that each listed Subscriber is an eligible member of Chugach.

The Subscriber Organization must update Subscriber list information not later than five (5) business days before the start of each Subscriber's billing period in which a change is effective. Chugach is not responsible for billing errors arising from untimely or inaccurate Subscriber list submissions.

#### 2. Chugach-Owned Facilities

For Chugach-owned CEFs, enrollment procedures, application windows, subscription limits, and any lottery or waitlist process are set forth in the applicable Project Schedule.

### INTERCONNECTION REQUIREMENTS

All CEFs interconnecting with Chugach's system under this tariff must comply with the requirements of this section. These requirements are in addition to, and do not supersede, any applicable requirements of Rule 10 of this tariff (Tariff Sheet 105) and Appendix C or Appendix D, as applicable. Interconnection requirements applied to CEFs shall not place a greater burden on an interconnecting facility than Chugach's Operating Tariff places on other non-utility generators of similar capacity and configuration.

A CEF must meet the technical requirements set forth in Rule 10.2 of this tariff and Chugach's Interconnection Guidelines for Non-Utility Generation (Appendix C), as applicable based on the facility's nameplate capacity and configuration. The facility class applicable to a CEF is determined by nameplate capacity and stiffness ratio at the proposed point of interconnection, consistent with Rule 10.2(c) and (d). Safety, equipment, inverter, disconnect, metering, and insurance requirements are governed by Rule 10.2 and Appendix C and apply to CEFs in the same manner as to other nonutility generators of similar capacity and configuration.

In addition to the requirements of Rule 10.2 and Appendix C, a CEF must have been constructed by contractors and subcontractors whose employees received the current prevailing rate of wages for public construction projects, as specified in the applicable determination issued by the Department of Labor and Workforce Development under AS 36.05.010. As a condition of interconnection, the Subscriber Organization must submit a written certification, executed by an authorized officer, confirming compliance

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Chugach Electric Association, Inc.

## COMMUNITY ENERGY FACILITY SERVICE (CONTINUED)

N

with this requirement. Chugach shall rely on the certification for purposes of eligibility determination and has no independent obligation to audit or verify payroll compliance. A false or inaccurate certification is grounds for termination of the interconnection agreement.

In the event of conflict between this tariff and Rule 10.2 or Appendix C on an interconnection matter, Rule 10.2 and Appendix C take precedent.

### 1. Initial Application and Study Process

A Subscriber Organization seeking interconnection must submit the following to Chugach prior to interconnection:

- (a) Standard Non-Utility Interconnection Application;
- (b) CEF Program Administrative Application;

The Subscriber Organization must submit a CEF program administrative application and pay a non-refundable CEF administrative application fee. This fee is separate from and in addition to the Rule 10 interconnection application fee. This administrative application must include a Project Schedule;

- (c) Application Processing and Timeline

Chugach will process CEF administrative applications in the order received, concurrent with the Rule 10 interconnection application where practicable. Within thirty (30) days of receipt of a complete CEF administrative application, Chugach will notify the Subscriber Organization in writing whether the application is complete and provide the anticipated timeline for review. If the application is incomplete, Chugach will identify all deficiencies in the completeness notice. The 30-day review period does not commence until Chugach receives a complete application;

If Chugach refuses interconnection with a CEF, Chugach will notify the Commission not later than thirty (30) days after issuing the refusal, in accordance with 3 AAC 50.955(c).

### 2. Outage Reporting

**Planned Outages.** The Subscriber Organization must notify Chugach of any planned maintenance outage or scheduled period of unavailability not less than five (5) business days before the outage or unavailability begins. The notice must include the facility name and point of interconnection, the anticipated start date and time, the estimated duration, and a brief description of the reason for the outage.

**Unplanned Outages.** The Subscriber Organization must notify Chugach of any forced or unplanned outage or period of unavailability as soon as practicable and in no event later than the next business day following the onset of the outage. The notice must include the facility name and point of interconnection, the date and time the outage began, the estimated duration if known, and a brief description of the cause to the extent known at the time of notice.

**Return to Service.** The Subscriber Organization must notify Chugach when a CEF that has been reported as out of service or unavailable has returned to normal operation. Notice of return to service must be provided not later than the next business day following restoration.

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## COMMUNITY ENERGY FACILITY SERVICE (CONTINUED)

N

**Notice Method.** All outage notices required under this section must be submitted to Chugach in writing by email to the designated CEF program contact. Chugach will provide the Subscriber Organization with the designated contact information at the time of interconnection and will update it as necessary.

**Effect on Billing.** Chugach is not required to estimate or impute attributed production for any billing period in which a reported outage or unavailability results in zero or reduced production. Subscriber credits for any affected period will be calculated based on actual metered production as reported by the Subscriber Organization under the Subscriber Organization Reporting Obligation set forth in the Monthly Billing and Credits section of this tariff.

### MONTHLY BILLING AND CREDITS

Members enrolled in this program continue to take retail electric service under their otherwise applicable rate schedule. Accounts under each project schedule will be aligned to a specific billing period defined by Chugach during the setup process. CEF subscription credits are applied to the member's retail bill as set forth in this section. Consistent with 3 AAC 50.955(b)(2), Chugach purchases the total electric energy generated by each interconnected CEF, with such energy allocated between Subscriber credits and Unsubscribed Energy compensation to the Subscriber Organization as set forth in this section. Chugach reserves the right to propose new or modified rate classes applicable to community energy program Subscribers through a general rate case or other Commission proceeding, based on a cost-of-service study demonstrating that Subscribers constitute a distinct customer class warranting separate rate treatment, consistent with 3 AAC 50.980(f).

#### 1. Subscriber Organization Reporting Obligation

On or before the fifth (5th) business day preceding the start of each billing period, the Subscriber Organization must report to Chugach the electric energy produced by the CEF during the prior billing period and each Subscriber's proportional attributed share. The report must be provided in the format specified by Chugach. Chugach is not required to estimate attributed production in the absence of a timely, complete report.

#### 2. Billing Mechanics

On receipt of the Subscriber Organization's production report, Chugach shall bill each Subscriber as follows:

- (a) If Chugach furnished more electric energy to the Subscriber's designated service location than the Subscriber was allocated by the CEF, Chugach shall bill the Subscriber for the number of kWh of net electric energy supplied by Chugach to the customer at the applicable retail rates contained in the operating tariff; or
- (b) If the Subscriber supplied more electric energy to Chugach through their subscription to a CEF during the monthly billing period, Chugach shall credit the Subscribers account with an amount derived by multiplying the kWh of net electric energy supplied by the Subscriber to Chugach by the

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## COMMUNITY ENERGY FACILITY SERVICE (CONTINUED)

N

Non-firm Buyback rate. Credits shall appear on the Subscriber's bill within one billing cycle of the generation of the energy by the CEF, as required by AS 42.05.729;

- (c) Dollar amounts credited to the account of a Subscriber shall be used to reduce amounts owed by the subscriber in subsequent monthly billing periods. Dollar amounts credited do not expire or otherwise revert to Chugach or the Subscriber Organization. Unused credits will be paid to the Subscriber in the event electric service is terminated;

### 3. Unsubscribed Energy

Chugach shall accept unsubscribed energy generated by a CEF. Chugach shall compensate the Subscriber Organization for unsubscribed energy at the Non-firm Buyback rate.

### 4. 110 Percent Production Cap

Per 3 AAC 50.960(d), Chugach has no obligation to measure, allocate, credit, or compensate for production from a CEF that exceeds 110 percent of the total modeled annual production output, as established in the interconnection agreement, of the facility's fully subscribed capacity. This limitation applies to attributed production for individual Subscribers and to unsubscribed energy compensation to the Subscriber Organization.

### 5. Other Applicable Charges

Chugach may bill each Subscriber for all applicable charges authorized by the Subscriber's retail rate schedule, including customer charges, demand charges, and any applicable rider or surcharge. Subscribers remain subject to all applicable provisions of Chugach's operating tariff.

## CHARGES AND COST RECOVERY

Chugach recovers the costs of administering the community energy program through the fees and mechanisms described in this section. All charges are designed to ensure that program costs are borne by program participants and that non-subscribing members are held harmless from costs attributable to the community energy program, consistent with AS 42.05.727 and 3 AAC 50.970.

Chugach recognizes that Subscribers and Subscriber Organizations effectively use Chugach's distribution system to receive the full benefit of a CEF. The extent to which that use is adequately recovered through existing rate structures — or whether a separate distribution cost-of-service charge applicable to CEF Subscribers is warranted — has not been determined. Chugach will evaluate the need for a separate Cost of Service based charge once actual program participation and facility data are available.

Chugach reserves the right to petition the Commission for approval of a cost-of-service-based charge applicable to CEF Subscribers, including an energy storage capacity rate under 3 AAC 50.970(d), at such time as the record supports such a proposal. No charge under this section may be assessed unless and until approved by the Commission.

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Chugach Electric Association, Inc.

**COMMUNITY ENERGY FACILITY SERVICE (CONTINUED)**

N

**1. Administrative Billing Fee — Subscribers**

To recover Chugach’s reasonable incremental costs of administering the community energy program, Chugach shall assess each Subscriber a monthly administrative billing fee. The administrative billing fee is effective January 1, 2027, and is subject to annual review.

Administrative Billing Fee: \$2.80 per Subscriber per Month

Administrative billing fees shall be assessed to Subscribers only. Chugach may not recover CEFS administration costs from non-subscribing members.

**2. Community Energy Facility Application Fee – Subscriber Organization**

The CEF administrative application fee is authorized under 3 AAC 50.970(c) as a reasonable cost of administering the community energy program. It does not include costs of distribution system upgrades, which are the responsibility of the Subscriber Organization under 3 AAC 50.960(c), nor does it include any integration fee, which requires separate Commission approval under 3 AAC 50.970(e). The CEF administrative application fee is effective January 1, 2027, and is subject to annual review.

Small CEF (less than or equal to 100 kW) Application Fee: \$1,124 per application

Large CEF (greater than 100kW) Application Fee: \$2,248 per application

The standard Rule 10.2 interconnection application fee and the CEF administrative application fee are both due prior to interconnection as set forth in the Initial Application and Study Process subsection of the Interconnection Requirements section of this tariff. Application fees are in addition to any costs associated with distribution system upgrades required to facilitate interconnection, which are the responsibility of the Subscriber Organization under 3 AAC 50.960(c).

**3. Capacity Charges**

3 AAC 50.970(d) authorizes Chugach to establish a separate Commission-approved rate for capacity provided through energy storage associated with a CEF. No storage-associated CEF has been proposed or interconnected as of the effective date of this tariff, and no such rate has been established for Chugach’s service territory.

**4. Integration Fees**

In addition to the application fees set forth above, Chugach may impose reasonable interconnection charges as authorized under 3 AAC 50.970(b), including costs for connection, switching, metering, distribution system modifications, safety provisions, and administration directly incurred as a result of the interconnection. Such charges may only be assessed to the extent they are in excess of the costs Chugach would have incurred absent the interconnection, consistent with Rule 10.2(b)(5) of this tariff. Consistent with 3 AAC 50.970(e), Chugach will not assess integration fees on facilities with a nameplate capacity 100kW or less, based on the rebuttable presumption that such facilities do not generate material incremental integration costs.

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Chugach Electric Association, Inc.

## COMMUNITY ENERGY FACILITY SERVICE (CONTINUED)

N

### 5. Nonsubscriber Protection

Chugach is committed to ensuring that the costs of the community energy program are borne by program participants rather than the general membership. To the extent that costs directly and reasonably attributable to the community energy program are identifiable through Chugach's cost accounting and program administration records, Chugach shall not recover those costs from members who do not participate in the program. Where such costs are identifiable, Chugach shall allocate them to the community energy program for recovery through Subscriber fees or through a cost recovery mechanism approved by the Commission.

Chugach recognizes that certain program-related costs may be embedded in shared administrative functions, overhead allocations, or system-wide operations in a manner that makes precise identification and segregation impracticable. In those circumstances, Chugach shall use reasonable efforts to isolate and allocate program costs to the extent practicable. Chugach may petition the Commission under 3 AAC 50.980(f) for approval of an alternative cost recovery mechanism if Chugach determines that the program is producing a material adverse rate impact on non-participating members.

## SUBSCRIBER ORGANIZATION REQUIREMENTS

### 1. Website Disclosure Requirements

As a condition of interconnection, a Subscriber Organization must maintain a public Internet website that includes, at minimum:

- (a) enrollment procedures and eligibility requirements;
- (b) subscription terms and conditions;
- (c) methodology for calculating Subscriber credits;
- (d) subscription fees and exit terms; and
- (e) contact information for the Subscriber Organization;

### 2. Environmental Attributes

Chugach makes no claim to renewable energy certificates or environmental attributes generated by Subscriber Organization-owned facilities.

### 3. Metering and Production Data

Each CEF must include a meter base, furnished and installed by the Subscriber Organization in accordance with Chugach's specifications, for the installation of a utility-owned revenue meter. Chugach shall furnish, install, own, and read the revenue meter at the facility meter base, consistent with Chugach's standard metering practice. Chugach will integrate meter data into its billing system for purposes of calculating Subscriber credits.

## CURTAILMENT; PRODUCTION RISK; DISCLAIMER

N



## COMMUNITY ENERGY FACILITY SERVICE (CONTINUED)

N

Chugach may curtail output from a CEF for reasons of safety, system reliability, emergency operations, or compliance with applicable standards. Curtailment does not entitle a Subscriber or Subscriber Organization to compensation or credit adjustments, except as expressly provided in an applicable interconnection agreement.

Credits to Subscribers under this tariff are based on actual metered production. Chugach does not guarantee any level of production, credit, or economic benefit from participation in the community energy program. Chugach makes no warranty, express or implied, regarding facility output, the amount of any bill credit, or the economic value of participation.

### SUBSCRIPTION TERM; CANCELLATION; PORTABILITY

#### 1. Termination by Chugach

Chugach may remove a member from participation in a CEF under this tariff if:

- (a) the Subscriber fails to maintain an active account in good standing with Chugach;
- (b) the Subscriber's account becomes delinquent and Chugach terminates electric service;
- (c) the Subscriber enrolls in budget billing or a TOU rate program while holding a subscription;  
or
- (d) the Subscriber fails to comply with the applicable terms of this tariff;

Chugach does not have the right to terminate, suspend, or otherwise modify a subscription agreement between a Subscriber and a Subscriber Organization.

#### 2. Portability

A Subscriber may transfer an active subscription to another meter or account in the Subscriber's own name within Chugach's certificated service territory, provided the new account satisfies all eligibility requirements under this tariff. The Subscriber Organization must be notified of any requested transfer and must confirm the updated Subscriber list with Chugach.

### RESALE PROHIBITION

Nothing in this tariff authorizes a participating member to resell electric service in violation of Rule 7 of this tariff.

### TAXES

Receipt of energy credits pursuant to this tariff may result in taxable income to a Subscriber. Each Subscriber is solely responsible for the determination, payment, and reporting of applicable taxes.

### TRANSITION FROM COMMUNITY SOLAR SERVICE PRICING PILOT

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## COMMUNITY ENERGY FACILITY SERVICE (CONTINUED)

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Chugach may, upon expiration of the pilot period, incorporate the Community Solar facility into this tariff as a Project Schedule if appropriate at that time.

### NET METERING INTERACTION

Chugach reserves the right to revisit the relationship between net metering capacity limits and CEF subscriptions at the biennial nameplate capacity review, or in a separate tariff or regulatory proceeding, as system conditions warrant.

### REPORTING AND COMPLIANCE

On or before March 1 of each year, Chugach shall file a tariff advice letter with accompanying tariff sheets updating the community energy program report. The annual report should include:

- (a) the total number of interconnected CEFs;
- (b) total nameplate capacity per type of generation within Chugach's service area;
- (c) total energy fed into the grid per type of generation;
- (d) total number of Subscribers per type of generation;
- (e) the retail bill impact of subscription to the community energy program; and
- (f) any proposed rate adjustment;

Beginning March 1, 2027, Chugach shall report the updated maximum aggregate nameplate capacity for CEFs biennially in accordance with AS 42.05.727(a)(2) and 3 AAC 50.990(b).

### CHUGACH COMMUNITY ENERGY PROGRAM WEBSITE INFORMATION

Chugach shall maintain information regarding the community energy program on Chugach's public Internet website, including:

- (a) a list of CEFs available within Chugach's service area;
- (b) program eligibility requirements;
- (c) the current administrative billing fee;
- (d) the current aggregate nameplate capacity utilized and remaining capacity under the program cap; and
- (e) interconnection application instructions and applicable fees.

N