



RESOLUTION

Simplified Rate Filing – December 2019 Test Year

WHEREAS, the Chugach Electric Association, Inc. (Chugach) Board of Directors has approved the use of quarterly Simplified Rate Filings (SRF) to adjust base demand and energy rates for Chugach retail and the wholesale customer class of Seward Electric System (Seward), and the Regulatory Commission of Alaska (Commission) has authorized its use;

WHEREAS, calculations under the SRF procedures based on operating results for the test year ended December 31, 2019 indicate a Chugach system demand and energy rate increase of 1.1 percent;

WHEREAS, on an individual customer class basis and factoring changes in both expenses and sales levels, the results show demand and energy rate increases of 1.1 percent to Chugach retail and 1.3 percent to the wholesale class of Seward;

WHEREAS, the rate changes are based on a system Times Interest Earned Ratio (TIER) of 1.51, a generation and transmission TIER of 1.33, and a distribution TIER of 2.63;

WHEREAS, if the proposed SRF rate increases are approved by the Commission, the total bill to a residential customer using 600 kWh per month will increase approximately 0.7 percent, or \$0.88;

WHEREAS, the demand and energy rate increases in this SRF are capped due to limitations under the SRF regulations and, without these limitations, the system rate increase would have been 1.7 percent;

WHEREAS, if sales had remained consistent with the prior quarter, and without limitations on rate adjustments, the system rate increase would have been 1 percent;

WHEREAS, on April 1, 2019 Chugach submitted the Petition for Approvals Needed to Acquire Anchorage Municipal Light & Power and Application to Amend Certificate of Public Convenience and Necessity No. 8 to the Commission;

WHEREAS, the Commission extended the statutory timeline for issuance of a final order to rule on the acquisition until February 28, 2020; and,

WHEREAS, if Chugach's acquisition of ML&P is approved, Chugach will submit a request to the Commission to suspend participation in the quarterly SRF process, in accordance with AS 42.05.381(e) and 3 AAC 48.710(b).

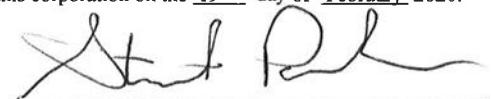
NOW, THEREFORE, BE IT RESOLVED, Chugach shall submit a December 2019 test year SRF to the Commission requesting approval to increase retail demand and energy rates by 1.1 percent and wholesale demand and energy rates to Seward by 1.3 percent for rates effective May 1, 2020;

BE IT FURTHER RESOLVED, Chugach shall submit a request to the Commission requesting approval to suspend participation in the SRF process if the acquisition of ML&P is approved.

CERTIFICATION

I, Stuart Parks, do hereby certify that I am the Secretary of Chugach Electric Association, Inc., an electric non-profit cooperative membership corporation organized and existing under the laws of the State of Alaska: that the foregoing is a complete and correct copy of a resolution adopted at a meeting of the Board of Directors of this corporation, duly and properly called and held on the 19th day of February 2020; that a quorum was present at the meeting; that the resolution is set forth in the minutes of the meeting and has not been rescinded or modified.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of this corporation on the 19th day of February 2020.



Secretary