

RESOLUTION

Simplified Rate Filing – March 2020 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, the SRF results based on the March 31, 2020 test period show demand and energy rate decreases of 0.9 percent on a system basis, 0.9 percent to the Chugach retail class, and 2.2 percent to the wholesale class of Seward Electric System (Seward);

WHEREAS, the primary driver of the reduction in rate levels is attributed to significantly higher sales during first quarter 2020 due to unseasonably colder temperatures in relation to prior test period levels;

WHEREAS, the State of Alaska and the Municipality of Anchorage have issued health mandates and emergency orders in response to the Coronavirus (COVID-19) pandemic, and Chugach has taken actions to mitigate impacts to retail members who are experiencing financial hardship, including temporary moratoriums on service disconnections and late payment fees;

WHEREAS, retail sales levels in second quarter (through May 18, 2020) are lower than both 2019 actual and 2020 budgeted levels by 2.9 percent and 4.8 percent, respectively;

WHEREAS, the second quarter reductions in electric sales are attributed, in part, to the COVID-19 pandemic and it is uncertain as to how long these impacts will persist;

WHEREAS, the SRF calculations based on the March 31, 2020 test year show the resultant ratemaking Times Interest Earned Ratio (TIER) for the retail class are below do not exceed 5 percent of authorized levels but the resultant ratemaking TIER for the wholesale class of Seward exceed 5 percent of authorized levels;

WHEREAS, the Commission regulations require demand and energy rate reductions if the resultant ratemaking TIER levels exceed 5 percent of authorized levels; and,

WHEREAS, given these events, Chugach is recommending in this SRF that the demand and energy rates for the Chugach retail class remain unchanged and that the demand and energy rates to the wholesale class of Seward be reduced by 2.2 percent.



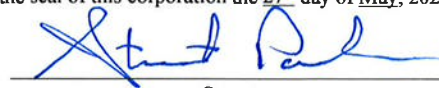
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NOW, THEREFORE, BE IT RESOLVED, Chugach shall submit a March 2020 test year SRF to the Commission requesting approval to leave demand and energy rates to the Chugach retail class unchanged and to reduce the demand and energy rates to the wholesale class of Seward Electric System by 2.2 percent for rates effective August 1, 2020.

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 27th day of May, 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 the 27th day of May, 2020.


Secretary