

RESOLUTION

Approve Acquisition Integration Spending Budget for August 2020

WHEREAS, on June 17, 2020, the Chugach Board of Directors accepted the conditions and modifications to Chugach's acquisition of substantially all of ML&P's assets ("Acquisition") imposed by the Regulatory Commission of Alaska ("Commission") in Order U-18-102(44)/U-19-021(39)/U-19-021(39) ("Final Order") as not being materially adverse to the Association;

WHEREAS, on July 8, 2020, the Chugach Board of Directors approved amendments required by the Final Order to the Asset Purchase and Sale Agreement ("APA"), the Eklutna Power Purchase Agreement ("Eklutna PPA"); and the Payment in Lieu of Taxes Agreement; as well as the agreement to terminate the Beluga River Unit Fuel Agreement;

WHEREAS, Chugach management has and continues to provide information to the Chugach Board of Directors on all costs associated with the Acquisition and integration of ML&P into the Chugach system, and has and continues to represent that those Acquisition and integration costs are prudently incurred for a successful close and transition to a single combined utility;

WHEREAS, Chugach management has provided information and represented that additional funds are necessary through February 2021 to complete the integration program;

WHEREAS, the Chugach Board of Directors has instructed Chugach management not to spend additional funds on integration absent pre-approval from the Board on a monthly basis and believes that month-to-month review and authorization of such integration costs is reasonable and prudent under the circumstances;

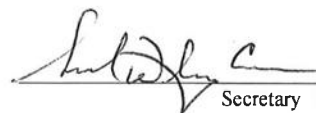
WHEREAS, Chugach management has provided information and represented that additional funds are necessary for the month of August 2020 in order to keep integration efforts on track for successful operation as a single combined utility after Close;

NOW, THEREFORE, BE IT RESOLVED, the Chugach Board of Directors authorizes the Chief Executive Officer to spend up to \$2.6 million on continued integration efforts for the month of August 2020 as discussed in executive session. Pre-approval authorization from the Board of Directors shall continue to be necessary for additional integration funds on a month-to-month basis.

CERTIFICATION

I, James Henderson, 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 22nd day of July 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 22nd day of July 2020.



Secretary Pro Tem