

## RESOLUTION

### Proposal to Acquire the Assets of Seward Electric System

WHEREAS, on August 17, 2022, the City of Seward (“Seward”) issued its Request for Proposal (“RFP”) soliciting bids from parties interested in acquiring the assets of Seward Electric System (“SES”);

WHEREAS, Chugach Electric Association, Inc. (“Chugach”) has furnished generation and transmission service to SES under various contractual arrangements since July 1, 1961;

WHEREAS, Chugach has determined that under certain conditions and for a reasonable price (subject to adjustment based on due diligence activity) the acquisition of the assets of SES would benefit both Chugach’s membership and SES’s ratepayers;

WHEREAS, Chugach has engaged an outside consultant to assist in the valuation of SES’s assets in order to determine an appropriate purchase price for the assets of SES;

WHEREAS, Seward’s RFP requires all proposals to be submitted under seal by September 7, 2022;

WHEREAS, after review with Chugach management and consultants, the Board of Directors has arrived at a proposal, with conditions, it believes is reasonable and in the interest of its membership;

WHEREAS, although a non-binding proposal must be submitted by September 7, 2022, it is understood that the binding terms and conditions of the acquisition will be negotiated and included in an Asset Purchase Agreement that will be brought back to the Board of Directors at a future date for final approval after completion of necessary due diligence and prior to execution of the final agreement.

NOW THEREFORE BE IT RESOLVED, the Board of Directors authorizes the Chief Executive Officer to submit a non-binding, conditional Letter of Intent (LOI) for the potential acquisition of the assets of SES on terms and conditions similar to those as discussed in executive session on August 30, 2022;

BE IT FURTHER RESOLVED, Chugach’s LOI shall remain confidential until such time as Seward has opened the LOI or Chugach’s LOI has expired by its terms, whichever occurs first;

BE IT FURTHER RESOLVED, if Chugach’s proposal is selected, the Board of Directors authorizes the Chief Executive Officer to conduct necessary due diligence and negotiate an Asset

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Purchase Agreement with Seward for the purchase of all of the assets of SES on terms and conditions similar to those discussed in executive session on August 30, 2022;

BE IT FINALLY RESOLVED, the Chief Executive Officer will bring the negotiated Asset Purchase Agreement back to the Board of Directors for final approval prior to execution.

#### CERTIFICATION

I, Samuel Cason, 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 30th day of August, 2022; 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 30th day of August 2022.

  
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Secretary