

RESOLUTION

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**Amendments to Asset Purchase Agreement and PILT Agreement
related to the Acquisition of Anchorage Municipal Light & Power**

WHEREAS, on December 19, 2018, the Chugach Electric Association, Inc. ("Chugach") Board of Directors authorized the Chief Executive Officer to execute and deliver the Asset Purchase Agreement ("APA"), the Eklutna Power Purchase Agreement, the Beluga River Unit Fuel Agreement, and the Payment in Lieu of Taxes Agreement ("PILT Agreement") (collectively, the "Transaction Agreements") by and among Chugach and the Municipality of Anchorage ("MOA") (Resolution No. 12 01 18);

WHEREAS, Chugach and the MOA have agreed to certain modifications to the APA and the PILT Agreement ("Transaction Amendments");

WHEREAS, the APA amendment establishes a price adjustment mechanism to effectuate the intent of the parties that Municipal Light & Power's ("ML&P") net book value of assets upon Close would be equal to \$715.4 million. In this regard, to the extent ML&P's net book value of assets upon Close is below \$715.4 million, the Upfront Payment will be reduced by the difference between \$715.4 million and the net book value calculated at Close. To the extent ML&P's net book value of assets upon Close is greater than \$715.4 million, the Upfront Payment will be increased by the difference between the net book value calculated at Close and \$715.4 million;

WHEREAS, as a result of the APA amendment, the Upfront premium Chugach is paying to the MOA above net book value shall be fixed at \$48.7 million;

WHEREAS, the APA amendment also establishes a mechanism through which Anchorage Water and Waste Water Utility ("AWWU") can pay or provide replacement energy for energy generation lost with respect to AWWU's taking of water allocation. To the extent energy is replaced in kind, such provision of replacement energy shall be subject to Chugach's interconnection tariff provisions;

WHEREAS, the PILT amendment clarifies and effectuates the original intent of the parties with respect to the calculation of Chugach's annual PILT payment obligation to be substantially the same as the current Municipal Utilities Service Assessment ("MUSA") charge to ML&P;

WHEREAS, Chugach management has represented that these Transaction Amendments are in the best interests of Chugach and do not negatively impact Chugach's ability to achieve a minimum utility net savings of \$110 million net present value over 40 years as a result of the transaction;

WHEREAS, the Board of Director previously authorized the Chief Executive Officer to execute the Transaction Agreements without substantive changes from the form attached to Resolution 12 01 18 and further authorized the Chief Executive Officer to take all such other actions as he deems necessary, desirable, advisable or appropriate to consummate, effectuate, carry out or further the transactions contemplated by, and the intent and purposes of, the Resolution 12 01 18;

WHEREAS, Chugach management has represented that the Transaction Amendments do not constitute substantial changes from the original form of the APA and the PILT Agreement;

NOW THEREFORE BE IT RESOLVED, the Board of Directors authorizes the Chief Executive Officer to execute and deliver the Transaction Amendments in substantially the same form as described above and discussed in executive session;

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BE IT FURTHER RESOLVED, that following execution and delivery of the Transaction Amendments, the Chief Executive Officer be, and hereby is, authorized and empowered to take such further action and to execute and deliver (or delegate the execution and delivery of) all such further agreements, certificates, instruments and documents, in the name and on behalf of Chugach; to pay or cause to be paid all expenses; to take all such other actions as the Chief Executive Officer shall deem necessary, desirable, advisable or appropriate to consummate, effectuate, carry out or further the transactions contemplated by, and the intent and purposes of, the foregoing resolutions; and that any and all such actions heretofore or hereafter taken by the Chief Executive Officer hereby are, adopted, affirmed, approved, and ratified in all respects as the act and deed of Chugach Electric Association, Inc.

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 3rd day of September, 2019; 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 3rd day of September, 2019.


Secretary