



## RESOLUTION

### **Discounting for 2025 and 2026 Retail Capital Credit Payments**

WHEREAS, Chugach Electric Association, Inc. (Chugach or Association) Board Policy 304 provides for the retirement of retail capital credits on a discounted basis for estate payments and to former Chugach members who are no longer receiving electric service;

WHEREAS, Chugach received a Private Letter Ruling from the Internal Revenue Service stating that the discounting of capital credits as provided for under Board Policy 304 does not jeopardize Chugach's tax-exempt status;

WHEREAS, Chugach's Bylaws require capital credit retirements be approved by the Chugach Board of Directors;

WHEREAS, amounts available for discounted capital credit payments can be increased or decreased at the discretion of the Chugach Board of Directors;

WHEREAS, estate and other early payments will be made throughout 2025, and Chugach Board of Director approval of each specific early retirement would cause delay in issuing payments; and,

WHEREAS, the discounting of retail capital credit payments for estates and former members who are no longer receiving electric service on Chugach's system in an amount up to \$350,000 in 2025 will not impair the financial condition of the Association and will be calculated in accordance with Board Policy 304.

WHEREAS, the Chugach Board of Directors on November 20, 2024, authorized discounted capital credit payments in 2025 in an amount up to 350,000, and

WHEREAS, Chugach has paid and accepted offers to pay discounted capital credits of \$342,357 from January 1, 2025, to October 21, 2025, and recommends increasing the authorized funds for 2025 discounted capital credit payments by \$50,000, and,

WHEREAS, estate and other early payments will be made throughout 2026, and Chugach Board of Director approval of each specific early retirement would cause delay in issuing payments; and,

WHEREAS, the discounting of retail capital credit payments for estates and former members who are no longer receiving electric service on Chugach's system in an amount up to \$400,000 in 2025 will not impair the financial condition of the Association and will be calculated in accordance with Board Policy 304.

NOW THEREFORE, BE IT RESOLVED, Chugach shall make early payments of retail capital credits for estate payments and former members who request early retirements in the actual discounted amount, not-to-exceed \$400,000 in cash payments for 2025 and 400,000 in 2026.

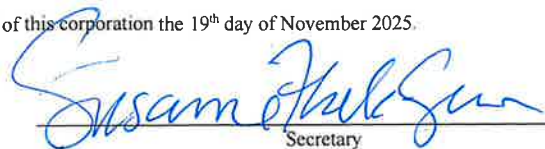


BE IT FURTHER RESOLVED, before receiving payment under this plan, any member with an outstanding electric debt balance will be required to first pay the outstanding debt or acknowledge the capital credit payment will be reduced by the amount necessary to satisfy the outstanding debt.

**CERTIFICATION**

I, Susanne Fleek-Green, do hereby certify that I am the Secretary of Chugach Electric Association, Inc., an electric not for 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 19<sup>th</sup> day of November, 2025; 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 19<sup>th</sup> day of November 2025.

  
Secretary