

RESOLUTION

Suspension of the Cents of Community Program

WHEREAS, on May 19, 2023, the members of Chugach Electric Association, Inc. (Chugach) approved a bylaw amendment adding Article XII, Miscellaneous, Section 3. Utility Bill Round Up Program to authorize a voluntary bill round-up program;

WHEREAS, *Cents of Community* was formed as a voluntary bill round-up program that allows members to donate funds by rounding their monthly bills to the nearest dollar, resulting in a contribution of between \$0.01 and \$0.99 per month, with an average contribution of approximately \$6.00 annually, and proceeds being used to benefit local 501(c)(3) nonprofit charitable organizations;

WHEREAS, contributions from *Cents of Community* were to be remitted to an independent charitable foundation overseen by a volunteer, seven-member Board of Trustees;

WHEREAS, on November 20, 2024, the Chugach Board of Directors approved the Articles of Incorporation and Bylaws for the Chugach Electric Association Charitable Foundation (Foundation) and authorized the Chief Executive Officer to take the necessary steps to form the Foundation;

WHEREAS, Matanuska Electric Association, Inc. (MEA) and Golden Valley Electric Association, Inc. (GVEA) have operated virtually identical opt-out bill roundup programs for approximately 15 years without legal challenge;

WHEREAS, at the time MEA and GVEA implemented their bill round up programs the State of Alaska's Attorney General's Office issued a letter stating that it did not intend to take any action to interfere with those programs and has in fact taken no such action for 15 years;

WHEREAS, the program is designed to reflect the cooperative principle of "Concern for Community" and Chugach's ongoing commitment to improving the quality of life in the communities it serves;

WHEREAS, despite the voluntary nature of *Cents of Community*, widespread national adoption of similar programs by other cooperative utilities, the Attorney General's longstanding neutral position and lack of interest in MEA's and GVEA's identical programs, as well as the potential community benefit being created, the Attorney General's Office has changed its position and is now challenging the constitutional and statutory legality of such programs; and

WHEREAS, although Chugach believes the legal concerns expressed by the Attorney General are unfounded, the Attorney General's legal positioning has created unacceptable program risk and increased financial exposure to the Association;

NOW, THEREFORE, BE IT RESOLVED, that the Chugach Board of Directors hereby suspend the collection of funds for a period of three months, and that the implementation of the Cents of Community



Program be returned to the Board for approval after all legal considerations have been appropriately addressed;

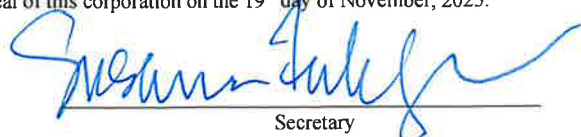
BE IT FURTHER RESOLVED, that the Chugach Board of Directors acknowledges and appreciates the membership's support for the program and expresses its continued commitment to pursuing opportunities that align with Chugach's mission and cooperative principles; and

BE IT FINALLY RESOLVED, that Chugach Electric Association, Inc. remains committed to exploring and developing alternative initiatives to support charitable and community efforts within its service territory.

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 19th 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 on the 19th day of November, 2025.


Secretary